# Scrap Management in indian railways

	scrap Management
*Ir	troduction to Scrap
*	Consists of thing
*	Not Wanted or Cannot be used
*	For Original Purpose
*	But have Some Value
*	For the Material
*	They are made off

	scrap Management
*	ntroduction to Scrap (Contd)
*	May also consists of
*	<b>Recyclable Materials left over from</b>
	Manufacturing or Consumption
*	Cut Parts
*	Turning Scrap
*	Surplus/Obsolete Materials

\* Unlike Waste

\* Scrap has Monetary Value

Scenario in Indian Railways

- \* As per Year Book 2016-17
- Total Revenue Generation Rs. 2718 Cr
- Through Scrap Disposal
- Total Scrap Disposed 1 Million Ton

Scrap Management
 Indian Railways
 Major Source of Scrap
 Generation

**Objective of Scrap Management** 

To Decongest Work Area

To Earn Revenue

Scrap - Major Head

### Contribution

P Way and Fittings50%Depot Scrap30%Rolling Stocks8%Misc Scrap12%

scrap Management Scrap Category for getting Better Price Cast Iron(CI Sleepers) Turning & Boring (Process waste) Light Melting Scrap (Sheets, plates etc.) Heavy Melting scrap (Wheels, axles etc.) Rolling Scrap (Rails) Non-ferrous Scrap (Copper, Brass, Lead etc.) Condemned Wagons, Coaches & Locos **Concrete Sleeper** Misc. Scrap (Paper, Furniture, Cloth etc.) Waste Oil

\*Steps of Scrap Management

Identification
 Segregation
 Disposal

scrap Management		
Arising of Scrap		
Rails and Fittings from		
* Track Renewal		
* Gauge Conversion		
* As is where is basis		
* Depot Scrap		
<ul> <li>From Shops and Sheds</li> </ul>		
* Transported to Store Dep	oot	
* As is Where is basis		

scrap Management		
Arising o	of Scrap (Contd.	)
Rollin	ng Stocks	
*	Overage or Ob	solete or Accident
involved		
*	As is whe	re is basis
* Misc	Scrap	
*	Machinery & P	lants
*	Papers	Empties
*	Furniture	Wood Items
*	As is whe	re is basis
*	Transport	ted to Store Depot

	scrap Management
* Id	entification
*	Rails and Fittings
*	Stacking of Rails on Site
*	Stacking of Fittings at P Way Depot
*	Survey of Above Items by
*	Survey Committee
*	Consist of
*	Engineering
	Stores
	Finance

scrap Management
Identification (Contd)
<ul> <li>Rails and Fittings</li> </ul>
Physical Examination by Survey
Committee
Recommendation of Survey
Committee
<ul> <li>Unserviceable or Obsolete</li> </ul>
<ul> <li>Acceptance by Accepting Authority</li> </ul>
* To declare as Scrap

#### scrap Management Identification **Depot Scrap** Ж Surplus Stock Items \* Items rejected during Maintenance \* Cut parts generated during Manufacturing Repair T&P Items

At Premises of Store Depot

User

scrap Management Identification Surplus Stock Items Items not issued in Last 24 Months \* Separate Ward in Store Depot Surplus due to Change in Design/Standards Advice for change in Design Estimate of Loss due to Replacements of Rolling stock

scrap Management Identification Surplus Stock Items Write off \* Survey Committee Report **Items Description Book Value** Scrap Value Loss Incurred Acceptance

SC	rap Management
Identificat	ion
* Scraps	s received from Shops/Sheds
*	tems rejected during Maintenance
Cut pa	rts generated during Mfg/Repair
* Т	-&P Items
*	All Scraps that are susceptible to be
recycled	
*	Roller Bearings, Tumbler Switch
*	Ball Bearings, Cutting Tools
*	Pneumatic Tools
*	To be disfigured/broken (Letter 4-
2-82)	

Identification

\*

**Items rejected during Maintenance** Cut parts generated during Mfg/Repair Normally sent to Store Depot After Weighment **Items like Turning Boring Difficult to Transport** Offered to Stores for Sale Indicating Weight Location Sold As is Where is Basis

scrap Management		
Identification		
* T&P Items		
<ul> <li>have Codal Life</li> </ul>		
<ul> <li>Condemnation as per SOP</li> </ul>		
* PHOD/DRM/CWM – Full Power		
JAG – Upto Rs. 10000/- Scrap		
Value		
* SS – Upto Rs. 5000/- Scrap		
Value		
* JS – Upto Rs. 2500/- Scrap		
Value		
* Maintenance of T&P Register		

scrap Management	
Identification (Contd)	
* Rolling Stocks	
<ul> <li>Identification of Rolling Stocks</li> </ul>	
* Wagon	
* Coach	
* Locomotive	
* Tower Car	
<ul> <li>Track Machines</li> </ul>	
* Rail Cranes	

