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

No.2019/RS(S)/709/6

New Delhi, dt.01.08.2019

Principal Chief Material Managers,
ER, ECR, SER & NFR.

Sub:- Minutes of the meeting of PCMMs of East Region with Railway Board held on 15.07.2019 at South Eastern Railway Hqrs, Kolkata.

A copy of the Minutes of the meeting of PCMMs of East Region with Railway Board on 15.07.2019 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) PSO to M(MM) – for kind information of Member (MM)
2) PPS to AM/RS – for kind information of AM/RS
MINUTES OF SALES PERFORMANCE REVIEW MEETING OF PCMMs OF EAST REGION

HELD ON 15.07.2019 AT SOUTH EASTERN RAILWAY, KOLKATA

Present

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<td>V.P.Pathak</td>
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<td>O.P.Khare</td>
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<td>A.K.Pandey</td>
<td>PED/RS(C)</td>
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<td>V.Appa Rao</td>
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<td>R. Pandey</td>
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<td>N. P. Sinha</td>
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<td>D. N. Gupta</td>
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(A) SCRAP SALES REVIEW
- CMM(M)/South Eastern Railway welcomed all the PCMMs of Zonal Railways attending the meeting.

1.0 Address by PED/RS(C)
- PED/RS(C) made a presentation on sales performance of East Region.
- Last year, there was a phenomenal performance in scrap sales, which made the expectations more for this year. PED/RS(C) emphasized that all the Railways should put together their best efforts to exceed ₹4,200 crores scrap sales this year.
- At the end of June’19, total scrap sales was ₹527 crores as against the proportionate target of ₹800 crores, which is 34.13% lower than the proportionate target. Scrap balances have gone up which implies that the disposal is less than the arisings. The engineering works, such as, CTR/GC are going at full pace indicating that the arisings
will further pick up. Hence, there is a need to speed up mobilization and convert it to scrap offerings for expeditious scrap disposal. So, Railways should pull up their socks and gear up to increase sale during the remaining months of July and August’19 to bridge the gap of shortfall in scrap sale vis-à-vis proportionate target of ₹1,500 crores up to Aug.’19.

- PED/RS(C) also desired that a team of SAG officer should be formed at HQ to improve the scrap sales. The team should consist of SAG officers of Stores, Mechanical, Electrical, Engineering officers. A similar committee has been formed by W Rly.

2.0 Address by AM/RS

- Meeting at regional level is not a new concept. Last year the Railway Board has conducted three meetings with PCMMS/CMM (Sales).
- Railways should analyze the Pink Book of current year and previous year for various sanctioned works like CTR, TRR, GC, etc. to identify more engg. scrap.
- The closing balance should be kept to minimum level as far as possible.
- The performance in scrap sales as was during last year, should also continue this year and we should aim at achieving the proportionate sale target of ₹1,500 by Aug’19 as per 100 days action plan.
- AMRS suggested that officers should do regular inspections for mapping and mopping of scrap material. He suggested that the previous inspection reports should be carried by the officers so that the follow-up action on these reports can be taken. If possible ISAs can also accompany during such inspections.
- The reinstatement of Scrap Management Shield from this year should also help GMs of Zonal Railways to focus on scrap disposal.
- Focus on rails declared as second hand and its utilization during last two years should be compared and analysed.
- A D.O. has been sent to GMs of all Zonal Railways to review the requirements of second hand rails and handover the excess over requirements for disposal.
- Workshop for ACOs to be organized by each Railway as being done by Western Railway.

3.0 Address by Member (MM)

- PCMM/ER to make start scrap sale activity in all Divisions. This will fetch better rates and open three more outlets which will become operational for disposal. PCMM/ER to issue orders regarding this immediately.
• One video conferencing with ACOs should be planned by Eastern Railway. PCMM Western Railway should be approached to deliver lecture on fixing RP and GST issues related to scrap sales.
• For disposal of petty value scrap by supervisors, detailed methodology to be issued by SER.
• Scrap disposal to be included in GM’s Punctuality Meeting for mobilisation of scrap. Periodical Meetings are to be conducted with all concerned for mobilisation of scrap.

4.0 Discussion on Railway-wise performance

4.1 Eastern Railway
• Scrap to the tune of ₹35 crores has been sold up to June,19 i.e. -33% against the proportionate target of ₹52 crores.
• PCMM/ER mentioned that 13,960 MT of Engg. scrap has been identified out of which only 2,100 MT have been offered so far.
• PCMM/ER stated that delay in payment of GST by the purchasers has led to decrease in sale in ER. DRS(C) informed that it is the responsibility of the purchaser to file GST on reverse charge mechanism basis and not of the Railways. This issue must be resolved by ER.
• ER informed about the cartel formation in some areas for which they are getting low rates against the Auctions.
• Closing balance of Rs. 39 cr. (upto 10.7.19) is available in Eastern Railway. This needs to be sold by Eastern Railway on priority.
• PCMM/Eastern Railway informed that they are in process of selling 250 MT of rails to M/S Braithwaite & Co. Member (MM) advised that M/s Braithwaite & Co has to file GST on reverse charge mechanism basis and this is to be ensured by the Railways.
• Member (MM) advised PCMM/ER to despatch rails to SWR for sales to Forest Department of Govt. of Karnataka. This will also create pressure on purchasers to purchase the materials.
• PCMM/ER was also advised to sell scrap to the tune of ₹31 crores per month during July and Aug’19 to achieve the target of ₹96 crores up to Aug’19, as per 100 days Action Plan for Stores Department.

