

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO.1681
TO BE ANSWERED ON 13.02.2019**

SCRAP MANAGEMENT

**+1681. SHRI RAM TAHAL CHOUDHARY:
SHRI LAXMI NARAYAN YADAV:**

Will the Minister of RAILWAYS be please to state:

- (a) the location-wise and quantum-wise details of railway scrap lying at present;**
- (b) the rules of scrap management in the Railways;**
- (c) whether the said rules are not being followed; and**
- (d) if so, the reaction of the Government thereto along with the remedial steps taken in this regard?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(a) to (d) A Statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF UNSTARRED QUESTION NO.1681 BY SHRI RAM TAHAL CHOUDHARY AND SHRI LAXMI NARAYAN YADAV TO BE ANSWERED IN LOK SABHA ON 13.02.2019 REGARDING SCRAP MANAGEMENT

(a) Information regarding location-wise and quantum-wise railways scrap lying as on 31.01.2019 is as under:-

Zonal Railway	Division/Depot	Quantity of Scrap Lying (in MT)
Central Railway	Mumbai	7126
	Pune	1784
	Bhusaval	3133
	Nagpur	1580
	Solapur	171
	Parel Workshop	200
	Matunga Workshop	150
	Total	14144
Eastern Railway	Howrah	6050
	Asansol	5078
	Malda	1080
	Sealdah	1285
	Total	13493
Northern Railway	Alambagh Depot	1231
	Jagadhari	1274
	Sakurbasti Depot	705
	Luknow	4996
	Umbala	3207
	Firozpur	1963
	Moradabad	6617

Contd...2/-

-:2:-

Railway	Division/Depot	Quantity of Scrap Lying (in MT)
Northern Railway	Delhi	5262
	Total	25255
North Eastern Railway	Varanasi	1195
	Luknow	4477
	Izatnagar	1409
	Gorakhpur Depot	732
	Izatnagar Depot	279
	Total	8092
Northeast Frontier Railway	Digrugarh Workshop	87
	New Bongaigaon Workshop	694
	PNO Depot	180
	New Jalpaigudi Depot	362
	Katihar	2082
	Alipurduwar	1025
	Rangia	868
	Lumbding	650
	Tinsukhia	694
	Total	6642
Southern Railway	Chennai	5848
	Salem	1081
	Tirupati	2088
	Madurai	1110
	Trivendrum	4373
	Palghat	5167
	Perambur Depot	1031
Golden Rock Depot	469	

Contd...3/-

Railway	Division/Depot	Quantity of Scrap Lying (in MT)
Southern Railway	Total	21167
South Central Railway	Secunderabad	1100
	Hyderabad	477
	Vijaywada	647
	Guntur	323
	Guntakal	1126
	Nanded	3003
	Rayanpadu Depot	844
	Tirupati Depot	904
	Lalaguda Depot	676
	Total	9100
South Eastern Railway	Adra	1972
	Chakradharpur	6607
	Kharagpur	2884
	Ranchi	89
	Total	11552
Western Railway	Mumbai	4520
	Ahmedabad	1538
	Dahod Depot	7600
	Mahalaxmi Depot	5000
	Sabarmati Depot	3800
	Pratapnagar Depot	3461
	Total	25919
East Central Railway	Samastipur Depot	1500
	Dhanbad	3500
	Danapur	2000
	Mugalsarai	1500
	Samastipur Depot	500

-:4:-

Railway	Division/Depot	Quantity of Scrap Lying (in MT)
	Total	9000
East Coast Railway	Khurda Road	3411
	Sambalpur	1020
	Waltair	2085
	Mancheswar Depot	566
	Total	7082
North Central Railway	Jhansi	3654
	Allahabad	5334
	Agra	5434
	Total	14422
North Western Railway	Jaipur	1100
	Bikaner	1775
	Ajmer	3245
	Total	6120
South East Central Railway	Bilaspur	1200
	Nagpur	310
	Raipur	75
	Raipur Workshop	910
	Total	2495
South Western Railway	Hubli	1271
	Bengaluru	3734
	Mysuru	410
	Hubli Depot	926
	Ashokapuram Depot	747
	Total	7088
West Central Railway	Jabalpur	3244
	Bhopal	672
	Kota	1157

