



The Federation of Telangana Chambers of Commerce and Industry

(Formerly known as FTAPCCI)

Empowering Industry, Commerce & Trade

Registered under the Companies Act, 1956

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CIN U91110TG1964NPL001030

Karunendra S.Jasti
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April 30, 2020

Sri K. T. Rama Rao,
Hon'ble Minister of MA&UD, Industries & IT E&C
Government of Telangana
5th Floor, Burgula Rama Krishna Rao Bhavan,
NH 44, Hill Fort, Adarsh Nagar,
Hyderabad, Telangana 500063

Sub: Covid-19- seeking relief measures on power bills – Reg.

Ref: 1. letter dated April 17, 2020

2. G.O. MS. No. 4 of Industries & Commerce Dept, Govt of Telangana dated 22/04/2020

Dear Sir,

Greetings from FTCCI!

Referring to the subject cited, we thank you for considering our request to provide relief towards Energy bills, keeping in view the difficult times for industry and businesses due to Covid-19 lockdown.

The relief given to industry in Telangana vide Ref.2 is providing minimal relief as the government considered only deferment of fixed charges till May 31, 2020. The G.O. says the fixed charges for the lockdown period shall be deferred till 31/05/2020 without any penalty and interest.

Let us consider **Situation:** where the lockdown is lifted on May 8, 2020 and all industries and commercial establishments are allowed to operate fully as in the normal times.

The industries and commercial entities are closed from March 22, 2020. The billing cycle starts from, let us assume, on 18th of every month. So, for April billing month the unit functioned for 4 days as the lockdown started from March 22, and for May month the unit would operate for 10 days only. (closed from April 18 to May 7)

This means that the industry is gaining 21 days time to pay April month bill and practically no time extension for May month bill as due date falls on June 9, 2020.

How a 21 day time extension to pay the bill gives any relief to the industry is beyond our comprehension.

The unit is closed effectively for 41days as on today i.e. May 1st 2020 and the government has given only 21 days time to generate revenues and pay the bills!

Sir, we hereby give you examples on why it is difficult to pay the fixed charges for the lockdown period for your assessment and consideration:

Any industrial or commercial establishment on HT connection requires paying fixed charges for 80% of the CMD @ Rs 390 per KVA.

Exmple 1:

An industrial unit with CMD of 1000 KVA needs to pay following charges:

Fixed charges for the month of April = $800 \times 390 = \text{Rs. } 3,12,000$

Fixed Charges for the month of May = $3,12,000$

Electricity charges – as per actual consumption.

Thus, even when the unit is closed, they are asked to pay fixed charges of 6,24,000 + energy charges +electricity duty @0.06 ps per unit.

Example 2:

An Unit with CMD of 10000 KVA pays 8000×390 per KVA = Rs. 31,20,000 per month

For April and May the unit requires to pay 62,40,000 + energy charges + electricity duty @0.06 ps per unit

Thus, the industrial and commercial establishments, big or small, end up paying huge amounts towards fixed charges immediately after lifting of lockdown and this leads to severe financial crunch and affects their business activities negatively.

Realizing the difficulty and near impossibility of paying the large amounts towards fixed charges, the governments of Maharashtra, Gujarat and Punjab announced waiver of fixed charges for the lockdown period and extension of time for three months from lifting of lockdown to pay the energy bills without interest and penalty.

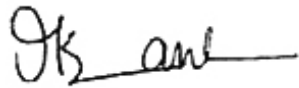
Sir, we request you to extend similar support in the State of Telangana and waive the fixed charges for the lockdown period for all industries and commercial establishments and also extend time for the payment of April and May bills till June 30, 2020.

We also request you that fixed charges be calculated on pro-rata basis for the months of April and May, as it surely takes some time for the industries to get back to their normal operations' levels.

Your support goes a long way in winning the confidence of trade and industry in the State and motivates them to work with renewed energy

Thank you

Yours sincerely,

A handwritten signature in black ink, appearing to read 'JK ant', with a horizontal line extending from the end.

Karunendra S. Jasti
President, FTCCI
M: 9849032244