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18/5/17



GOVERNMENT OF KERALA

Abstract

Electronics and Information Technology Department – Kerala Fibre Optic Network (K-FON) Project – Administrative Sanction Accorded – Orders Issued

ELECTRONICS & INFORMATION TECHNOLOGY (B) DEPARTMENT

G.O.(Ms) No. 10/2017/ITD

Dated, Thiruvananthapuram, 18/05/2017

Read:- Letter No. KSWAN/34/2017-KSITM/514 dated 03/05/2017 from the Director, Kerala State IT Mission, Thiruvananthapuram.

ORDER

In the budget speech 2017 (Paras 131 & 132) Hon'ble Finance Minister has announced that free internet connections will be provided to 20 lakh BPL families. For others, cost effective state of the art internet services will be provided through an optical fibre network at affordable rate. Thus Kerala is poised to become the only State in India where internet facility will be the right of the citizen. The universal basic internet facility will be made available to all citizens and Government machinery through a new optic fiber pathway created in parallel to KSEB electric power network. It was also announced that the fund needed for the capital investment will be provided through KIIFB.

2. Towards achieving this goal, a state wide optical network named Kerala Fibre Optic Network (K-FON) need be established. Kerala Fibre Optic Network (K-FON) aims to build a state wide optical fibre network infrastructure for providing high speed connectivity to all Government, educational institutions (approx. 30,000 numbers) and leveraging the network to the Telecom/Internet service providers on non discriminatory basis to provide quality and affordable internet services to the citizens. The network will provide ensured quality access to Government and non-Governmental services, apart from educational, health, social welfare, entertainment and knowledge based service facilities to common people through computer and mobile phone.

3. The draft DPR was presented before the Apex Committee on e-Governance headed by Chief Secretary held on 26.4.2017 discussed the matter and directed to take immediate necessary steps to issue Administrative Sanction for the project. As per letter read above, the Director, Kerala State IT Mission has submitted Detailed Project Report at an estimate cost of Rs. 1028.20 crores excluding taxes, with the following components:-

Sl. No.	Description	Amount in INR Crores
1.	Setting up of Core Network	475.40
2.	Setting up of Access Network	432.00
3.	Operational charges per year (Core and Access network)	104.40
4.	Establishment to SPV and operations	16.40
Total Amount (Exclusive of Taxes)		Rs.1028.20

4. The expenditure for providing free internet to 20 Lakh poor families will be in addition to the above amount. A delivery model will be worked out and an open tender will be floated to provide connectivity to such families.

5. In the above circumstances and in accordance with stage 1 (2) of guidelines for availing financial resources from KIIFB, Government are pleased to accord Administrative Sanction for implementing Kerala Fiber Optic Network (K-FON) Project at an estimated cost of Rs. 1028.20 Crores (Rupees One Thousand Twenty Eight Crores and Twenty Lakh only) excluding taxes.

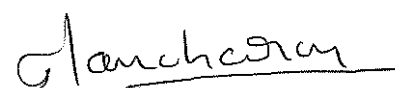
6. Government are also pleased to designate Kerala State Information Technology Infrastructure Ltd. (KSITIL) as the implementing agency of this project. Managing Director, KSITIL is authorised to take steps to implement the project through a competitive tendering process once the approval from KIIFB is obtained. Managing Director, KSITIL will also submit a comprehensive proposal outlining the constitution of the PMU, on the functional arrangement proposed with KSEBL and strengthening of KSITIL as an effective SPV to implement the project in a time bound manner. The project needs to be made fully operational in 18 months.

By order of the Governor
M. SIVASANKAR
SECRETARY

To

The Director, Kerala State IT Mission, Thiruvananthapuram
The Managing Director, Kerala State IT Infrastructure Ltd., Thiruvananthapuram.
The Chairman and Managing Director, KSEB Limited, Pattom,
Thiruvananthapuram..
The Principal Accountant General (A&E/Audit), Kerala, Thiruvananthapuram.
The Joint Fund Manager, KIIFB, 4th Floor, India Heights, Govt. Womens College
Road, Vazhuthacaud, Thycaud(PO), Thiruvananthapuram.
The Finance (Planning (B)/PUD/Infrastructure) Department
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