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**ಕೆನರಾ ವಾಣಿಜ್ಯ ಮತ್ತು ಕೈಗಾರಿಕಾ ಸಂಸ್ಥೆ**

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**Press Release**

**Hike in Power Tariff amidst Pandemic and Lockdown**

The MSMEs has borne the major brunt of the Pandemic and the Lockdown. Due to the continuously lockdown during the first wave and once again from 23<sup>rd</sup> April till date, there is no revenue for MSME. However, MSME have no other go than to pay various expenses, including salary, interest on debts, rent, security and other expenses which are fixed in nature. As there is no work for majority of the workers, the purchasing power is also affected. During such difficult times increase in the Electricity Tariff is like rubbing salt to the wounds. The Government should have been considerate to reduce the tariff during these challenging times.

The tariff fixing method as per the regulations may be appropriate during the normal business times. However, during pandemic and the high increase in all cost, increase in power tariff would hit a severe blow to the MSMEs. The tariff regulation permits a Return of Equity of nearly 20%. When the MSME are collapsing, it would be illogical to charge 20% on return on equity. The Government should have suitably modify the Electricity Tariff regulations to be suitable during the pandemic times.

As majority of the Power Generation, Transmission and Distribution entity is owned by State Government, we request the State Government to consider the plight of the MSME and direct the Power entity to charge a lower tariff than what is prescribed by the tariff regulations. Such proactive measures is required to sustain the economic activities.

Thanking you

Yours faithfully,

**For Kanara Chamber of Commerce and Industry**

**ISAAC VAS**  
**PRESIDENT**  
**DIN 00712781**

Affiliated to :

Federation of Indian Chambers of Commerce & Industry, New Delhi,  
Federation of Karnataka Chambers of Commerce & Industry, Bangalore,  
Confederation of Indian Industry, (Southern Region), Bangalore/Chennai,  
Bangalore Chamber of Industry & Commerce, Bangalore &  
Indian Merchants' Chamber, Mumbai.