

**GOVERNMENT OF INDIA / BHARAT SARKAR
MINISTRY OF RAILWAYS / RAIL MANTRALAYA
(RAILWAY BOARD)**

No.2005/TG.III/531/3

New Delhi, 30.1.2006

Commercial Circular No. 10 of 2006

**The General Managers / All Indian Railways and
Managing Director/IRCTC**

Sub: Policy for Potable Water Vending Machines.

Provision of potable drinking water is one of the minimum essential amenities on railway stations. Presently drinking water is provided on stations through municipal taps, tube well taps, water purifier provided by railways, packaged drinking water through departmental and licensee operated units and water dispensers on vending units. With emphasis on hygiene and health standards it is imperative for railways to define and standardize the provision of potable drinking water on stations and on trains of Indian Railways. Packaged Drinking Water is being provided by railway catering units and licensee units as per policy on the packaged drinking water and tap drinking water is being made available as per Railway Engineering Works Manual. Objective of the present policy is to lay down guidelines for providing Potable Water Vending Machines at stations and on trains through commercial licences to make available potable drinking water of prescribed standard to willing customers at affordable price.

Installation of Water Vending Machines for dispensing cold drinking water at railway stations and in trains is also one of the focus areas of Hon'ble MR. Thrust in this area is necessary with a view to achieve the objective of making available pure drinking water at station platforms and in trains for the passengers at affordable price. This would be in addition to the existing system of packaged drinking water and normal tap water. This circular supercedes all earlier circular on Water Vending Machines.

Water Vending Machines can be installed only in stand-alone mode by reputed manufacturers or their franchisee holders or authorised agents at stations and on trains.

Water Vending Machine or group of Machines will be considered as a major unit.

1.0 SCALE OF PROVISION OF WATER VENDING MACHINES

- 1.1** For 'A' category stations, 1 Water Vending Machine on each platform including island platforms. At least 1 Water Vending Machine in Concourse and a maximum of 3 machines in the concourse.
- 1.2** For 'B' and 'C' category stations, 1 Water Vending Machine on each platform / island platform. At least 1 Water Vending Machine in Concourse and a maximum of 2 machines in the concourse.
- 1.3** For 'D' and 'E' category stations, atleast 1 water vending machine and a maximum of 2 water vending machines at the station.

- 1.4 All Mail / Express and Superfast trains should have atleast 1 water vending machine either in pantry car or in any other coach.

In addition, some Water Vending Machines can be installed at PRS offices, goods offices and parcel sheds and in circulating areas depending upon the requirement.

- 1.5 Water Vending Machines can be installed even at banned stations within the limits prescribed above without adding to congestion.
- 1.6 The DRM may prepare a master plan for installation of Water Vending Machines for the entire division and for trains originating and maintained primarily on their division and hand over the same to IRCTC for implementation at all categories of stations.

2.0 ADVANTAGES OF WATER VENDING MACHINES

2.1 Pure Water

Pure water will be dispensed through these highly mechanized machines for the passengers who can afford. Water dispensed through the vending machine should conform to BIS specifications IS 14543:1998 (specification for packaged drinking water).

2.2 Hygienic Service

Dispensing potable water through the Machines being highly mechanized, is helpful in providing pure water to a large number of customers efficiently and hygienically.

2.3 Reduction in sale price as compared to Packaged Drinking Water

Water Vending Machines will provide pure drinking water in a much less amount as compared to packaged drinking water.

2.4 Quality and quantity

Microprocessors and interlocks will ensure correct quality and quantity.

2.5 Better Maintenance of Sales Record

All Machines will have automatic computerized counters to give actual sale figures so that there is no leakage of revenue.

3.0 SPECIFICATIONS

Water Vending Machine should conform to the following: -

- 3.1 Water Vending Machine should be with Reverse Osmosis (RO) technology.

- 3.2 Water Vending Machine should have a very fast flow rate of more than 500 liters per hour.
- 3.3 The machine should be tamper proof and compact in design so that it should not take excess space. The overall size should not exceed 30 Sq Ft. including operator sitting capacity.
- 3.4 Machine should provide water as per BIS specifications IS 14543:1998 and it should be free from microscopic organisms such as algae, zooplanktons, flagellates, parasites and toxin producing organisms and coliform bacteria.
- 3.5 The quantity of water dispensed should be displayed in a LED display so that amount is verifiable by the customer.
- 3.6 The machine should have in built water chilling process duly linked with micro processor so that operator is able to sell the water at a prescribed temperature only and not hot/normal water.
- 3.7 Machine should have multi meter facility to display & calculate the number of glasses and bottles and liters of water used for the purpose of calculation and also checking the sale as well as determining the sales turnover. Such units should not be accessible to the operator and properly sealed.
- 3.8 The prototype of the machine should be available with the vendor which should be seen by the requisite committee nominated for the purpose.

