

NORTHERN RAILWAY**HEADQUARTERS OFFICE
BARODA HOUSE
NEW DELHI.**

No.117-S/Sale/DIVIN/Small Value/Disposal

dated May 23, 2001

The Divisional Railway Manager,
Northern Railway,
Allahabad/Lucknow/Delhi/Firozpur/
Moradabad/Jodhpur/Bikaner/Ambala

SUB: DISPOSAL OF LOW VALUE SCRAP

Consequent upon complete stoppage of Store Van services by Rail with effect from 31.7.1995, it has been noticed that the Divisions have been returning only high value scrap items to the adjoining Stores Depots for their disposal and low value scrap items have been accumulating on the Divisions in view of proportionately high cost involved in transportation of such items through road.

2. Codal provisions contained in para 2314S permit scrap materials being disposed of directly by the Divisions, if freight and loading charges likely to be incurred on transporting them to Stores Depots are likely to be heavy and incommensurate with the market value of such scrap materials. Even though Divisional Stores Officers had been delegated powers for disposal of low value scrap through Bulletin/Limited tenders upto Rs.25,000/-, these powers are not being exercised.
3. Keeping above aspects in view, the matter has been considered in the Headquarters Office and with the concurrence of FA&CAO and approval of G.M., following procedure is laid down for disposal of low value items of scrap on the Divisions upto a value of Rs.50,000/- per lot:
 - i) Disposal of low value scrap items will be arranged by DCOSs/Sr.DCOSs in the Divisions.
 - ii) The present delegation of sale of scrap to the DCOSs/Sr.DCOSs through Limited Tender will continue upto Rs.25,000/- per tender. In addition, DCOSs/Sr.DCOSs are now authorised to sell scrap through auction also upto Rs.50,000/- per item/per lot.

- iii) Low value items would include empty drums, rubber Hose Pipes (used in carriage filling), vacuum brake hose pipes, scrap tarpaulins, scrap tents, scrap mattresses of all types, road vehicles tyres & tubes, scrap linen, empty cement bags, waste paper, scrap furniture, scrap umbrella, condemned bicycles, scrap hand signal and tail lamps, miner cap lamps and small hand tools. This list is illustrative and further items may be added to this list by the Divisions with the concurrence of DAO/Sr.DAO and with the approval of DRM, keeping in view the Codal provisions of 2314S referred to above.
- iv) Scrap items may be disposed of on 'as is where is' basis.
- v) Before any low value item of scrap is taken up for disposal by the Divisional Stores Officer, the concerned Branch officer of the Division should furnish the list of items under his signatures duly certifying that the items being offered for disposal have been inspected by him personally and found unserviceable and unfit for any further use on the Railway.
- vi) Subject to the Branch Officer furnishing the certificate of unserviceability or nil utility for the Railway, a dispensation from Survey (of low value items of scrap) by the Survey Committee has been given, by the G.M. with FA&CAO's concurrence.
- vii) All lots of scrap valued upto Rs.25,000/- may be disposed of by calling tenders. For this purpose, the Divisional Stores Officer may obtain the list of likely buyers from the nearest General Stores Depot which is conducting auctions. Other likely buyers known to the Divisions, may also be invited to participate in the tender. In terms of the existing delegation, DCOS/Sr.DCOS will accept a sale tender upto Rs.25,000/- per tender. In doing so, due regard should be given to the Codal provisions, extant instructions and acceptability of offered price.
- viii) All lots of scrap likely to fetch value more than Rs.25,000/- but up to Rs.50,000/- may be disposed of through auction for which, an Auction Notice in the press is required to be given in advance, with intimation to likely buyers. The auction may be conducted jointly by the Sr.DCOS/DCOS and DAO. Where there is no DAO in the Division, Sr.DAO will associate in the auction. Present procedure of conducting the auction departmentally, using the standard terms and conditions of auction as is being presently followed by the Stores Depots on the Northern Railway may be adopted by the Divisions.
- ix) Reserve prices for Auction will be fixed by the Committee of DCOS/Sr.DCOS & DAO/Sr.DAO in advance of the date of auction as for bridge girders.

- x) If in a case, the total value of a lot comprising of low value scrap items exceeds Rs.50,000/-, concerned Depot Officer of the Main Stores Depot may be advised for inclusion of the lot in the Auction Catalogue and its further disposal on 'as is where is', in the same manner as is being done for scrap P-way items.
- xi) After the Divisional Stores Officer has arranged the sale either through tender or auction, and issued the sale order/delivery order (after required payments have been made by the purchaser), all further action for delivery of the sold item would be taken by the Branch officer. Delivery of scrap should be witnessed by the stock holder and a stock verifier who may be deputed by the Sr.DAO/DAO for this purpose.
4. Please acknowledge receipt of this letter.

-Sd-
(S.C.GOEL)
Chief Materials Manager(Sale)

Copy for information & necessary action to:-

1. DCOS/Sr. DCOS, N.Rly, All Divisions.
2. DAO/Sr.DAO, N.Rly., All Divisions.
3. Dy.COSs, N.Rly., AMV/LKO, SSB, JUDW, JU

Copy to: CME, CEE, C.E., CSTE, FA&CAO, COM, CCM, CMD, CSC,
C.P.O.