SCr	ap Management
Identification	n (Contd)
Rolling S <sup>*</sup>	tock - Wagon
* Aut	hority to approve Condemnation
*	Overage – CWM/CRSE/CWE/PCME
	Without Finance
Concurrence	
*	Underage
*	Accident Involved – PCME
*	Without Finance
Concurrence	

Concurrence

scrap Management	
Identification	
Rolling Stock – Wagon (Contd)	
Authority to approve Condemnation	
Non-Accident Life > 25 Years	
PCME with Finance	
Concurrence	
Non-Accident Life < 25 years	
Railway Board	
With GM Approval and	
PFA Concurrence	

	Scrap management
	cess of Condemnation - Wagon (Letter 2-4-
18)	
*	Whenever a Wagon is intercepted
*	for Condemnation
*	Certificate for Interception is to be
*	generated on IRWMS
*	To be made for individual Wagon
*	To be Part of Condemnation Proposal
*	being put up to
*	Finance (if required)
*	Competent Authority

* Pro	Scrap managem ocess of Condemnation - W	
	<b>Condemnation Proposal</b>	C X Y
*	Condition Report by Sr D	ME/Dy CME
*	after Physical Verific	ation
*	Consists of	
*	Wagon No.	Railway
*	Туре	Build Year
*	Condition	Approx Weight
*	Joint Note if A	ccident Involved
*	Excluded Fittin	ngs if any
*	Financial Justif	ication if Underage
*	Similar for Coach Also	

	Scrap management
P	rocess of Condemnation of Wagon (Contd)
*	After Condemnation by Competent Authority
*	Concerned Workshop/Division will
*	Upload the Approval Document
*	on IRWMS
*	After uploading
*	Certificate of Approval of
Cor	ndemnation
*	is to be Generated on IRWMS
*	for Each Wagon
*	Certificate will be attached to Advice for
*	Offer for Sale to Stores Department

SCra	ap Management
Identification	
Rolling St	ock - Coach
* Aut	nority to approve Condemnation
*	Overage – CWM/CRSE/CWE/PCME
	Without Finance
Concurrence	
*	Underage
*	Accident Involved – PCME
*	Without Finance
Concurrence	

scrap Management	
Identifica	tion
Rollin	g Stock – Coach (Contd)
*	Authority to approve Condemnation
*	Non-Accident
*	Residual Life < One POH Cycle
*	Beyond Economical Repair
*	PCME/CWM
*	without Finance
Concurrei	nce
*	Residual Life > One POH Cycle
*	GM with PFA Concurrence

SCRap * Identification	Management
Rolling Stock	– Locomotive
* (Rly Boa	ard Letter 17-03-2017)
* O\	verage - PCME
*	Age cum Condition Basis
*	Proposal by Sr DME/CWM
*	Personally Inspected
*	Uneconomical to retain in
Service	
*	Vetting by Associated
Finance	
*	Personal Approval of PCME
*	Information to Railway

scrap	Management
* Identification	
<ul> <li>Rolling Stoc</li> </ul>	ck – Locomotive (Contd)
*	Jnderage – Railway Board
*	Accident Involved
*	<b>Condemnation Proposal to</b>
Board	
*	Uneconomical to retain in
Service	
*	Inspection by 3 HoDs
*	Action Taken against Staff
	Copy of Police Report if
required	PCME Approval

scrap Management	
Identification	
Rolling Sto	ock – Locomotive (Contd)
*	Underage – Railway Board
*	Non-Accident Involved
*	Some Defects beyond Repair
*	<b>Condemnation Proposal to</b>
Board	
*	Inspection by 3 HoDs
*	PCME Approval
*	PFA Concurrence
*	Concurrence of Finance of
Board	

scrap Manag	gement
Identification	
Rolling Stock	
<ul> <li>Involved in Accid</li> </ul>	ent
* Can be proc	essed for
Condemnation	
* Only a	fter
* E	inquiry done by CRS if
any	
* E	Inquiry done by Police
if any	

