



SMS Lifesciences India Limited

Registered & Corporate Office :

Plot No. 19-III, Road No. 71,
Opp. Bharatiya Vidya Bhavan Public School,
Jubilee Hills, Hyderabad - 500 096, Telangana, INDIA.
Tel : +91-040-6628 8888, Fax : +91-40-2355 1401
CIN : U74930TG2006PLC050217.
Email : info@smslife.in, www.smslife.in

The Commission Secretary
Telangana State Electricity Regulatory Commission,
Red Hills, Hyderabad

Respected Sir,

Sub : Public Notice in the matter of Additional Surcharges.

Ref : 1. No – I.A. No 22 of 2017 in O.P. No 22 of 2016

2. Our Service No. MDK 586, 11 kV feeder. (Division of SMS
Pharmaceuticals Limited)

With reference to the subject cited, we bring to your kind selves that we object for the Additional Surcharges to be proposed on power drawn thru open access consumption for the year of 2017-18. Overall we are paying to TSSPDCL per unit of power drawn thru open access is about Rs.2.40 (Cross subsidy, Wheeling, NOC, account opening, filed report and RPO charges etc) in addition to power purchase. The main reasons for objecting the proposed additional surcharges are;

- 1.0 We are paying Rs.40.00 lakhs per annum on account of Wheeling charges for the power consuming thru open access.
- 2.0 We are paying NOC charges Rs.0.60 lakhs TSSPDCL and Annual subscription fees of Rs.1.18 lakhs to IEX.
- 3.0 Cross subsidy charges Rs.1.65 per unit for power consuming thru open access, for which we are paying Rs.111.00 lakhs per annum.
- 4.0 Renewable obligation charges are about Rs.5.37 lacs per year.
- 5.0 Total overall costing to us is about Rs.158.00 lakhs per year.
- 6.0 In addition to the above, we are spending Rs.6.00 lakhs per month due to interruption of power supply from TSSPDCL on account of Diesel cost.

We further inform you that to sustain in the high competitive market, we need to reduction the overhead cost. Thru open access we are getting benefits minimum Rs.0.25 to maximum Rs.1.00 per unit after considering all charges which are paying Rs.2.40 per unit to TSSPDCL. If Additional Surcharges are imposed, it is very difficult to meet overheads of the company thereby ignore the purchase of power thru open access. As you are aware that overheads are increasing from time to time, it is very difficult to run the industry thereby effect the industrial growth and reduces Gross domestic production (GDP) as production cost increases.

You are kindly requested to not be levied any Additional Surcharges on power purchase thru open access and give support to industry for the cost reduction initiatives.

Yours faithfully,
For SMS Lifesciences India Limited

Authorized Signatory