



TELANGANA SPINNING & TEXTILE MILLS ASSOCIATION

(CIN : U74900TG2015NPL098595)

Date: 05.03.2025

The Honourable Chairman

TGERC, Vidyut Niyantran Bhavan
Kalyan Nagar, GTS Colony, Hyderabad.

Respected Sir

We thank you for inviting us to State Advisory Board, SAC Meeting of Stakeholders of Telangana state.

The Spinning Industry is the backbone to the whole Textile Industry. It provides employment to hundreds of thousands directly or indirectly. Spinning industry is providing direct employment to almost 40000 people and indirectly to almost more than 2 million farmers and 2 lakhs workers in Ginning & Pressing and other allied industry. Spinning Industry is one of the few industries which can provide lakhs of jobs for uneducated and rural women. Spinning industry has been suffering earlier due to continuous glut in the export market which was mainly caused due to Chinese policy and the advantages our competing Nations avail in all the major international textile markets particularly EU, China, American countries, etc., due to duty-free access or minimal duty advantage when compared to India. The ongoing political fallout and wars between Ukraine -Russia & have led to uncertainty across World, leading to reduced demand for Textiles & added pressure on prices and negative margins making many mills unviable and not able to survive and becoming NPAs.

Power is second most costly input for the spinning industry after raw material at 40% of cost of production and a competitive power tariff is most essential for the spinning Industry to sustain and survive.

We request you to kindly consider the following points sir:

1. We request you to kindly release the Operational Guidelines for Telangana - Clean and Green Energy policy 2025 as this will enable the mills to install renewable energy plants as per the policy of the State.



TELANGANA SPINNING & TEXTILE MILLS ASSOCIATION

(CIN : U74900TG2015NPL098595)

2. The Wheeling Charges should be on the basis of energy units generated or consumed, not on load as the plant load factor is only 17-30% in Renewable energy, as compared to 75% in Thermal Energy.
3. The commission can nudge the Discoms should announce and implement Load Factor incentive as this will promote energy efficiency and incentive to the energy intensive industry to consume energy from Discom rather than Open Access.
4. The Rate of Interest on Delayed Payments Surcharge (DPS) is 18% per annum which was formulated almost 20-25 years ago while consumers hardly are given 5-6% on their deposit. The commission should review the rate of interest charged on DPS as per current time of interest charges and it should be linked to RBI repo rate.
5. The Cross Subsidy Charges (CSS) as per National Energy Policy 2003 and subsequent Energy Policy had clearly mentioned that CSS should be progressively reduced and completely eliminated in a definite period of time but unfortunately Discoms are charging CSS at 20% or more of the energy charges, ignoring the directive of reducing the CSS progressively and completely eliminate CSS in coming years on a priority basis. The commission needs to take steps to slowly but surely reduce CSS and completely eliminate CSS in planned timeline

We thank you for giving us the time at the hearing of TGERC State Advisory Committee.

We are positive that with your dynamic nature and support for Rules and Regulations will result in balanced approach for Discom and consumers and result in Happy and Progressive Energy Sector for Telangana

Thanking you,

Yours sincerely,

For Telangana Spinning & Textile Mills Association


Sushil Sancheti
Secretary