Contd...5/-

Railway	Division/Depot	Quantity of Scrap Lying (in MT)
West Central Railway	Bhopal Workshop	174
	Kota Workshop	1705
	Total	6952
Metro Railway	Noapara Depot	244
Production Units		
Chittaranjan Locomotive Works	Chittaranjan	119
Diesel Locomotive Works	Varanasi	502
Integral Coach Factory	Perambur	1837
Rail Coach Factory	Kapurthala	825
Rail Wheel Factory	Bangalore	613
Diesel Loco Modernisation Works	Patiala	1905
Modern Coach Factory	Raebareli	436

(b) Scrap is sold through e-auction in Railways. Following are the rules of scrap management through e-auction in the Railways:-

- 1. Inspection of material: Purchasers are advised to inspect the material prior to bidding.**
- 2. Condition of lots: The lots are sold on 'as is where is basis' and no guarantee is given for size, measurement, quantity, quality, etc. The e-Auction sale is strictly on the assumption that bidders have inspected the items. No Complaint/claim by the purchasers is entertained in this regard.**

3. Entry fee to the e-Auction web site: Every purchaser has to get registered on the website www.ireps.gov.in for e-Auction. The purchaser is required to submit one time registration fee of ₹ 10,000/- as entry fee in central account either through payment gateway or manual payment as prescribed in Para 8. The centralised registration permits the bidder to participate in all e-Auctions, over entire Indian Railway, available on the site www.ireps.gov.in. The registration fee can be refunded to the bidders on request if they desire not to participate in future e-Auctions. However, such bidders, on request, can participate in e-Auctions by re-registering afresh by depositing the requisite registration fee again.

4. Purchase Account: A valid user registered with e-Auction portal can bid in the e-Auction on site www.ireps.gov.in after depositing any amount in his “Purchase Account” and can submit bids up to 10 times of the amount as available in his “Purchase Account” on real time basis. This account is updated on real time after each transaction. If a bidder is awarded a lot, appropriate Earnest Money Deposit (EMD) for

-:7:-

the same is deducted from the amount deposited. On the request of the bidder, the balance deposit amount is automatically released.

5. Bid Acceptance: After the pre-defined auction closing date/time, no bid is accepted by the system and all bids received are frozen. The pre-defined closing time is auto extended if any bidder submits the bid in the last pre-determined interval time, so that other bidders get time to bid accordingly. The system accepts/rejects the highest bid as per reserve price fed into the system prior to the start of the e-Auction.

6. Earnest Money Deposit (EMD) amount is 10% of accepted bid value. EMD is automatically deducted from 'Purchaser Account' of the successful bidder.

7. Payment of Balance Sale Value and Delivery time:

7.1 For Permanent Way Scrap and other line lots: Successful bidder can submit the balance sale value through payment gateway or through manual mode as mentioned in Para 8. Delivery order is issued only after realization of the balance sale value.

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-:8:-

S.No.	Sale value of lot	Free time allowed for payment of balance sale value reckoned from the date of acceptance of bid	Free time allowed for delivery reckoned from the date of acceptance of bid	Number of instalment permissible for payment
1.	Upto & including <input type="checkbox"/> 03 lakhs	10 days	50 days	1
2.	Exceeding <input type="checkbox"/> 3 lakh and upto <input type="checkbox"/> 5 lakh	15 days		1
3.	Exceeding <input type="checkbox"/> 5 lakh and upto <input type="checkbox"/> 15 lakh			2
4.	Exceeding <input type="checkbox"/> 15 lakh			3

7.2 For Depot Scrap:

S.No.	Sale value of lot	Free time allowed for payment of balance sale value reckoned from the date of acceptance of bid	Free time allowed for delivery reckoned from the date of acceptance of bid	Number of instalment permissible for payment
1.	Upto & including <input type="checkbox"/> 03 lakhs	10 days	40 days	1
2.	Exceeding <input type="checkbox"/> 3 lakh and upto <input type="checkbox"/> 5 lakh	15 days		1
3.	Exceeding <input type="checkbox"/> 5 lakh and upto <input type="checkbox"/> 15 lakh			2

