GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAYS (RAIL MANTRALAYA)
RAILWAY BOARD

No.2018/RS(S)/709/8
New Delhi, dt.14.09.2018

Principal Chief Material Managers,
ER, SER, SECR, NFR, ECR, ECoR

Sub:- Minutes of the meeting of PCMMs of Eastern Region with Railway Board held on
30.08.2018 at Eastern Railway Hqtr.

A copy of the Minutes of the meeting of PCMMs of Eastern Region with Railway
Board held on 30.08.2018 at Eastern Railway Hqtr regarding review of Scrap Sale
Performance is sent herewith for information and necessary action. Action taken on the
Minutes may please be advised at the earliest.

DA: Minutes.

(V Apparao)
Director Railway Stores (C)
Railway Board.

Copy to 1. GM(EPS), CRIS, ITP Building, 7th Floor, 4-A, Ring Road, I.P. Estate,
   New Delhi -110002 for information and necessary action.
2. Sr.PPS to DG/RS – for kind information of DG/RS.
3. PPS to AM/RS – for kind information of AM/RS.
MINUTES OF SALES PERFORMANCE REVIEW MEETING OF PCMMS OF EASTERN REGION HELD ON 30.08.2018 AT ER HQRS, KOLKATA.

Present

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<td>A. K. Panda</td>
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<td>A. S. Wankhede</td>
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<td>N.D. Rao</td>
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<td>N.P. Sinha</td>
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<td>Samhita Soren</td>
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1.0 PCMM/ER welcomed all the Railway Board officers and PCMMS/CMMs of Eastern Regions in the meeting.

2.0 Address by AM/RS

2.1 AM/RS advised PCMMS that all the officers from Head Quarters and field to be utilized in the scrap mobilization, and each section should be assigned to an officer for identification of scrap.

2.2 PCMMS should pay special attention to the sales activity and take positive action wherever specific instructions are given. Next review meetings will be held within three months.
3.0 **Address by DG/RS**

3.1 DG/RS advised all the PCMMs that scrap disposal is the target of Stores deptt. and it is for Stores deptt. to follow up with user departments. Every Railway must aim not only to achieve the scrap sales target but to surpass the same with considerable margin.

3.2 While fixing the Reserve Price, the prevailing market rates based on various available indices must always be referred.

4.0 **Discussion on Railway-Wise Performance**

4.1 **Eastern Railway**

4.1.1 Railway achieved sales of Rs. 68.8 crores upto July’18 as against the proportionate target of Rs.60 crores. PCMM/ER while presenting his action plan to enhance the sales, mentioned that:-

i) 18,000 MT of scrap Rails and P.way material was identified. out of which 11,000 MT had already been received.

ii) CTR target this year is 320 km against 246 km of last year. The scrap rails and P. Way scrap targeted this year is 35,000 MT as against 25,000 MT during last year.

iii) The road map has been planned for achieving the target by having close coordination with user departments and having periodical inspection at field level.

4.1.2 Division/Depot-wise targets and sales performance was discussed and PCMM/ER assured of surpassing the annual target of Rs. 210 crores.

4.1.3 PCMM/ER was advised to:

i) Review wagons arisings.

ii) Review receipt of rails and P.way scrap from NG and from GC.

iii) Review the receipt of second hand rails during last year. It was pointed out that in SCR and CR, second hand rails not used for six months are given to Stores for disposal by Engineering Department.
iv) It should be ensured that the lots of released material in CTR works should be formed by the contractors as per of the contract terms. Sr.DMMs should be involved in this activity.

v) Receipt of scrap material from Dankuni Bridge to be followed and dispose off the same.

vi) At HWH/Belur Depot. unused track to be disposed off on as where is basis.

vii) Input-Output analysis to be carried out for OHE works.

viii) Inspections to be carried out in OHE, TRD and S&T depots and S&T workshops.

ix) Foot to foot surveys to be linked with the registers of SSE(P.Way).

x) Sales to PSUs must be routed through Stores under proper sale order.

xi) Recently, replacement of conventional lights with LED lights has been carried out by Electrical Deptt. The released materials having residual life may be disposed of as serviceable material to the extent possible.

xii) Sr.DMMs in the Divisions must be involved for mobilizing the scrap materials.

xiii) Andal area should be surveyed for identifying scrap generated from track repairs and loco maintenance.

4.2 South Eastern Railway

4.2.1 South Eastern Railway achieved sales of Rs. 41 crores as against the proportionate target of Rs. 56 crores till the end of July’18.

4.2.2 CMM/South Eastern Railway gave a presentation on Divisional/Depot wise sales performance. CMM/SER stated that South Eastern Railway initially projected annual sale of Rs. 132 Crores based on input/output analysis but Railway Board gave the target of Rs. 200 Crores. Accordingly, all the targets have been revised and advised to the user departments. CMM/SER was optimistic of achieving the annual target of Rs. 200 Crores.
4.2.3 CMM/SER was advised to:

i) Analyze why S.E. Railway was not able to maintain proportionate sales target, even though the average scrap rates are higher compared to those of the last year.

ii) While fixing Reserve Price, ACOs must consider the market prices by using various available indices.

iii) Review the sales performance of all Sr.DMM who are conducting auctions.

iv) Arisings of Rails and P. Way scrap from last year’s CTR works to be reconciled with the actual scrap receipts.

v) Other areas like RE/TRD Depots and General Electrical Stores should also be surveyed periodically for identification and offering of scrap, particularly non-ferrous scrap.

vi) Second hand rails which were reserved for usage in the last year to be checked up for having utilized or not. If not utilized for more than 6 months period, the same to be followed up with the Engineering department for handing over to Stores for disposal.

vii) Other structures like, redundant lines, sidings, tracks, abandoned /condemned structures inside workshops/depots/sheds should be surveyed and identified.

