Materials Management

Stocking Depots:

Zonal Railways and Production Units run 259 Stocking Depots over the railway network for uninterrupted supply of railway materials and stores. Over 1.8 lakh materials components of various descriptions are stocked in these depots.

Disposal of unserviceable Items:

Creation of revenues through disposal of surplus and obsolete items and industrial wastes is another important function of materials management. During 2010-11, ₹ 4,409 crore was realized from disposal of unserviceable stores.

Expenditure on Purchases:

During 2010-11 expenditure on materials purchases towards the requirements for operation, maintenance and production etc. (excluding cost of ballast, track related items, materials supplied by contractors for civil construction works) was ₹ 29,099 crore.

A broad analysis of purchases made is given below:

<table>
<thead>
<tr>
<th>Description</th>
<th>2009-10</th>
<th>2010-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stores for operation, repairs and maintenance</td>
<td>8.277</td>
<td>8.539</td>
</tr>
<tr>
<td>Stores for construction</td>
<td>986</td>
<td>925</td>
</tr>
<tr>
<td>Fuel</td>
<td>7.619</td>
<td>8.263</td>
</tr>
<tr>
<td>Stores for manufacture of Rolling Stock and purchase of complete units</td>
<td>10.994</td>
<td>11.372</td>
</tr>
<tr>
<td>Total</td>
<td>27.876</td>
<td>29.099</td>
</tr>
</tbody>
</table>
Mode of Procurement:

Zonal Railways and Production Units procure most of the materials directly. However, some items are procured through Railway Board. Certain purchases are also made through Director General of Supplies and Disposal (DGS&D). Of the ₹29,099 crore of stores procured in 2010-11, the share of Zonal Railways and Production Units, Railway Boards and DGS&D and other sources was 53%, 45% and 2% respectively.

During 2010-11, stores worth ₹1,701 crore were purchased from Small Scale Sector and Khadi and Village Industries. Public Sector Undertakings contributed 29% and other industries contributed 71% towards supplies.

Indigenous Development:

Indigenous purchase of stores (₹28,017 crore) comprised 96% of the total purchase in 2010-11. However, IR had to depend on imports for certain components for its recently acquired diesel and electric locomotives, coaches as well as for the procurement of certain signal and telecom equipments and materials.

Inventories:

During 2010-11, the Turn Over Ratio (TOR) - the efficiency indicator for inventory management - was 13% (without fuel) and 11% (with fuel).

The inventory (without fuel) held by IR as a whole was ₹2,092.93 crore (₹2,598.37 crore with fuel) during the year against total issues of ₹16,091.32 crore (₹24,584.46 crore with fuel).

Printing and Stationery:

Eleven general printing presses, an equal number of ticket printing presses and Books and Forms Depots’ on I.R., meet the requirement of passenger for card tickets, blank computer stationery, SPTM rolls,PRS ticket rolls and money value books and forms.
VALUE OF STORES PURCHASED

STORES-BALANCES & ISSUES
(TOTAL WITHOUT FUEL)
(ZONAL RAILWAYS AND PRODUCTION UNITS)

INVENTORY TURNOVER RATIO
(EXCLUDING FUEL)
General printing presses gave an out-turn of 56.13 crore A-2 standard size impressions in 2010-11. Considerable progress was made in implementing Government’s directive to print forms and rule books in bilingual form by expanding the capacity for Hindi composing through DTP. In order to avoid loss of revenue to the Railways, the availability of vital money value items like Parcel Way Bill, Railway Receipts, Excess Fare Tickets, Luggage Tickets, Blank Paper Tickets, Time Tables, etc. has been ensured throughout the year by all Zonal Railways. The Ticket Printing Presses printed 41.24 crore card tickets in 2010-11. The book and form depots stocked 6,330 different items. Transactions of receipts and issues at these depots were worth ₹ 42.14 crore and ₹ 43.04 crore respectively in 2010-11.