FREIGHT MARKETING CIRCULAR No. 15 of 2022

GOVERNMENT OF INDIA MINISTRY OF RAILWAYS (RAILWAY BOARD)

No. 2022/TC(FM)/10/04

New Delhi, dated 29.07.2022

The General Managers, All Zonal Railways.

Sub: Addendum for catering unit contracts to 'Policy' and 'Standard Conditions of Contract' for Commercial Earning and NFR contracts awarded through e-Auction.

Ref: FM Circular No. 11 of 2022 dated 13.06.2022

It has been decided that Special Minor Units (SMU) at A1, A, B & C category stations and both General Minor Unit (GMU) & SMU at D, E & F category stations shall be awarded under e-Auction policy for Commercial Earning and Non Fare Revenue (NFR) contracts.

The Competent Authority have granted approval of addendum to 'Policy guidelines' and 'Standard Conditions of Contract (SCC)' for Commercial Earning and NFR contracts awarded through e-Auction, regarding contract for catering units. The same is enclosed for taking necessary action accordingly.

This issues with the concurrence of Finance Directorate of Ministry of Railways.

Receipt of this letter may please be acknowledged.

DA: As above.

(Ashutosh Mishra)

Joint Director Freight Marketing New Delhi, dated 207.2022

No. 2022/TC(FM)/10/04

Copy forwarded to:

1. The Deputy Comptroller & Auditor General of India (Railways) Room No. 224, Rail Bhawan with 36 spares.

2. Principal Financial Advisors, All Indian Railways.

For Member (Finance)/Railway Boome

No. 2022/TC(FM)/10/04

New Delhi, dated .07.2022

Copy forwarded for information and necessary action to:

- 1. The Principal Chief Operations Managers, All Indian Railways.
- 2. The Principal Chief Commercial Managers, All Indian Railways.
- 3. The Chief Passenger Transportation Managers, All Indian Railways.
- 4. The Chief Commercial Managers (FM), All Indian Railways.
- 5. Director General, RDSO, Manak Nagar, Lucknow.
- 6. Director, Indian Railways Institute of Transport Management (IRITM), Manak Nagar, Lucknow.
- 7. Director General, National Academy of Indian Railways, Vadodara.

FREIGHT MARKETING CIRCULAR No. 15 of 2022

8. Managing Director/ Chief Commercial Manager, Konkan Railway Corporation, Belapur Bhawan, Plot No. 6, Sector-1 1, CBD Belapur, Navi Mumbai-400014.

9. Managing Director, Centre for Railway Information System (CRIS), Chanakyapuri, Near National Rail Museum, New Delhi.

10. Managing Director, DFCCIL, Pragati Maidan, New Delhi.

(Ashutosh Mishra)
Joint Director Freight Marketing

No. 2022/TC(FM)/10/04 Copy for kind information to: New Delhi, dated 29.07.2022

1. OSD to MR

For kind information of MR.

2. EDPG to MR

3. Chairman & CEO, Member (O&BD), Member (Finance), Member (Infra.), Member (T&RS), DG(RPF), and Secretary Railway Board, New Delhi.

4. AM(Traffic), AM(T&C), AM(C), Adv (Infra), Adv. (Vig), AM(M&BD), EDPM, EDTC(G)/NFR, EDTC(Ratcs), EDTT(M), EDTT(S), EDTT(F), ED(P1g.) EDT(PPP), EDV(T), EDF(C), ED(BD), DTT(Coord), OSD/Chairman & CEO, OSD/Member (O&BD), Co-Chairman/TMIR, Chairman and Convener/AGE and DTC(R)/ Railway Board, NewDelhi.

(Ashutosh Mishra)
Joint Director Freight Marketing

Addendum to 'Policy for Commercial Earning and Non-Fare Revenue contracts awarded through e-Auctions' regarding the contracts for catering units.

Para 1.1.1, Para 8.1 (iii) and Para 10.3.4 are added as under:

- 1.1.1 Eligibility Criteria for catering units to be awarded through e-Auctions is enclosed herewith as **Annexure-1**.
- 8.1 (viii): For catering units 5 years (No extension/renewal shall be permitted).
- 10.3.4 For catering units: Reserve Price/Minimum license fees for minor catering units at all categories of stations shall be fixed as 12% of the annual sales turnover for the static units (Estimated as per Para 12.1 of Catering Policy 2017).

