

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

No.2014/RS(S)/709/4

New Delhi dt. 08.01.2015.

Controller of Stores,
All Indian Railways & PUs.

Sub : Stock Verification of scrap material and clearance of debit/credit balances from scrap sales suspense account.

Ref : Provisional Para No. 20 for the year ending March'2013 which has been included in C & AG's Report as Audit Para No. 5.1 as "Management of Scrap in Indian Railways".

During review of Scrap Management in Indian Railways by audit as referred above, it has been observed that stock verification of released / scrap material was not being carried out as per the laid down norms.

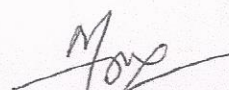
Audit has also observed that there is inadequate follow up by the Railways for clearance of debit/credit balance from scrap sales suspense account due to which there is huge outstanding in the suspense account.

The Railways are expected that the stock verification is carried out as per the laid down norms promptly and the sales suspense account is effectively monitored so that the balances under the suspense account are maintained at the minimum level.

The Railways are again requested to put in place an effective monitoring mechanism to ensure that the short comings highlighted by audit are removed and the backlog, if any, is removed by taking necessary corrective action promptly.

DA: 01 (Both side)

o/c


(A.V. K.M. RAO)

Deputy Director, Railway Stores (S)II,
Railway Board