Contd...9/-

S.No.	Sale value of lot	Free time allowed for payment of balance sale value reckoned from the date of acceptance of bid	Free time allowed for delivery reckoned from the date of acceptance of bid	Number of instalment permissible for payment
4.	Exceeding <input type="checkbox"/> 15 lakh	15 days	40 days	3

8. Manual Payment: Payment in manual mode can also made as per current rules. Proof of submission of registration money can be submitted in any depot where E-Auction is conducted. Proof of payment of Balance Sale value needs to be submitted in the depot from whom delivery is to taken.

9. Interest Rate: The rate of interest charged on delayed payment shall be 7% (Seven percent) above the base rate of State Bank of India, as prevailing on the day of auction or the day of the payment being made by the bidder, whichever is higher.

10. Extension of time for balance payment: Free time allowed for payment of balance sale is indicated in para 7.1 and para 7.2.

-:10:-

However, time for payment of balance sale value with interest can be extended by Railway upto 40 days for Permanent Way scrap and other line lots, and upto 35 days for depots lots from the date of acceptance of bid in exceptional circumstance on written request of the purchaser. The Earnest Money Deposit shall be forfeited, if the balance sale value is not deposited by the purchaser within the said period of 40/35 days.

11. Maximum period of delivery: Free delivery period shall be maximum 50/40 days from the date of bid acceptance as indicated in Para 7. However Railway administration in deserving cases may extend the delivery period by 15 days over and above the prescribed period of 50/40 days.

12. GST: GST shall be applicable as per existing rules.

13. Sale of Hazardous waste/Scrap Batteries/Electronic waste: Scrap lots comprising of hazardous waste are sold keeping in view the extant guidelines of the Ministry of Environment and Forest as contained the Hazardous Wastes (Management, Handling and Trans

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Boundary Movement) Rules, 2008 and Second Amendment Rules, 2009, as amended from time to time. Lots of scrap batteries are sold as per the extent guidelines of the Ministry of Environment and Forest as contained in Batteries (Management and Handling) Rules, 2001, as amended from time to time. Lots comprising of scrap E-waste are sold as per the extant guidelines of the Ministry of Environment and Forest as contained in e-Waste (Management and Handling) Rules, 2011 as amended from time to time. Prospective bidders of such lots of hazardous waste/scrap Batteries/ e-waste must be in possession of requisite registration, valid on the date of e-Auction and on the date of delivery, as recycler/pre-processor issued by the Ministry of Environment and Forest or by the Central Pollution Control Board as the case may be. The successful bidder, whose bid is accepted by the Railway administration, is required to produce original valid document of such registration at the time of taking delivery of material. In case of failure, the Railway administration cancels the sale and reserves the right to forfeit the earnest money deposit. Certificate is required from the bidder regarding the total waste purchased and processed for

the current financial year (till the time of auction) to assess the validity. Registration certificate cum pass book for recycling of the hazardous waste is to be brought at the time of delivery to make necessary verification and entry. The above conditions are updated as per the latest directives of the Ministry of Environment and Forest and the CPCB at the time of e-auction/delivery.

14. Reclaimable items: (a) Reclaimable items included in the sale delivery are to be defaced by the purchaser before taking delivery. (b) Unless otherwise specified, any non-ferrous items found in the lot are to be returned to Railway.

15. Income Tax – Tax Collection at Source: Income tax, surcharge, cess etc. if any, at prevailing rate, are to be paid at the time of remittance of Balance Sale Value. Purchasers desirous of exemption of income tax from deduction/payment or lower tax rates on purchase of scrap used as input for manufacturing process are required to submit Form 27C from the Income Tax department at the time of delivery as per extant policy.

-:13:-

16. Rejected lots: All rejected/unsold lots can be tried in subsequent e-Auctions.

17. Reopening of unsold lots: There is no re-opening of any unsold lot in the same e-Auction.

(c) The rules are being followed all over Indian Railways.

(d) Does not arise.

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