4.3 South East Central Railway

4.3.1 South East Central Railway achieved sales of Rs. 42.6 crores as against the proportionate target of Rs. 50 crores at the end of July 2018.

4.3.2 PCMM/SECR gave a presentation on Division/Depot wise sales targets and performance. Total P. Way scrap target is 40,000 MT. Out of this, 14,676 MT has been received and balance 25,324 MT is yet to be received.

4.3.3 PCMM/SECR expressed confidence to surpass the annual sales target of Rs. 175 Crores.

4.3.4 PCMM/SECR was advised to survey the RE Depot at Ajni/Nagpur for availability of scrap material, besides other areas indicated for other Railways.
4.4 **East Coast Railway**

4.4.1 ECoR achieved sales of Rs. 36.3 Crores till July 2018 as against proportionate target of Rs. 38 Crores.

4.4.2 PCMM/ECoR gave a presentation on Division/Depot wise sales target and performance. 24,688 MT of P. Way scrap was identified by foot by foot survey during April 2018 to June 2018. 10,788 MT have already been received and included in the catalogue. Another 13,900 MT will be mobilized by 30.09.2018.

4.4.3 Targeted CTR/TRR works for the current year is 650 KMs. The scrap anticipated is 15,425 MT by 30.09.2018. PCMM/ECoR indicated that second round of foot by foot survey and mopping up operation is scheduled in Oct 2018.

4.4.4 The closing balance is Rs. 9.22 Crores which is high. PCMM/ECoR indicated that in Waltair Division. 2,000 MT of scrap could not be disposed off as the material is located in the naxal affected areas. However, efforts are being made to expedite its sale.

4.4.5 DG(RS) advised ECoR to surpass the target and aim to achieve at least Rs. 175 Crores.

4.4.6 All the instructions given for other Railways regarding mobilization/disposal of scrap will be applicable to ECoR also.

4.5 **East Central Railway**

4.5.1 ECR achieved sales of Rs. 52.7 Crores as against the proportionate target of Rs. 40 Crores at the end of July 2018. The Railway has projected arising of 30,000 MT Rails and P. Way scrap in the current year.

4.5.2 CMM/ECR brought out the Divisional/Depot wise sale performance and was optimistic of achieving the annual target of Rs. 140 crores.

4.5.3 Apart from track renewal, several gauge conversion projects are under progress in ECR. Assessment of arising of engineering scrap from these works needs to be done immediately. GC sites should be personally inspected by CMM/Sales/ECR.

4.5.4 CMM/ECR was advised to nominate all HQ. Stores officers for foot by foot survey covering each section of the Railway for assessment of scrap lying in the Railway.
Entire exercise should be completed within a month. It should also include workshops, abandoned bridges, depots of TRD, RE, S&T and General Electrical Stores.

4.5.5 CMM/ECR was advised to undertake critical analysis of available scrap and anticipated arisings for the Railway and come prepared for discussion in Railway Board after two weeks.

4.6 North Frontier Railway

4.6.1 NFR achieved sales of Rs. 12.1 Crores against the proportionate target of Rs. 35 Crores at the end of July 2018. Though the closing balance of Rs. 12.2 Crores material is available but Railway is unable to dispose.

4.6.2 The targetted CTR/TRR works in current year are 100 KMs against last year 43 KMs. In view of the higher CTR works, scrap arisings should be correspondingly higher.

4.6.3 PCMM/NFR was advised to be more effective in mobilizing the Rail and P. Way scrap. PCMM/NFR should organize foot by foot survey of GC section to identify abandoned/condemned bridge structures and other track material.

4.6.4 PCMM/NFR expressed that there are 28 condemned coaches not getting disposed off due to very low rates. PCMM/NFR should examine the feasibility to move the coaches to other locations for disposal.

4.6.5 PCMM/NFR mentioned that ISAs are not signing bid sheets. He was advised to take up the matter at GM’s level.

4.6.6 PCMM/NFR mentioned that a reference has been made to Railway Board in regard to filing of returns with Income tax Department on TCS collection. PCMM/NFR requested to issue a clarification whether Stores deptt. or Finance deptt has to file the returns with Income Tax Deptt. The issue will be clarified by Board.

4.6.7 The instructions given to other railways for mobilization/disposal of scrap will apply to NFR also.
4.7 Presentation on “Belur Scrap Depot/ Eastern Railway: A successful Turnaround.”

4.7.1 Presentation of case study on “Belur Scrap Depot/ER -A successful turnaround” was done by Sh. R L. Bhardwaj, CMM/NR. who was Dy.CMM / Belur Scrap Depot during 2010-11.

4.7.2 During 2010-11, the depot was full of scrap hidden behind and amidst bushes and even buried underground. Scrap was lying in the depot in bad condition- rusted and pitted. A number of pending stock sheets and stock verification were overdue.

4.7.3 There were challenges in segregation of scrap for disposal, assessment of correct weight for lot formation, non- availability of M&P, generating confidence among staff, tackling auction boycott and stock verification of scrap items.

4.7.4 All the issues were managed very methodically and scrap worth Rs. 188 Crores disposed during that year as against average sale of previous 3 years around Rs. 110 crores. Complete presentation is available on Railway Board’s Stores website under “Sales circulars”.

4.7.5 DG/RS advised all the railways to have a look at the case study of Belur Scrap Depot/ER. Similar situations may exist in other Railways, who should utilize the experience gained in clearing of scrap in Belur Scrap Yard.

5.0 Meeting ended with vote of thanks to the chair and all the participants, and with thanks to PCMM/ER for successfully organizing this meeting at ER Hqtrs.

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