



**KERALA STATE ELECTRICITY BOARD Ltd**

(Incorporated under the Companies Act, 1956)

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**ABSTRACT**

Monetisation of spare dark fibres (OPGW) of KSEBL deployed as part of KFON Project - Proposal submitted - Orders issued.

**CORPORATE OFFICE (IT,CR&CAPs)**

B.O.(FTD) No.370/2024 (CEIT/RITU/KFON/Lease of Fibres/2024-25) Thiruvananthapuram.

Dated:16-08-2024

- Read :
1. Joint Venture Agreement executed between KSEBL, KSITIL & GoK.
  2. Letter No.CESO/Tech/Reliable Communication/OPGW/23-24/1070 dated 04.09.2023.
  3. Note No. CEIT/RITU/KFON/Lease of Fibres/2023-24 dated 18.09.2023 to the Full Time Directors.
  4. Letter No. CESO/Tech/Reliable Communication/OPGW/2023-24 /612 dated 14.11.2023 of Chief Engineer (Trans.-System Operation).
  5. Note No.CEIT/RITU/KFON/Lease of Fibres/2023-24 dated 20.01.2024 submitted to CMD,KSEBL
  6. Minutes of the meeting held on 05.04.2024 between KSEBL & KFON.
  7. B.O(FTD)No.212/2024(D(T&SO)/T4/SO/OpticFibreleasing/2024-25) dated 07.05.2024.
  8. Note No.CEIt/RITU/KFON/Lease of Fibres/2024-25 of Chief Engineer(IT,CR&CAPs) submitted to Full Time Directors dated 19.07.2024 (Agenda No.23/7/24).
  9. Minutes of meeting of Full Time Directors held on 19.07.2024 vide resolution no.FTD/5/2024/23.

**ORDER**

As directed by the CMD of KSEBL during the IT review meeting on 24<sup>th</sup> July 2023, a draft proposal for monetizing the spare dark fibres (OPGW) deployed by KSEBL as part of the KFON Project was prepared with the following key points:

- Minimum Lease Rate for OPGW fibre excluding taxes may be ₹12,771/- per KM/fiber/Annum for the year 2024-25 (prepared based on the EoI published by KFON). For further period, a yearly hike on the lease rate on the OPGW shall be considered. (As per KFON EoI 8% yearly hike)
- SLA penalty shall be applicable to individual links separately.

- List of OPGW Links proposed to be leased, number of fibres to be leased/link, length in kms & end stations, etc. to be prepared by Chief Engineer (Trans.-System Operation) and he shall be the single point of contact for leasing of OPGW fibers.
- The preventive and emergency maintenance of leased Dark Fibers shall be carried out by the KFON team in coordination with KSEBL.
- KSEBL shall not be liable to pay any compensation to Lessee in case of a communication breakdown due to shutdown / breakdown of OFC cables.
- KSEBL reserves its first right to use the spare fibers in case such need arises. In such case KSEBL may use leased out fibers subject to mutual consent. In case fibers are not available or lessee is not agreeable to allow usage by KSEBL, KSEBL shall have right to terminate lease agreement on three (3) months' notice. In case of termination of agreement, lease charges shall be payable in proportion to the time.

The Chief Engineer (T-SO), who is the single point of contact for leasing OPGW fibres as per the notes read as 2<sup>nd</sup> & 4<sup>th</sup> above offered some remarks and recommended policy formulation at Board level on leasing of KSEBL fibres by KSEBL in the context of the existing clauses in the JV agreement (executed between KSEBL, KSITIL & GoK for KFON) (Clause 6.01 sub clause (k), & Clause 13.02) so that minimum of 2 fibers (initially) in the commissioned OPGW links under the Reliable communication Project (Package B of KFON project) can be given for leasing to facilitate monetization of KSEBL fibers.

Based on the decisions made during the joint meeting convened by the Director (Transmission, System Operation & Planning) with the MD KSITIL, KFON officials, the CE (IT, CR & CAPs) and the CE (T-SO) on 05.04.2024, on the proposal of KSITIL for pooling of both KSEBL owned and KFON owned Dark fibres and to float EOI by KFON Ltd, for leasing of dark fibres, subject to the condition that an Agreement/MOU may be executed with KFON Ltd specifying the strategy of Business & Special Conditions related to dark fibre leasing, including releasing the lease amount directly to KSEBL, for the KSEBL owned dark fibres, has been placed before the Full Time Directors, as per the note read as 8<sup>th</sup> above.

The Full Time Directors observed that as the basis of the lease rent offered is not known, it is better to get an estimation firstly from Railtel.

Having considered the matter in detail, the Full Time Directors in its meeting held on 19.07.2024, passed the following resolutions:

- a. Resolved to entrust Railtel on nomination basis to prepare estimate to know how

much money KSEBL can generate as lease rent through the auctioning of spare capacity existing with KSEBL and to complete the process within 3 months.

- b. Further resolved that upon receipt of the estimate from Railtel, the Terms of Reference has to be informed to KFON asking how much money as lease rent can be generated through the auctioning of spare capacity.

Orders are issued accordingly.

By Order of the Full Time Directors

*Sdf-*

LEKHA G  
COMPANY SECRETARY

To:

- 1.The Chief Engineer (IT, CR & CAPS)
- 2.The Chief Engineer (Trans-System Operation)

Copy to:

The Company Secretary / Chief Engineer (IT,CR&CAPS) for publishing in the website  
/ Financial Advisor / Chief Engineer (Commercial & Tariff) / LA&DEO /  
Chief Internal Auditor / Chief Vigilance Officer  
The Chief Personnel Officer / Public Relations Officer  
The TA to the Chairman & Managing Director / Director (Generation-Civil) /  
Director (Distribution, Safety, SCM & IT) / Director (Transmission, SO & Planning) /  
Director (Generation - Electrical, REES, SOURA, Sports & Welfare)  
The PA to the Director (Finance & HRM)  
The Sr.CA to the Secretary (Administration)  
The RCAO/ RAO  
Stock File.

Forwarded / By Order

*Reed.*  
Assistant Engineer