

Respected Sir/Madam,

With reference to the above-mentioned PM-KUSUM Component-A Solar Power Project, it is submitted that any reduction in the approved tariff will have a direct adverse impact on the financial viability of the project and the livelihood benefits intended for the farmer/project developer.

The project has been developed by investing substantial capital towards procurement and installation of solar PV modules, module mounting structures, inverter systems, transformers, electrical equipment, civil works and other infrastructure. The project cost has already increased due to escalation in the prices of major components and execution costs.

The tariff approved under the project was calculated considering the prevailing project cost, loan repayment obligations, operation and maintenance expenses and a reasonable return to the farmer/project developer. Any reduction in tariff will reduce the annual revenue generated from the solar plant, making it difficult to recover the investment and meet financial commitments.

The PM-KUSUM scheme is aimed at providing additional income support to farmers by enabling them to generate renewable energy from their land. Reduction in tariff will directly reduce the benefit received by the farmer and may affect the economic sustainability of the project.

Further, farmers/project developers have taken financial risks by arranging funds and investing based on the approved tariff and PPA terms. A reduction in tariff after project commitment will create additional financial burden and may discourage participation of farmers in renewable energy projects.

Therefore, considering the increased project cost, financial obligations and the objective of PM-KUSUM to support farmers, it is requested that the approved tariff may kindly be maintained without reduction to ensure the viability of the project and protect the interests of the farmer.

Thanking you,

Yours faithfully,

Mora Raviteja  
Project Developer  
TG/PM KUSUM-A/24-25/01188  
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