	scrap Management
Ide	ntification (Contd)
*	Machinery and Plants
*	Identification of M&Ps
*	Overage – Beyond Codal Life
*	Underage
*	Beyond Economic Repair
*	Survey by Standing Survey Committee
*	Nominated by
Div	ision/Workshop/HQ

scra	p Management
Identification	(Contd)
Machiner	y and Plants
* Auth	nority to approve Condemnation
*	Overage – JAG/HOD/PHOD
	Without Finance Concurrence
*	Underage – Passed Codal Life >
75%	
*	DRM/CWM
*	Without Finance
Concurrence	
*	Underage – Passed Codal Life <
75%	

	scrap Management
<ul> <li>Segregation of Scrap</li> </ul>	
*	For Getting Better Price because
*	Market Rate are high for
*	Non Ferrous
*	Rolling Item
*	Heavy Melting Scraps
*	Schedule of Scrap
*	98 Group

\*

\*

	scrap Management
Segr	regation of Scrap
*	Rails and Fittings
*	Lot Formation by
*	Stacking of Rails on Site
*	Stacking of Fittings at P Way
Dep	ot
*	

	scrap Management
* 5	Segregation of Scrap
*	Depot Scrap
*	Sorting and Storage
*	Lot Formation by
*	Ferrous Scrap
*	Category wise
*	Non Ferrous Scrap
*	Lot Register

scrap Management Segregation of Scrap **Depot Scrap** Lot Register \* Lot Number PL No. \* Description **Approx Quantity Book Rate** Rate – Prev auction Sanction Rate at which sold Purchaser Total value auction rate Remarks Survey Sheet \*

Segregation of Scrap Depot Scrap Survey Sheet

	scrap Management
* Se	gregation of Scrap
*	Size of Lot
*	Weight – 500 Tons
*	Value – Rs. 1 Cr
*	

	scrap Management
Seg	gregation of Scrap
*	Rolling Stock
*	Excluded Fittings – can be used in
oth	ier
*	WTA Air Brake Items etc
*	
*	In case of Accident involved Rolling Stocks
*	WTA can be disposed (Letter 14-6-11)
*	Certification of PCME that
*	Retrieval not possible
*	Approval of PCMM

scrap Management Chief Materials Manager/Sales **Officer in charge of Entire Sale Activity** in Zone Co-ordination with \* Various Department \* **Railway Board** \* **Field Officers** \* For Day-to-Day Auction \* Monitoring \*

scrap ManagementAuction and Sale Activity\* Guided by Chapter 24 of\* Indian Railways Stores Code

scra	o Management
Auction and S	ale Activity
Rolli	ng Stocks and M&P are sold
*	With Rider that Excluded Fittings
*	to be returned to Custodian
* Exclu	uded Fittings
*	Items could be used in other
stock	
*	Loco – Power Pack, WTA, TM etc,
*	Wagons – Doors, Air Brake
Items, WTA	
*	Coaches – WTA, Air Brake Items
etc.	

	scrap Management
Auctio	n and Sale Activity
*	Reutilization by Railways
*	Heavy Melting Scraps sent to
*	RWF Bengaluru
*	RWP Bela
*	Volume – 80000
Tons	
*	Amount – Rs. 200 Cr
*	

	o Managemer	nt
Auction and Sa	ale Activity	
* e-Auc	tion	
*	Factors –	
*	<b>Reserve Price</b>	Weight
*	Lot Size	Category
* Bene	fit	
*	<b>Better Transparency</b>	/
*	Eliminate Direct Inte	erface
*	Seller and Purc	haser
*	<b>Prevention of Cartel</b>	Formation
*	Mafias cannot preve	ent anybody
*	From Participa	ting

	scrap Management
* /	Auction and Sale Activity
*	Reserve Price is fixed
*	Taking into Consideration
*	Last Sale Rate
*	Rate of Similar Scrap
*	in Adjoining Depot
*	Rate of Scrap
*	in Leading Newspaper
*	Metal Exchange
*	Liaison with Local

