The General Managers  
All Indian Railways  

Sub: Transfer of scrap value of condemned wagons owned by CTOs

The wagons owned by CTOs are maintained by IR against the maintenance charges collected from the CTOs as part of their haulage charges. Some Railways have raised queries as to what action is to be taken in case any wagon owned by a CTO, which has come to Railways’ depot/workshop, is condemned on age and/or condition basis.

It is decided that in case CTO owned wagons are condemned on age and/or condition basis, nominated workshop would offer it to Store for auction. Sales proceed from such auction sale after deducting the administrative charges for such auction are to be transferred to the concerned CTO. The administrative charges shall be determined as per the provisions of Paras 2327-2329 of Indian Railways Stores code Vol.II.

Instructions for inclusion of the above provision in future concession agreement is under consideration at Railway Board, which shall be advised in due course. Till such time, the concession agreements gets modified, Railway shall be taking action with respect to condemnation of CTOs owned wagons as per above.

This issues with the concurrence of Finance and TT Dtes of Railway Board.

FA&CAOs, All Indian Railways – for information & necessary action please. 
EDTT/S, EDTC/R, EDFC, EDRS/C & EDFS, Railway Board – for information please.