



# 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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April 17, 2020

**Sri Guntakandla Jagadish Reddy**

Honorable Minister of Energy  
Government of Telangana,  
TSSPDCL  
Corporate Office, #6-1-50  
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Mint Compound  
Hyderabad

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

At the outset we appreciate and commend the measures taken by the government of Telangana to control the impact of pandemic Covid-19 and we extend our complete support and cooperation to make the efforts fruitful and secure the State from spreading of disease.

You are aware that all the industrial units work on a precarious state of finances and any minor disruptions in their regular flow of works will upset their production and cash flows and is harmful for the overall health. While the loss and difficulties of workers and employees is predictable, it is equally difficult for the large scale and MSME units and businesses to pay the salaries and wages, utility bills such as power & water, by taking additional loans while foregoing the production and revenues.

With the lockdown extended till May 3, 2020, now the total number of days under lockdown is 40 days. Majority of the industries and commercial establishments, other than essential items, are closed and the situation is so extraordinary that, there is no certainty of when these things become normal.

The industry stakeholders need working capital and they are looking at interventions either from banking sector in easing out of norms or they will be looking at support through reduction of taxes, reliefs in utility bills, waiver of penalties, interests etc.

The government of India and RBI has announced slew of measures to ease the burden on industry and business during these difficult times and we are looking forward for the relief measures from Government of Telangana

In this context, we request you to provide relief to the electricity consumers of industrial and commercial categories as they have shut the production / business operations due to lockdown. Many States have already announced relief measures to industrial and commercial consumers' categories such as- Waiver of fixed demand charges, waiver of minimum consumption charges and billing based on actual consumption

*The reason for quick announcements by different States is illustrated by a small example which is self explanatory to assess how much financial burden the units have to take in the absence of relief:*

A HT-1 industry on 33 KV is required to pay, under normal circumstances:

Minimum fixed charges of 80% of CMD and

Fixed energy charges of 50 units per KVA of Minimum CMD (80% of connected load)

For example Unit A's CMD is 10000 KVA and it is closed due to lockdown. It has to pay:

Fixed Demand Charges: at 80% -  $8000 \times 390$  per KVA = Rs. 31,20,000

Minimum Fixed energy charges:  $8000 \times 50$  units per KVA @ Rs. 6.15 = 24,60,000

Electricity duty @ 0.06 paise : 24000

Thus, even when the unit is not operating and shut down its operations completely, it has to pay Rs. **56,04,000/-**

Sir, the need of the hour is to protect the industry from becoming sick, so that they start their operations after lockdown without facing financial troubles.

In this context we request you to consider providing following reliefs to the industrial and commercial consumers in Telangana State:

- To extend the last date for payment of electricity bills of March and April 2020 till May 30, 2020 without interest and penalties for delayed payment
- To collect the CMD charges on pro-rata basis of energy consumption for next six months or till the situation gets back to normalcy and the industry and businesses become fully operational

- To collect the electricity charges only on their actual electricity usage and waive the minimum consumption charges per KVA
- To waive the electricity duty for all categories of consumers
- To give installment facility for payment of bills without interest and penalties for the industries to recover from revenue losses

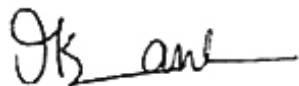
Many States have already announced relief measures providing breathing space to industrial and commercial consumers in these difficult times and we hope and trust that Government of Telangana will provide all the support needed.

Your timely intervention and support not only save the industries but also help protecting the employment of scores of people depending on industry and businesses, directly and indirectly.

Thank you

Look forward for your timely intervention and relief.

Yours sincerely,



Karunendra S. Jasti

President

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