Manufacturer

	scrap Management
Auction	n and Sale Activity
*	e-Auction Features
*	Done on Nominated Days IREPS
*	Purchaser has to register into
IREPS	
*	For e-Auction
*	Fee - Rs. 10000/-
*	Class-III Digital Signature
*	Valid email id
*	Purchaser can bid Online for
*	Specific Lot
*	EMD - to be blocked as Lien

	scrap Management
Auction	n and Sale Activity
*	e-Auction Features (Contd)
*	Permitted to bid for Amount
*	10 Times of Lien Amount
*	Can see the Bid of Others
withou	t
*	Knowing the Name
*	System compares
*	the Highest Offered Bid
with	
*	Reserved Price
*	If Offered Price is high

	scrap Management
Auction	and Sale Activity
e-Au	uction
*	After Acceptance of Bid
*	Purchaser is required to
*	Deposit Balance Sale Value
*	Within 10/15 days from
DoA	
*	To take delivery
*	Within 40/50 days from
DoA	
*	After Deposit of Balance Sale Value
*	Sale Release Order is issued

### e-Auction

### Auction Catalogue

Auction Catalogue Header						
Depot/Railway Unit]	MALPUR DEPOT/EASTERN RLY					
Auction Catalogue No 0	51407EA01	Auction Type -			Close End	ded
Auction Start Date/Time - 0	7-07-14 11:00:00 Maximum Auto E		Extensions -		9 Times	
Auction Close Date/Time - 0	7-07-14 14:05:00 Duration of Auto		o. Extension -		90 (Seconds) Each	
Category - Rolling Stock						
Seq No	Custodian / Location				(1060	Minimum Increment (Rs.)
A/1 0540090714	SSE.Cond.[Wagon].ER.JMP / Ne hobighat, Jamalpur				07-07-14 11:15:00	100.00
Material Description : Iron and Steel [4] NR 89556, [5] CR 106223, [6] CR 1 93165, [13] ER 43686, [14] ER 44949, ER 42272, [21] SC 68938, [22] SE 101 Cutting allowed. [2] To be sold withou Wheel Sets with CTRB, Auxiliary Reser Bolster Spring [All Types], Hand Brake Brake Screw With Nut, Distributor Valv	09054, [7] SC 68108, [8] NR 9311 [15] SE 101616, [16] ER 45733, [ 190, [23] SE 100171, [24] SC 691 t all available excluded fittings as voir, Brake Cylinder, Dirt Collector Wheel, Slack Adjuster, Loaded Tie	9, [9] ER 42350, 17] CR 111976, 52, [25] SE 1007 following- [Casn , Draft Gear [HT],	[10] [18] 9 792, [ ub Bo Cou	ER 46857,   SC 68899A, 26] CR 000 gie Stock- I pler Body [H	[11] NR 8793 [19] NR 976 180. Conditi 30XN]- Casr IT], Yoke and	87, [12] NR 37, [20] on- [1] nub Bogie, d Yoke Pin,
A/2 0540110714	SSE.Cond.[Wagon].ER.JMP / Ne hobighat, Jamalpur				07-07-14 11:20:00	100.00
Material Description : Condemned Ca Spring and Wheel Sets with CTRB are		lark-I]. Condition	- [1]	Cutting allo	owed.[2]Bo	lster
A/3 0540340114	SSE.Cond.[W].JMP / New Scrap , Jamalpur	Yard, Dhobighat			07-07-14 11:25:00	100.00

## e-Auction

#### Auction Catalogue

Dep	pot/Railway Unit)/	MALPUR DEPOT/EASTERN RLY					
Aud	ction Catalogue No 0	51407EA01	Auction Type -			Close End	led
Auc	ction Start Date/Time - 0	7-07-14 11:00:00	Maximum Auto	Exten	sions -	9 Times	
	ction Close Date/Time - 0 tegory - Depot Ferrous Scrap	7-07-14 14:05:00	Duration of Auto	o. Ext	ension -	90 (Secor	nds) Each
ieq Io	Lot No	Custodian / Location			Start Date/Time	Close	Minimum Increment (Rs.)
/1	0500360614	CDMS.SSY.JMP / East Side of B . 2C to 4B	ank Line Paya No	200. 000 Metr ic To nne		07-07-14 11:40:00	10.00
	erial Description : PL No. 980504 and Wagon Door only.	48, Scrap M.S. consisting of cut p	eces of Box Wag	on Bo	dy Cutting,	Angle, Chan	nel, Nut-
		CDMS.SSY.JMP / West Side of S WH End	Sleeper Line in H	150. 000 Metr ic To		07-07-14 11:45:00	10.00
Ca	teaory - Depot Non-Ferrous Scra	D					
Seq No	Lot No	Custodian / Location			Start Date/Time	Close Date/Time	Minimum Increment (Rs.)
		DMS.Sale Section.JMP / Godow	n - D of Sale Sect		07-07-14	07-07-14 12:50:00	0.25

