

To
The Hon'ble Chairman and Members,
Telangana Electricity Regulatory Commission (TGERC),
Hyderabad, Telangana.

Respected Sir/Madam,

We respectfully request you to reconsider the tariff of ₹2.98/kWh per unit, as ₹3.13/kWh itself is already not financially viable considering the Increased material costs and other fact an overall project cost has increased around 15% .These increases have absorbed and exceeded the financial benefit arising from GST reduction.

The GST reduction applies only to the taxable value of specified goods and services.

However, the overall project cost includes several components that are either non-GST items or are unaffected by the GST reduction, including:

- Land acquisition/lease costs
- Land development
- Internal roads and drainage
- Transmission line and evacuation infrastructure
- Bay extension charges
- Statutory approvals
- Financing costs
- Interest during construction
- Insurance
- Operation & Maintenance costs

Consequently, the reduction in GST affects only a limited portion of the total project cost and cannot justify a reduction of 15 paise per unit throughout the entire 25-year tariff period.

Component	Earlier	Current
Solar Modules	Base Price	Increased around 20%
Steel Structures	Baseline	Increased by 20–40%
Copper Cables	Baseline	Increased significantly
Transformers	Baseline	Increased due to raw material escalation
Freight	Baseline	Increased because of fuel and logistics costs

In view of the above facts, we respectfully request to:

1. Continue the approved tariff of ₹3.13/kWh for projects awarded under the existing scheme.
 2. Consider the overall increase in project costs, financing costs, inflation, and long-term operational expenditure rather than only the reduction in GST.
- The proposed tariff reduction, based solely on GST revision, does not reflect the actual economics of renewable energy projects and would adversely affect project viability, debt servicing, investor confidence, and the successful implementation of renewable energy projects in Telangana.

Respectfully,
Veera Prem Sai Koppaka.
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