**BIHAR STATE POWER TRANSMISSION COMPANY LIMITED**

(A Wholly Owned Subsidiary of Bihar State Power (Holding) Company Limited)

Registered Office : Vidyut Bhawan, Bailey Road, Patna-800021

(CIN : U74110BR2012SGC018889)

U.O.I. No. 28

Patna, Dated: 09/08/2021

BSPTCL/CS/2019-20/114

**SUBJECT:- APPROVAL REGARDING MODIFICATION IN PROCEDURE FOR SCRAP DISPOSAL BY BOARD OF DIRECTORS OF BSPTCL:**

The Board of Directors of Bihar State Power Transmission Co. Ltd. in its 92<sup>nd</sup> Meeting held on 26.07.2021 vide its Resolution No. 92-04 took following decision:-

“RESOLVED THAT Board of director of the company be and is hereby accord its approval on modification in Procedure for Scrap disposal as per details given in agenda notes.”

**Distribution to:**

Chief Engineer (O&M), BSPTCL for information and issuance of needful executive order.

*for and on behalf of Board of Directors of*  
Bihar State Power Transmission Company Limited

  
(Kriti Kiran)  
Company Secretary,  
BSP(H)CL



# BIHAR STATE POWER TRANSMISSION CO. LTD., PATNA.

(Regd. office: Vidyut Bhawan, 4<sup>th</sup> floor, Bailey Road, Patna-21)

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Agenda Note 92-04 /2021

## Sub.- Agenda notes for approval regarding modification in procedure for scrap Disposal by Board of Directors of BSPTCL.

- The Board of Directors of BSPTCL has engaged M/s MSTC Ltd. Kolkata (A Govt. of India Enterprises) as selling agent for disposal of scrap and other unserviceable materials lying at Transmission Circle Stores.

### Scrap Declaration

- Unserviceable/unused materials will be declared as scrap by a Committee, constituted at Transmission Circle level.

#### Members of Scrap Declaration Committee

S.N.	Proposed	Existing (at Circle level)
1.	Concerned ESE	Concerned ESE
2.	TS to ESE	TS to ESE
3.	EEE (Division)	-
4.	EEE (store)	AEE (store)
5.	Accounts Officer (Circle)	Accounts Officer (Circle)

- If the post of TS to ESE is vacant, EEE(O&M) and if the post of EEE (Store) is vacant, AEE(Store) shall be considered as committee members.

### Procedure of Scrap Disposal

- List of unserviceable/defective materials to be submitted by AEE to concerned circle store on monthly basis.
- Concerned EEE/Store and AEE/Store shall submit proposal of scrap disposal to concerned ESE/Trans. Circle.
- Matter will be further taken up by Scrap Declaration Committee.
- Book value of scrap/ unserviceable materials will be estimated by Scrap Declaration Committee on the basis of sales order issued by MSTC/BSPTCL.
- In case rates for the scrap materials are not available in sale order by MSTC/BSPTCL, then scrap rate of the item shall be decided by the Scrap Declaration Committee on the basis of composition in scrap material.
- For disposal of materials upto Rs. 5 crores, Concerned GM-cum-CE at zonal level shall be competent for approval.
- For disposal of materials above Rs. 5 crores and upto Rs. 50 Crores, the Director (Operation) shall be competent for approval.
- For disposal of materials for more than Rs. 50 crores, BOD of BSPTCL will be competent for approval.
- For all cases, concerned GM-cum-CE will co-ordinate with MSTC for disposal of scraps through e-tendering and issue sale release order.
- Reserve price will be fixed by concerned Committee at zonal level.
- Power /Auto Transformers with major defects and served more than 35 years of life may be considered as unserviceable with recorded justification.
- Scrap declaration Committee should declare materials as scrap for disposal on quarterly basis.

### Reserve Price of Scrap

- Reserve price of scrap will be fixed by a Committee, constituted at Transmission Zonal level.

#### Members of Committee


S.N.	Proposed
1.	Concerned GM cum CE
2.	TS to GM cum CE
3.	Concerned ESE
4.	Concerned EEE (store)/AEE(Store)
5.	A.O.(Zone)

- If the post of TS to GM-cum-CE is vacant, EEE (O&M) shall be considered as committee member.

#### Procedure for fixation of Reserve Price of Scrap

- The Reserve Price for Auction shall be calculated both on the basis of the book value given by the Scrap Declaration Committee of BSPTCL and on the basis of the average of last three successful auctioned price taken from the latest list of auction bulletin of MSTC (Preferably of Eastern Zone). The reserve price whichever is higher shall be considered as reserve price for auction. Also, the Committee of GM-cum-CE shall decide the rate of items for which price is not available in MSTC on the basis of composition in scrap material.
- The company shall accept H-1 bidder if the rate offered by the bidder is equal to or above the reserved price fixed by the company, in case of auctioned for the first & second time.
- If the material is not sold in the auction during first & second attempt after taking above process, then the Reserve Price will be obtained from MSTC based on the market Price available at their end.
- In the case of same auction which was cancelled third & fourth times in compliance of above (i,ii,& iii) above, due to non-receipt of rate equal to or greater than reserved price fixed by the company being hosted for fifth and sixth time, the company shall accept H-1 bidder rate subject to the approval by the MD, BSPTCL in consultation with finance, if the rate offered by the bidder is within the range of 10% lower than reserved price as arrived at Sl. No. – iii above by the company.
- The saleable scrap items with no value will be auctioned after approval of Disposal Committee with Rs. 1/- per unit reserve price and will be disposed off at the rate of H-1 bidder and with the condition of as is where is basis.

In view of above proposals, the entire matter is placed before the Board of Directors of BSPTCL for kind approval.

  
(S.N. Kumar)  
Chief Engineer (O&M)

  
(Kriti Kiran)  
Company Secretary