e-Auction

#### Auction Catalogue

Depot/Railway Unit - JAM/					
Auction Catalogue No 0514	MALPUR DEPOT/EASTERN RLY Auction Type -		Close Ended		
	07-14 11:00:00 Maximum Auto Extensio		xtensions -	9 Times	
Auction Close Date/Time - 07-0	-07-14 14:05:00 Duration of Auto. Exten		. Extension -	90 (Seconds) Each	
	SSE[G].Dsl. Shed.ER.JMP / Arour ntenance Section, Diesel Shed,	nd Electrical Mai Jamalpur	Motr	07-07-14 13:20:00	10.00
laterial Description : Scrap M.S. consis one at Souh Stores Yard Weighbridge a		dition- [1] As is w	here is basis. [2]	] Weighmen	it will be
/3 0540020414	SSE.MTS.JMP / BST.HMRS		1.00 0 07-07-14 Num 11:00:00 bers	07-07-14 13:25:00	100.00

## e-Auction

#### Auction Catalogue

Auction Catalogue Header								
Depot/Railway Unit -		JAMALPUR DEPOT/EASTERN RLY						
Auction Catalogue No		51407EA01 Auction Type -		Close Ended				
Auction Start Date/Time - Category - Depot Miscellaneous		07-07-14 11:00:00 <u>crap</u>	Maximum Auto Extensions -		9 Times			
Sec No	Lot No	Custodian / Location			Start Date/Time	Close Date / Time	Minimum Increment (Rs.)	
D/1	0502210314	CDMS.Oil Godown.JMP / Godo o. C, Oil Godown			07-07-14 11:00:00	07-07-14 13:10:00	10.00	

Material Description : PL No. 98310641, Scrap Empty Grease Drum with Lid Cover, Cap. 182 Kg.

#### Category - Pway Scrap

Sec No	Lot No	Custodian / Location	Lot Qnty	Start Date/Time	Close Date/Time	Minimum Increment (Rs.)
F/1	0551380314	SSE.PW.SBG / as per description	17.0 09 Metr ic To nne	07-07-14 11:00:00	07-07-14 13:35:00	10.00

Material Description : Scrap Rail consisting of 88.5 LBS [SC] and 75 LBS [SC]. [1] Rail 88.5 LBS [SC] [PW Lot No. 36.R.SBG.13-14, Qty. 24 Nos. 263.28 Mtrs., 11.547 MT, Location - KM-254.3-5 near PPT Stn. Limit], [2] Rail 75 LBS [SC] [PW Lot No. 37.R.SBG.13-14, Qty. 22 Nos., 147.10 Mtrs., 5.462 MT, Location - SGK Siding near Buffer End]. Condition - [1] Cutting allowed over 12 feet long. [2] Delivery will be given as per linear measurement and sectional weight basis.

	scrap Management
Auction	and Sale Activity
Han	ding Over and Delivery of Scrap to
Purchas	ser
*	Purchaser take over Scrap after
*	Presenting SRO to Custodian
*	Weighment of Scrap before Delivery
*	Scrap purchased in Weight
*	Rails and Fittings
*	Depot Scrap
*	Rolling Stocks sold in Numbers
*	Weighment not done

	scrap Management
Aucti	ion and Sale Activity
* H	landing Over and Delivery of Scrap to
Purch	naser
*	Delivery witnessed by Three Railway
Offic	ials
*	Besides Purchaser
*	Custodian
*	Store Deptt – If Lot in Store
Depc	ot
*	Executive Deptt otherwise
*	Store Deptt
*	Stock Verifier

scrap Management				
Auction and Sale Activity				
* Not L	ifting of Scrap by Purchaser			
*	Within Time Limit (Letter 20-09-16)			
*	Delivery Time can be extended			
after	Imposition of Ground			
Rent				
*	Can be extended without Ground			
Rent				
*	By GM/AGM			
*	If delay on part of			
Railways				

scrap Management					
Auction and Sale Activity					
*	Disposal of Non-recyclable Scrap without				
*	Causing Any Environmental Hazard				
*	Battery, Waste Lube Oil, e-waste etc.				
*	Disposed of as per the guidelines				
*	Issued by the				
*	Ministry of E & F				
*	Sale of such scrap restricted to only				
*	Authorized/Certified Agencies				
*	Return to be submitted to State Pollution				
C	ontrol Board				

 Scrap Management

 Auction and Sale Activity

 Stock Verification

 \*
 By Stock Verifier

 \*
 Frequency – Once in a Year