



കേരളത്തിന്റെ വ്യവസ്ഥാപനം



## KERALA STATE ELECTRICITY BOARD LIMITED

(Incorporated under the Companies Act, 1956)

Reg. Office: Vydyuthi Bhavanam, Pattom, Thiruvananthapuram – 695 004

CIN:U40100KL2011SGC027424

Phone: +91 471 2514685, 2514331

E-mail: [ddkseb@kseb.in](mailto:ddkseb@kseb.in), Website: [www.kseb.in](http://www.kseb.in)

### **ABSTRACT**

Implementation of Smart Road Projects in Thiruvananthapuram- Request for sharing of capital cost of UG cable laying and Overhead utility shifting under Smart City ABD area - Orders issued.

### **CORPORATE OFFICE (SBU-D)**

B.O (DB) No. 650 /2020 (D (D, IT&HRM)/D-1/General/2017-18/0047) dtd, Tvpmm 28.10.2020

- Read: - 1. BO (FTD) No.159/2020(D(D&IT)/D1/General/2017-18/0047) dated 5.3.2020  
2. Note No. D (D, IT & HRM)/ D1/General /2017-18/0047 dated 01.10.2020 of the Chairman & Managing Director.  
3. Proceedings of the 55<sup>th</sup> meeting of the Board of directors held on 14.10.2020 at 11.30 am vide Agenda No.21-10/2020.

### **ORDER**

The Smart City Thiruvananthapuram Limited (SCTL)-SPV was constituted for the implementation of the Smart City Plan with an estimated funding of ₹1538 Crores from the Central, State Governments and the Thiruvananthapuram Municipal Corporation. The Project area is divided into 2 zones (ABD area and PAN City). As part of the Smart City Project, major roads coming within the ABD area, under 9 wards in the city namely- Palayam, Thycaud, Vazhuthacaud, Vanchiyoor, Chalai, Fort, Sreekandeshwaram, Thampanoor and Valiyasala, are to be converted into smart roads. These areas come under the jurisdiction of Electrical Sections Fort, Puthenchantha, Cantonment and Vellayambalam. The works involved are replacing the existing electric overhead electric lines with Underground Cables with utility ducts for laying UG cables. Accordingly, KSEBL had prepared an estimate amounting to ₹206.98 Crores for converting the existing overhead lines to underground cables laid in ducts, replacing the existing streetlights, installing pillar boxes and providing service connection to consumers through UG cables and replacing the existing transformers with Compact Sub stations (CSS).

The works are to be carried out by SCTL under the supervision of KSEBL. An amount of ₹5.27 Crores which was to be remitted by SCTL to KSEBL towards supervision charges has already been waived as per the request of SCTL, as per BO read as 1<sup>st</sup> above.

The Chief Executive Officer of SCTL, Sri. Bala Kiran IAS, vide DO letter dated 10.03.2020, requested to consider sharing of the capital cost of ₹206.98 Crores on a 50:50 sharing ratio, pointing out the following benefits to KSEBL and the public :

- Reduction in damages to HT/LT lines due to falling of trees during monsoon season or due to any other eventualities would reduce the transmission downtime.
- Conversion of Transformer to Compact Substation which occupies less space in ROW and has considerable benefits like HT & LT switch gears in a common place; transformers installed in a common compact manner results in reduction in cabling cost and reduced failure.
- Provision of Smart Guard facilitating continuous monitoring of main feeders and early detection of fault resulting in least lead time for fault identification and rectification.
- Clear Pedestrian footpaths for hindrance free movement.
- Dedicated ducts for Electricity, water supply and optical fiber cables would reduce the need for frequent road cutting for laying infrastructure. This would increase the longevity of the roads and reduce frequent retarring.
- All these assets (underground cables (LT/HT), Smart Guard, and Compact substation installed using Smart City Funds would ultimately be assets owned and operated by KSEBL; the assets developed under this project for KSEBL would be spatially mapped within 'Integrated Command and Control Center' being developed within the Corporation and the inventory data would be shared with KSEBL for future planning purposes.

Meanwhile, in a meeting held on 18.03.2020 in the presence of the Hon'ble Minister for Local Self Government and the Hon'ble Minister for Electricity, request was raised to share 50% cost of the total Capital cost for the project. In this regard, the Chairman and Managing Director, KSEBL, agreed to take a decision after considering the benefits of the project to KSEBL.

The Chief Engineer, Distribution South, vide letter dated 16/7/2020 forwarded an estimated amount based on the expected benefits to KSEBL, to serve as a basis for cost sharing. On scrutiny of the same, and after incorporating suitable modifications in the estimated gain due to reduction in administrative expenses forwarded by them, a total expected benefit of ₹35.41 Crores was arrived at, by the Director (Distribution, IT & HRM)- ₹3.63 Crores on account of reusable materials, ₹3.6 Crores on account of financial gains resulting from reduced power outages and maintenance costs over the next fifteen years and ₹28.18 Crores on account of Expected reduction in Administrative Cost over the next fifteen years. Considering that the supervision charges estimated at ₹5.27 Crores is already waived, the effective share of KSEBL including this, would amount to ₹40.68 Crores.

SCTL has to remit an amount of ₹1.89 Crores for rearranging HT/LT supply and its dismantling. Hence this amount will also be deducted from the KSEBL share. KSEBL remittance to SCTL would thus be ₹33.52 Crores (₹35.41 Crores- ₹1.89 Crores).

In the meeting of the Full Time Directors held on 25.09.2020, the proposal for KSEBL sharing a portion of the estimate amount for the shifting of electrical utilities and allied works as part of implementation of Smart Road Projects in Thiruvananthapuram was examined and decided to place the matter before the Director Board along with a suggestion that the Financial Advisor be authorized to release ₹33.52 Crores, to Smart City Thiruvananthapuram Limited (SCTL), in a phased manner, based on the financial position of KSEBL and as per the progress of works.

The matter was placed before the Board of Directors for a decision as per note read as 2<sup>nd</sup> above.

Having considered the matter in detail, the Board of Directors in its meeting held on 14/10/2020,

1. Resolved that KSEBL shall give ₹33.52 Crores, to M/s Smart city Thiruvananthapuram Ltd, being a share of the estimate amount of ₹206.98 Crores for the shifting of electrical utilities and allied works as part of implementation of Smart Road Projects in Thiruvananthapuram, considering the financial benefits to KSEBL in the form of reduced capital expenditure and reduction in expenditure towards repair and maintenance and manpower.
2. Resolved to authorize the Financial Advisor, KSEBL, to make a payment of ₹33.52 Crores to Smart city Thiruvananthapuram limited in a phased manner, based on the financial position of KSEBL, and in tune with the progress of works.

Orders are issued accordingly.

By Order of the Director Board  
Sd/-  
Lekha.G  
Company Secretary-in charge.

To: The Chief Engineer (Distribution South)  
The financial Advisor  
The Deputy Chief Engineer, Electrical Circle, Trivandrum.

Copy to: The Chief Engineer (IT & CR) /The Chief PRO  
The Chief Internal Auditor/LA&DEO/CVO  
The TA to Chairman & Managing Director  
The TA to Director (Distribution, IT&HRM / Transmission, System Operation & REES/ Safety & Planning / Generation-Electrical &Supply Chain Management / Generation-Civil)  
The RCAO, ECA, Vydyuthi Bhavanam, Pattom  
The Legal Liaison Officer, Power House, Kochi.  
The PA to Director (Finance) /CA to Secretary (Administration)/Company Secretary  
The Fair Copy Superintendent/ Library/Stock File.

Forwarded / By Order

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Assistant Executive Engineer