

Dear Sir,

With reference to the public notice issued by the Telangana Electricity Regulatory Commission (TGERC) proposing to reduce the tariff under the PM-KUSUM Scheme from ₹3.13 per unit to ₹2.98 per unit on the grounds of GST reduction, we would like to respectfully submit our objections.

The Power Purchase Agreement (PPA) executed between the parties clearly specifies the tariff as ₹3.13 per unit. Once the PPA has been executed, it is neither fair nor legally justified to unilaterally reduce the agreed tariff to ₹2.98, as it is contrary to the terms of the executed agreement and the applicable guidelines.

While it is true that GST on certain solar equipment has been reduced to 5%, the overall cost of establishing solar power projects has increased significantly due to higher prices of solar equipment, raw materials, transportation, labour, financing, and other construction-related expenses. The investment required for a 2 MW solar power plant has increased by approximately ₹80 lakhs. Therefore, the reduction in GST has not reduced the overall project cost; instead, the total project cost has increased substantially.

The beneficiaries invested in these projects and obtained bank loans based on the tariff of ₹3.13 per unit as specified in the executed PPA. Any reduction in the tariff at this stage would severely affect the financial viability of the projects and cause significant hardship and injustice to the beneficiaries.

In view of the increased project costs, we respectfully request the Commission to consider revising the tariff upward to ₹4.00 per unit instead of reducing it.

We kindly request you to consider our objections and take an appropriate decision in the interest of the beneficiaries.

Thank you.

Yours faithfully,

****Name:** Thota Srinivasulu**

****PPA Holder No.:** 198/2025-2026**

****Date:** 29/06/2026**