Annexure-1

Eligibility Criteria for Minor Static Catering Units (Special Minor Units (SMU) at A1, A, B & C category stations, both General Minor Unit (GMU) & SMU at D, E & F category stations) shall be as under:

1. Minimum Annual Turnover:

a. The Minimum Annual Turnover required from Catering Business:

Type of Units	Required Minimum Annual Turnover in the multiples of Reserve Price as indicated below in any of three preceding financial years for different category of stations				
	A1 & A	B&C	D	Е	F
GMUs	Not Applicable	Not Applicable	3	2	1.5
SMUs	2	1	1	1	1

- b. However, based on the justification and recommendations of PCCM and concurrence of PFA, General Manager of the respective Zonal Railway may decide to relax the eligibility criteria regarding Minimum Annual Turnover for catering units at D, E & F category of stations (to be appropriately verified by Railway) duly taking into consideration local conditions/requirements.
- c. All definitions and references of this policy applicable for Catering Units will be as per the Catering Policy 2017.

2. Legal Status:

a. For General Minor Units (GMUs) at D, E & F Category of stations, the bidder should be either an Individual or a Partnership Firm registered under the Partnership Act, 1932 or a Company incorporated under the Companies Act, 1956 or a Registered Co-operative or a Registered Self Help Group or a Sole-proprietor firm. Duly notarized Partnership Deed/Certificate of Incorporation/registration certificate should be uploaded.

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b. For Special Minor Units (SMUs) at all categories of stations, the Bidder should be either an individual, or sole-proprietor. The bidder shall upload a self-attested copy of Government approved Identity Proof, such as AADHAR CARD, along with the relevant certificate from competent government authority as a proof of being a member of the particular reserved category, from whom bids are invited.

3. Experience:

A minimum three years of experience in catering business shall be required for catering units at all categories of stations. However, based on the justification and recommendations of PCCM and concurrence of PFA, General Manager of the respective Zonal Railway may decide to relax the eligibility criteria regarding year of experience in catering business for GMUs and SMUs at D, E & F category of stations, duly taking into consideration of local conditions/requirements.

The bidder shall be required to upload the certificate/letter of experience/allotment from concerned agencies for the last three years to be appropriately verified by Railways.

4. Other Mandatory Conditions:

- a. All additional mandatory requirements such as GSTIN Registration, FSSAI certificate, PAN have to be fulfilled by the licensee.
- b. Bidder is required to upload a solvency certificate.
- c. The Ceiling Limit for Minor Units shall be applicable for all bidders as stipulated in Para 13.4 of Catering Policy 2017. A Licensee will be allowed to hold a maximum of five minor catering units per division. Trolleys are also treated as separate units for the purpose of ceiling limit of 5 units. The bidders shall be required to upload an undertaking in this regard on non-judicial stamp paper.
- d. Below Poverty Line (BPL) are exempted from the Minimum Annual Turnover criterion. Persons claiming BPL status shall upload relevant certificates from competent government authority as proof. The requirement of PAN, GSTIN, FSSAI registration is also exempted in case of BPL at the time of bidding however the same shall be obtained before commencement of operation.

Addendum to Standard Conditions of Contracts awarded through e-Auctions, regarding the contracts for catering units.

The following Para 2.3 along with sub-paras 2.3.1 to 2.3.5 are added in the Standard Conditions of Contracts awarded through e-Auctions, with respect to the contracts for Catering Units:

- 2.3 Minimum Eligibility for contracts of Minor Static Catering Units {Special Minor Units (SMU) at A1, A, B & C category stations, both General Minor Unit (GMU) & SMU at D, E & F category stations}:
- 2.3.1 The minimum annual turnover required from catering business for participation in the e-Auction shall be stipulated in the Auction Catalogue for the lot(s). The bidder shall be

1 29.07. 2022

required to fulfill the stipulations in this regard vide para 2.2 above.

- 2.3.2 The legal status of the bidder shall be specific to the category of minor static catering unit and the same shall be stipulated in the Auction Catalogue for the lot(s). The bidders shall be required to upload the requisite document in support of their claim.
- 2.3.3 Experience in Catering Business required for participation in the e-Auction shall be stipulated in the Auction Catalogue for the lot(s). The bidder shall be required to upload the certificate/letter of experience/allotment from concerned agencies for the last three years to be appropriately verified by Railways.\
- 2.3.4 Other Mandatory Conditions:
- a) All additional mandatory requirements such as GSTIN Registration, FSSAI certificate, PAN shall be stipulated in the Auction Catalogue for the lot(s) and the same have to be fulfilled and uploaded by the bidder.
- b) Bidder is required to upload a solvency certificate.
- c) A Licensee will be allowed to hold a maximum of five minor catering units per division in terms of Catering Policy 2017. The bidders shall provide an undertaking for the same on non-judicial stamp paper (as per the format provided in Special Conditions).
- d) Below Poverty Line (BPL) are exempted from the Minimum Annual Turnover criterion. The requirement of PAN, GSTIN, FSSAI registration is also exempted in case of BPL at the time of bidding however the same shall be obtained before commencement of operation.
- 2.3.5 Reservation in allotment of Minor Static Catering Units shall be followed as per Para 10 of Catering Policy 2017.

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