Minutes of the Special Meeting of Controllers of Stores of All Indian Railways and Production Units with Railway Board held on 20th April, 2007 at Rail Bhawan, New Delhi.

1.0 Address by AM(RS):

1.1 AM(RS) welcomed all officers for the Special Meeting of Controllers of Stores. Review of performance of Railways & Production Units in Key Materials Management areas during last financial year & setting out concrete action plan for the current year for steady improvement in working of stores department keeping pace with the new development in materials management field were slated for discussion.

1.2 AM(RS) complemented all the Railways and Production Units for excellent performance during last financial year in various key materials management areas.

1.3 AM(RS) congratulated all the Railways & Production Units for exceeding the overall target of Rs 1674 crores for revenue generation through disposal of scrap by Rs 158 crores.

2.0 Address by MM:

2.1 MM welcomed all the officers for the officers for special meeting of COSs.

2.2 He complimented all Controllers of Stores and Officers & staff of Stores Deptt., for excellent performance during the year 2006-07 especially in the areas of disposal of scrap. He desired that these efforts shall continue and departments will perform even better in coming future matching the increased earning target.

2.3 He desired that stocking level/volume should be kept to minimum level by properly balancing the deliveries and stock level. Efforts should also be made for receiving deliveries in installments to keep minimum inventory levels.

2.4 In view of changes in economic situation, new ways may be thought of to hold stock in supplier's premises to optimally utilize the depots for handling increased transactions/volumes in future.

2.5 It was advised to COSs to look into the grievances of suppliers particularly with regard to payment by finance department.

2.6 He stated that adherence to definite time frame for tender finalization should be built in as a system. In cases where the stipulated time frame is exceeded, TC to record specific reasons for delays. Instruction in this regard will be issued shortly with Finance concurrence.

2.7 He stated that implementation of budget pronouncements of MR's Budget Speech should not be held upon on account of non-availability of materials. He desired that all materials needed for projects pertaining to budget pronouncement to be made available quickly. Some of such projects are cushioning of IInd class coaches, retrofitment of IIIrd side berth

on AC 3T and 3T coaches, upgradation of bathroom fittings & upgradation of interior flooring of coaches etc.. He desired that these switchovers should be done in shortest possible time.

3.0 <u>Issues raised by Railways</u>:

Following problems being faced by Zonal Railways and Production Units were raised by COSs during the meeting:

Railways	Problems raised	Action advised
NR	1. Enhancement in delegation of purchase powers to COSs and other Stores Officers.	1. Presently a proposal for enhancement in delegation of powers for acceptance of supply tenders for GMs, Board Members and Minister of State is under consideration. After this, delegation of powers to AGM and Stores Officers will be enhanced.
	2. Clarification on withdrawal of Form 'D' for Government procurement by Ministry of Finance.	2. The issue is under consideration at Board level and instructions will be issued shortly.
CR	Additional funds will be needed for procurement of items with upgraded specifications.	Additional funds will be provided as and when needed.
NER	In units where there is no AGM, then acceptance power of AGM may be delegated to COSs.	This will be considered while enhancement in delegation of purchase powers to AGM and Stores officers.

4.0 <u>Discussion on CVC's letter dated 03-03-2007:</u>

(a) All COSs were of the view that the guidelines as detailed in the letter of CVC except at Para (iv) can be implemented with immediate effect.

(b) Regarding Para (iv) of the CVC's letter, the views of COSs were as under:

- COSs of Zonal Railway were of the view to have uniformity, general guidelines on splitting of quantity may be specified by Board.
- COSs of Production Units were of the view that multi-sourcing/splitting of the tendered quantity is done based on the Board's letter dated 06-11-1997. Some of the parameters such as capacity of the firm, past performance of the firm, outstanding load on firm will not be known before opening of tender. So, this is likely to effect availability of items, thus in turn effecting out turn.
- In cases of transfer of technology, splitting is done to keep all the sources alive.

- Simpler instructions on splitting ratio need to be framed for easier implementation by all Railway units.

It was, therefore, advised to Controller of Stores of NR, NER, CR, WR and CLW to devise suitable tender conditions which are practical, implementable and satisfies the guidelines of CVC. These tender conditions may be sent to Board's Office in a Week's time or so.

5.0 Depot Modernisation and training:

During the meeting, presentations on proposed high rise stacker system at Parel/WR and at ICF were made. These have been uploaded on Stores Webpage of Board's Railnet website (http://10.1.2.21) under depot modernization.