

LOK SABHA DEBATES

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Tuesday, April 6, 1976 | Chaitra 17,
1898 (Saka)

*The Lok Sabha met at Eleven of
the Clock*

[MR. SPEAKER in the Chair.]

ORAL ANSWERS TO QUESTIONS

Computerised Control of Inventories in Railways

*401. SHRI K. MALLANNA: Will the Minister of RAILWAYS be pleased to state:

(a) the steps Government have taken to tighten control of inventories in the Indian Railways; and

(b) the progress so far made in introducing computerised control of inventories in the Indian Railways?

THE MINISTER OF STATE IN
THE MINISTRY OF RAILWAYS
(SHRI MOHD. SHAFI QURESHI):
(a) and (b). A statement is laid on
the Table of the House.

Statement

(a) In order to tighten up the control on inventories, the Railways have introduced modern techniques of inventory control like codification standardisation, variety reduction, value analysis, ABC analysis etc. Inventory Control Cell was also set up in each of the Zonal Railways by the end of 1972 and was *inter alia* entrusted with the work of laying down procedures and practices necessary to be followed

on the Railways for effective inventory management and to pursue their implementation by a Selective Control over all aspects of Materials Management on the Railways.

Further the High Powered Committee under the chairmanship of Shri Mohd. Shafi Qureshi, Minister of State for Railways which was set up to streamline the stores procedures obtaining on the Railways has submitted their Report regarding Procurement of Stores, payment of Suppliers' Bills and Disposal of Stores etc. and Materials Management in Production Units. The recommendations of the Committee which has since been implemented are expected to stimulate economy in expenditure resulting in reduction in inventories.

(b) The computerisation of Stores Accounting and Inventory Control has been comprehensively grouped into phases and is currently under implementation. The latest position is that 4 phases relating to maintenance of priced ledgers on computer, preparation of various accounting statements and exception reports for better Materials Management, computerisation of all purchase order and preparation of exception reports for selective chasing of purchase orders, automatic generation of recouplements by the computer as and when reorder levels are reached for initiating purchase action and production of action documents and certain control reports for use by management have since been implemented.

The next phase regarding maintenance of purchase accounts registers has now been taken up for system design and programme writing. The purchase accounts pertaining to the direct supply orders of Controller of Stores in

the first instance is proposed to be introduced on the Central and Western Railways and after their successful implementation on these Railways the system will be extended to other Railways as well.

SHRI K. MALLANNA: In order to tighten up the control on inventories, Inventory Control Cells were set up in each of the Zonal Railways. A High Powered Committee under the chairmanship of hon. Minister, Shri Mohd. Shafi Qureshi also made some recommendations regarding procurement of stores, payment of suppliers' bills, disposal of stores etc. May I know from the hon. Minister, what is the outcome and effect of these recommendations?

SHRI MOHD. SHAFI QURESHI: In order to tighten up the control on inventories in the Indian Railways, we have adopted modern techniques which include codification, standardisation, ABC analysis etc. We have got Inventory Control Cells in each of the Zonal Railways. The High Powered Committee have also presented a report. We have found that with the adoption of new methods, there has been considerable reduction in the inventories on the Indian Railways. I will give the figures of 1974-75 as compared to 1972-73. The turnover of the closing balances to the annual issues has come down from 55 per cent in 72-73 to about 41 per cent in 74-75. There has been considerable improvement by adopting these new methods.

Indian Sector of Drug Industry

*402. **SHRI BHALJIBHAI PARMAR:** Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what steps Government propose to take to help and strengthen the Indian sector of drug industry; and

(b) what are the guidelines relating to licencing, imports and other facilities proposed in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI C. P. MAJHI):

(a) and (b). A statement is laid on the Table of the House.

Statement

(a) The Indian Sector of the Drug Industry comprises of Public Sector and Private Sector which includes companies with foreign equity upto 40 per cent. As far as Public Sector is concerned, a provision of Rs. 70 crores has been made in the draft Fifth Five Year Plan for expansion of projects of Indian Drugs & Pharmaceuticals Limited and Hindustan Antibiotics Limited. The expansion of these units on the basis of the feasibility reports envisage the following:—

INDIAN DRUGS & PHARMACEUTICALS LIMITED

Expansion of the Synthetic Drugs Plant, Hyderabad involving an investment of Rs. 21.79 crores which would increase the production capacity from 1938 tonnes to 3886 tonnes.

Establishment of a Nicotinamide Plant in Bihar involving an estimated capital outlay of Rs. 8.58 crores.

Establishment of a New Formulation Unit in Gurgaon, Haryana at an estimated capital outlay of Rs. 8.10 crores.

Expansion of the Antibiotics Plant, Rishikesh, involving an approximate investment of Rs. 15.69 crores.

HINDUSTAN ANTIBIOTICS LIMITED

Expansion of the capacity of Penicillin Plant involving an estimated capital outlay of Rs. 2.82 crores.

Expansion of the Streptomycin Plant at an estimated cost of Rs. 2.91 crores.

Expansion of Semi-Synthetic Penicillin Plant at an estimated cost of Rs. 1.67 crores.