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GOVERNMENT OF KERALA

Abstract

Industries Department- Public Sector Undertakings - Kerala State Drugs & Pharmaceuticals Limited (KSDP)- Production of LVP/SVP/Ophthalmic products coming under Non-betalactam range-Administrative Sanction- Accorded- Orders issued.

INDUSTRIES (H) DEPARTMENT

G.O.(Rt).No.762/2018/ID

Dated, Thiruvananthapuram, 30/6/2018

- Read:- 1. Letter No.KSDP/1-265/18-19/D-109 dated 21/5/2018 from the Secretary, Public Sector Restructuring and Internal Audit Board.
2. Minutes of the Meeting of the Special Working Group held on 5/06/2018

ORDER

In the Budget 2018-19, an amount of ₹27 crores has been earmarked for Kerala State Drugs and Pharmaceuticals Ltd(KSDP) under the head of account 6857-02-190-99 for a non-betalactam plant for the production of LVP/SVP and ophthalmic products. The Secretary, Public Sector Restructuring and Internal Audit Board(RIAB), vide the letter read as 1st paper above recommended the proposal and requested for according administrative sanction for the total project cost of ₹50 crores to implement the project.

2) The project is proposed to produce 3.5 crores ampoules of various volumes, 1.3 crores vials, 1.20 crores bottle of LVP and 0.90 crores ophthalmic products. The existing idle building of Vitamin A store and workshop with required maintenance and alteration after ensuring structural strength is proposed for the building of the proposed project. The project is expected to commission within 12-16 months from the date of administrative sanction.

3) The proposed component wise details of the project is as follows:

Item	Project Cost (Rs. in Crores)
Land	Existing
Building	10.00
Plant & Machinery	18.00
Electrical equipments	5.00
HVAC	8.00
Utility	5.00
Contingencies	2.30
Consultancy Charges	1.61
Pre-operative expenses	0.09
Total	50.00

4) The proposed means of finance is as follows:

Means of Finance	Amount (Rs. in Crores)
Government of Kerala	27.00
Financial Institutions/Bank	21.00
Own Contribution	2.00
Total	50.00

5) The Special Working Group meeting held on 05/06/2018 considered and approved the project proposal of KSDP for the implementation of the project for the production of LVP/SVP/Ophthalmic products that coming under non-betalactam range subject to the condition that M.D., KSDP shall make a viability analysis of the project for non betalactam plant focussing on cost of medicines proposed to be produced and its selling price to wholesalers compared to that of other manufacturers in the market and report the same to Government within two months.

6) Government have examined the matter in detail and are pleased to accord administrative sanction for the implementation of the project of a non-betalactam plant for the production of LVP/SVP and ophthalmic products in KSDP Ltd with a total project cost amounting to ₹ 50 crores (Rupees fifty crores only) and sanction for the Budget Provision of Rs 27 crores (Rupees twenty seven crores only) under the the head of account 6857-02-190-99 (P) for the project.

7) M.D, KSDP shall furnish specific proposal for the release of fund and the release will be subject to the following conditions;

- i) The Managing Director, KSDP shall make a viability analysis of the project for non betalactam plant focussing on cost of medicines proposed to be produced and its selling price to wholesalers compared to that of other manufacturers in the market and report the same to Government within two months.
- ii) The expenditure should be met from the provision available under the head of account.
- iii) The fund release will be based on actual requirement and the fund released will not be allowed to be parked in banks.
- iv) Store Purchase Rules shall be strictly adhered to.
- v) Tender/e-tender and other stipulated formalities shall be followed wherever necessary.
- vi) For civil works, Central Public Works Department rates shall be followed.
- Vii) Post creation and purchase of vehicles are not admissible under the scheme

8) The Managing Director, KSDP shall implement the project.

(By order of the Governor)
VIJAYAKUMAR.R
JOINT SECRETARY

To:

The Managing Director, Kerala State Drugs & Pharmaceuticals
Limited, Kalavoor, Alappuzha.

The Director of Industries & Commerce, Thiruvananthapuram.
The Secretary, RIAB, Thiruvananthapuram.
The Accountant General (A&E/Audit), Kerala, Thiruvananthapuram.
Finance Department (vide U.O.No.PU-D1/108/2018-Fin. dated
16/06/2018)
Finance (Planning-B)Department
Planning&Economic Affairs (BPE)Department
Industries (J) Department
Web &New Media, Information & Public Relations Department
Stock file/Office copy.

Forwarded / By Order


Section Officer

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