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,
WR, CR, SEC R & WCR.

Sub:- Minutes of the meeting of PCMMs of Western Region with Railway Board held on 19.07.2019 at Western Railway Hdqrs, Mumbai.

A copy of the Minutes of the meeting of PCMMs of Western Region with Railway Board on 19.07.2019 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 WESTERN REGION HELD ON 19.07.2019 AT WESTERN RAILWAY

Present

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<td>V.P.Pathak</td>
<td>Member (MM)</td>
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<td>O.P.Khare</td>
<td>AM(RS)</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>J.P. Pandey</td>
<td>PCMM/WR</td>
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<td>Aditya Sharma</td>
<td>PCMM/CR</td>
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<td>Harish Gupta</td>
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<td>Sanjeev Mathur</td>
<td>PCMM/WCR</td>
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- CMM (Sales)/Western Railway welcomed the Railway Board Officers and the PCMMs of Zonal Railways attending the meeting.

1.0 **Presentation by PED/RS(C)**
- A presentation was made by PED/RS(C) on overall sales performance of Zones in Western 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.

2.0 Address by AM(RS)

- The performance in scrap sales as during last year should also continue this year and we should aim for achieving the proportionate sale target of ₹1,500 by Aug’19 as per 100 days action plan.
- The reinstatement of Scrap Management Shield from this year should also help GMs of Zonal Railways to focus on scrap disposal.
- While taking photos of identified scrap, fixed land marks should be included in photos for ease of identification. This will be helpful for comparison during second round of inspection.
- Last year new rails supply was not sufficient. This year supply of new rails is better as SAIL improved supplies. With improved new rails supply, second hand rails may get released. This to be followed up.
- Fix the Reserve Price realistically considering the market conditions and wherever difficulty in getting bids, purchaser’s workshop may be organized.
- 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.
- Letter dt.12.06.2019, issued by Engg Dte. in regard to obtaining NOC from Construction organization by open line before offering rail scrap will be taken up for review with Engg. Dte.

3.0 Address by Member (MM)

- Review meetings in last year at regional level have yielded good results.
- Computerisation of scrap disposal activities has enabled the zonal railways to observe each other’s activities to maximise the sales performance.
- The performance is below par this year. All out efforts should be made to maximize the scrap disposal activities to achieve the desired results.
- Western Railway has conceptualized the ‘zero scrap’. Whatever material are no more required for the intended use, same must be handed over for disposal to the Store Department.
- In suburban area of Central Railway, disposal of scrap is a problem, solutions to be found out. In Western Railway there is no such problem.

4.0 Discussion on Railway-wise performance

4.1 Western Railway

- Scrap to the tune of ₹76.46 crores has been sold upto June,19 i.e. +9.23% against the proportionate target of ₹70 crores.
23,937 MT of P.Way scrap has been offered to Stores out of 58,732 MT identified till the end of June. Balance 34,795 MT of identified scrap has to be offered. Concerned depts. has been requested to expedite the offering.

- Low value scrap, i.e., up to value of Rs. 2,500 is being insisted to be disposed off by concerned supervisors, as per Rly Board guidelines for expedite of disposal of scrap.
- Every Friday video conference presided over by PCMM, is being held with all ACOs (Auction Conducting Officers) for close monitoring of zero scrap.
- CRIS has been requested to make provision of reports, such as, category wise (e.g. Rails, P Way, Other Ferrous, misc. etc). Sale report for each point of auction, category wise catalogue, balance of each point of auction, etc.
- PCMM/WR was advised to exceed the target at least by 50%.

4.2 Central Railway

- Scrap sales upto June’19 were ₹44 crores, i.e., -31% against the proportionate target of ₹64 crores.
- Foot to foot survey of all sections to locate all sorts of scrap including structures, abandoned tanks, girders, OHE poles etc. was done and 31,104 MT of Engg. scrap has been identified out of which 9,274 MT scrap has been received.
- All departments are advised by GM to identify and clear scrap from the workshops, sheds working areas etc and handover the same for disposal to Stores. All concerned PHODs are instructed to make workshop/sheds 100% scrap free.
- SAG level committee at HQ is formed to review and monitor progress of Scrap mobilisation and sale.
- PCMM/CR was advised to pay specific attention on sale of the identified scrap and to sell scrap to the tune of ₹38 crores per month in July’19 and Aug’19 to achieve the proportionate target of ₹120 crores as per 100 days Action Plan for Stores Department.

4.3 South East Central Railway

- Scrap sales upto June’19 were ₹23.34 crores, i.e., -49% against the proportionate target of ₹46 crores.
- To regularize of the sale of Release Rails & P.Way materials as direct sale to IRCON/RVNL/RITES through Stores Department, a JPO duly signed by CTE and CMM has been issued recently vide JPO No.S/Sale/Credit/2018/4410 dated 18.01.2019 circulated to all concerned.
- Own your PWI Scheme has been formulated in SECR. In this all JAG Stores Officers have been assigned three or four SSE P-Ways on whom they will concentrate and visit frequently during the year for expediting mopping of scrap.
7,964 MT of Engg. scrap, 493 MT misc. scrap, 71 nos. of wagons and 9 nos. of abandoned cabins and huts were identified during the mapping and inspection by all officers.

PCMM/SECR stated that Track Directorate of Rly Board has fixed target of 16,500 MT Rail and P. way Scrap target for 2019-20 for Engineering Department whereas estimated requirement is 48,450 MT scrap rail and P-Way in order to achieve the annual scrap sale target of Rs 230 crores as fixed by Rly Board. Accordingly Board may impress upon Track Directorate to enhance the target to match the requirement.

PCMM/SECR mentioned that Track Directorate Rly Bd (ED/Works) has issued instruction vide letter No. 2019/W-I/Genl./P-Way/2019-20 dated 12.06.2019 to all PCEs to obtain NOC from Construction Organisation before offering any scrap rails to Stores deptt. As result of this, process of offering of scrap rail by Open Line is getting delayed as well as reducing the offerings.

As a result of Board’s advice to use second hand/ released rails by Construction, it has been decided by Engg deptt. of SEC Railway to not to offer 60 Kg rail of length above 6 mtr as scrap to Stores deptt., vide CTE L/No SECR/HQ/Engg/TC-9/Scrap/18-19/1939 dated 05/03/2019. As result of imposition of this restriction, arising of scrap Rails has reduced drastically in this financial year. PCMM/SECR requested to impress upon the Track Directorate to intervene in this matter for removal of such type of restriction.

PCMM/SECR was advised to sell scrap to the tune of ₹32 crores per month in July’19 and Aug’19 to achieve the proportionate target of ₹85 crores as per 100 days Action Plan for Stores Department.

4.4 West Central Railway

- Scrap sales upto June’19 were ₹14.41 crores, i.e., -60% against the proportionate target of ₹36 crores.
- 15,994 MT of Engg. scrap and 10,939 MT of other ferrous scrap have been identified.
- 14,000 km of released rails have been committed to RVNL/Const/IRCON
- PCMM/WCR was advised to sell scrap to the tune of ₹28 crores per month in July’19 and Aug’19 to achieve the proportionate target of ₹70 crores as per 100 days Action Plan for Stores Department.

5.0 Meeting ended with vote of thanks.

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