4.2 South Eastern Railway
• Scrap to the tune of ₹45 crores has been sold up to June,19 i.e. +2.20% against the proportionate target of ₹44 crores.
• Access to TMS by Stores department was requested, Member (MM) stated this is being developed by CRIS
• PCMM/SER was also advised to sell scrap to the tune of ₹ 18 crores per month during July and Aug.’19 to achieve the target of ₹ 80 crores upto Aug’19, as per 100 days Action Plan for Stores Department.

4.3 East Central Railway

• Scrap to the tune of ₹ 26.52 crores has been sold upto June,19 i.e. -40% against the proportionate target of ₹ 44 crores.
• PCMM/ECR mentioned that 30,873 MT of engg. scrap has been identified through mapping and is yet to be offered.
• PCMM/ECR informed that an award scheme has been constituted wherein PWIs offering more scrap are awarded so as to boost the mobilization and sale.
• PCMM/ECR was also advised to sell scrap to the tune of ₹ 27 crores per month during July and Aug.’19 to achieve the target of ₹ 80 crores upto Aug’19, as per 100 days Action Plan for Stores Department.

4.3 Northeast Frontier Railway

• Scrap to the tune of ₹ 6.37 crores has been sold upto June,19 i.e. -71% against the proportionate target of ₹ 22 crores.
• PCMM/NFR that the target of Rs.110 Crs. set by Railway board is very stiff and he expected to reach a total sales of Rs.70 Crs only, due to local problems and Bodo issues; especially in Kokrajhar area which accounts for 10-15% of their sale.
• PCMM/NFR informed that the offers received during the auction are much lower in these regions because of the local conditions.
• PCMM/NFR was also advised to sell scrap to the tune of ₹ 17 crores per month during July and Aug.’19 to achieve the target of ₹ 40 crores upto Aug’19, as per 100 days Action Plan for Stores Department.

(B) Review of 100 Days priority items:

100 days priority items decided for Stores Department were discussed during the review meeting at Railway Board on 06th and 07th June’2019 along with targets. AM(RS) stated that out of 100 days, almost 40 days are over and it is the right time to review the progress of the same.

Discussion on agenda items-

1. e-RA with elimination clause in all Supply tenders > Rs. 5 crores
   Proposal under consideration at Railway Board.

2. 100 % implementation of online EMD refund processing
Instructions have been issued on 31.05.2019. It was observed that all the digital Pay Orders issued after 01.06.2019 are pending. Railways were advised to look into it and ensure the 100% implementation of online EMD refund.

3. **100 % implementation of digital vendor bill submission**

Except ECR, no Railway has shown any progress. All Railways were advised to implement the same immediately.

4. **100 % implementation of online submission and issue of Imprest items (S 1830)**
5. **100% implementation of online Issue Note module (S 1313)**
6. **100% implementation of online placement of non-stock demands/indent**
   
   It was observed that Railways are still performing above activities manually. Railways were advised to implement the digital mode for the same immediately.

7. **Digital MCDO from Railways/PU to Railway Board**

   Digital MCDOs has been made mandatory from April 2019 onwards. All the Railways were advised to publish e-MCDO by 5th of every month.

8. **Online digital indents for centralized procurement of steel items at Railway Board**

   It is under process by CRIS.

9. **Unified PL for all ‘A’, ‘B’ category items, WTA, Steel and POL items**
10. **Inclusion of unified PL numbers in approved vendor list by vendor approving agencies**.

   South Eastern Railway confirmed that all “A”, “B” category, WTA and Steel items have been unified. Railways were advised to adopt unified PLs as operated / issued by the nodal Railways. Nodal Railways must communicate the same to vendor approving agencies for incorporating in Vendor Directory.

11. **Digitization of tender decision system for global tenders**

   It is under process by CRIS.

12. **On-boarding of additional 2,000 vendors on IREPS**

   Vendor registered on IREPS during June’2019 = 3,831

   Total vendors registered on IREPS as on 01.07.2019 = 1,28,473

13. **Overall availability >98%**
14. Availability of Safety items (stock >1 month) – 100%
15. Availability of Passenger Necessity items (stock > 1 month) – 100%

Overall availability as well as availability of Safety items and Passenger Necessity items on ER, ECR and NFR, as on 01.07.2019, was far less than the target. Railways were advised to ensure the targeted availability of 100%.

16. Integration of TMS with iMMS/IREPS and digital Survey Sheet for P-way scrap

Meeting was held with Engg. Dte and CRIS on 02.07.2019. It is under process.

17. One Depot in each Zone to be identified as Model Depot

Railways informed that following depots have been nominated as Model Depots-
NFR – GSD/PNO
SER – RNC Depot
ER - Halishar
ECR – TRS Depot/MGS
Norms for Model Depots to be listed by Railways and to be executed the same.

18. Meeting ended with vote of thanks.

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