

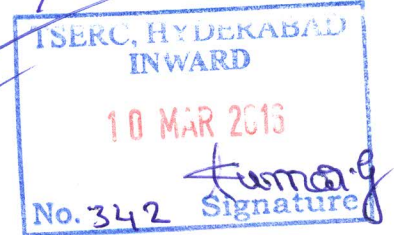


TELANGANA SPINNING & TEXTILE MILLS ASSOCIATION

(CIN : U74900TG2015NPL098595)

Sri. Ismail Ali Khan Ji,
Chairman,
Telangana State Electricity Regulatory Commission,
#11-4-660, 5th Floor, Singareni Bhavan,
Red Hills, Lakdi-ka-pul, Hyderabad – 500 004

Dt: 09.03.2016



Dear Sir,

Sub: - Energy Tariff for FY 2016-17 & Request for a Separate Category for Spinning Mills

We would like to put before you following points with a request for a favourable consideration.

We refer Draft Telangana Textile and Apparel Policy 2015-2020 (T-TAP Policy) wherein Government of Telangana have proposed a separate category for Spinning & textile units to promote and encourage Spinning & Textile Activity in the state. If a separate category is given to Spinning & textile units it will result in all round development and growth of Spinning & Textile Industry in Telangana.

Separate Category for Spinning Mills

Hence as ERC for the state, we request you to create a single tariff for spinning & textile units as it an energy intensive industry with Power being 40% of the manufacturing cost.

We request you to abolish the demand charges and create a separate single tariff by bringing the Spinning industry under separate Category with no additional charges in form of TOD (Time of Day) Tariff.

We request you to consider a separate Categorization for Spinning Mills while finalizing the Tariff for 2016-17. We had requested for the same to the government who have considered it positively and have included the same proposal in their draft Textile and Apparel Policy 2015-2020 (T-TAP Policy).

CHAIRMAN PESHI
No : 250
DATE : 11/3/16

MT-204
11/3/16

MEMBER (F) PESHI
No : 214
DATE : 12/3/16



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Why Special Category for Spinning & Textile Units

The key profile and characteristics of Spinning & Textile units are provided below:

- The Spinning & Textile units have a cumulative connected load of around 100 MW and consumer around 300 MU a year.
- Most of the consumers are at 33kV.
- They operate at an average load factor of over 85% and operate 24x7 all through the year.

Load curve all through the day and year is uniform and hence are a beneficial factor to the Discom grid in the load management.

The Spinning and Textile units are most suitable for separate categorisation on following grounds:-

- The Spinning and Textile units are power intensive and cost of power constitutes around 40% of the production cost.
- They operate at an average load factor of over 85% and operate 24x7 all through the year. Any increase in tariff would be highly unviable and units cannot survive with high power cost.

Considering the load profile and consumption characteristic of the Spinning & Textile units, We once again request you to approve a Spinning & Textile industry under separate Category with no additional charges in form of TOD (Time of Day) Tariff.

We hope you would once again consider our above humble request and announce a separate category for Spinning Mills.

Thanking you,

Yours sincerely
For Telangana Spinning & Textile Mills Association

R.K. Agarwal
(Chairman)