4.0 SELECTION PROCEDURE

- 4.1 Water Vending Machines will be installed by IRCTC at all categories of stations and on trains

Water Vending Machines will be owned, installed and maintained by the selected company or its authorized franchisee holders or agents. IRCTC can also nominate their staff to operate such machines. The selection of the franchisee for installation of machines will be done by 2-packet tender system. It is desirable that branded and reputed companies which can provide value to the customers be chosen.

- 4.2 The first packet (Packet-A) should inter alia have following criteria:

- 4.2.1 Popularity of the brand name / image of the company;
- 4.2.2 Financial standing and track record in Water Vending Machines/ potable water purification systems;
- 4.2.3 Volume of business, sales turnover, network for maintenance and servicing of the machines;
- 4.2.4 Product conforming to the quality control;
- 4.2.5 Any other factor considered relevant by IRCTC.

4.3 The second packet (Packet-B) will consist of financial bid on licence fee in lumpsum terms over and above the floor licence fee. 12% of assessed sales turnover expressed in lumpsum terms should be fixed as floor licence fee, subject to minimum licence as defined below: -

4.3.1 Minimum licence fee of Rs. 25,000 per annum per machine for 'A' category station;

4.3.2 Minimum licence fee of Rs.10,000 per annum per machine for 'B' category station;

4.3.3 Minimum licence fee of Rs.10,000 per annum per machine for 'C' category station;

4.3.4 Minimum licence fee of Rs.5,000 per annum per machine for 'D' category station; &

4.3.5 Minimum licence fee of Rs.2,000 per annum per machine for 'E' category station.

4.4 Bids will be invited by IRCTC and for getting good value of licence fee, group of stations can be combined to form a composite offer in order to reduce the number of contracts and bring in good companies.

5.0 LICENCE FEE

12% of assessed sales turnover expressed in lumpsum terms should be fixed as floor licence fee in the tenders. Highest bidding in lumpsum term subject to above minimum floor price will be fixed as the licence fee.

At the time of renewal of the licences or fresh bid for the licence, license fee should be enhanced based on actual sales turnover of the unit subject to a minimum of 10% increase over the prevailing license fee of the unit.

There will be no additional charges payable except electricity and water charges, which will be based on actual consumption.

6.0 TENURE

Tenure of all licenses at all category of stations will be five years, which may be given one time extension of three years on satisfactory performance.

7.0 SALE PRICE

Selling price of dispensed water will be as below: -

	<u>With container</u>	<u>Refill</u>
300 ml. Glass	Rs. 2	Rs. 1.
Half Liter bottle	Rs. 3	Rs. 2
1 Liter bottle	Rs. 5	Rs. 3.
2 Liter bottle	Rs. 8	Rs. 6.
5 Liter bottle	Rs. 17	Rs. 12.

8.0 PROVISION OF DISPOSABLE GLASSES AND BOTTLES

The companies installing Water Vending Machines should provide adequate number of eco-friendly disposable tumblers of approved quality and design and water bottles of plastic, as there is no other suitable option available, of approved quality and design of different quantity.

9.0 PROVISION OF DUSTBINS

The companies providing machines should also provide adequate number of dustbins of standard design with each machine. They can display advertisement of their product only on the dustbins.

10.0 COMPLIANCE OF BIS SPECIFICATIONS AND OTHER REGULATIONS

Water dispensed by these machines should all the time conform to BIS specifications IS 14543:1998 and comply other regulations made by the government from time to time. The licensee will be fully liable for any contravention of the various statutory laws relating to the sale of water. The standard specifications regarding quality and quantity of water to be dispensed should be followed throughout the period of operation of the machine to maintain uniform level of service.

11.0 PAYMENT OF ELECTRICITY / WATER CHARGES

11.1 Water Vending Machines operated by the Company or their franchise holder or agent

The companies or their franchise holder or agent would pay electricity and water charges for the machines. For this purpose, the party should be asked to deposit in advance a lump sum amount to be fixed by the Railways. This may be adjusted by the Railways against their future bills.

11.2 IRCTC operated machines

Electricity and water charges for these machines operated by IRCTC would be borne by the IRCTC.

12.0 SALE RECORD

Licensee will maintain sale record of the machine separately for glasses, bottles and refills of different quantities. A copy of the sale record should also be provided to the SM/SS for official record.

13.0 HYGIENE AND MEDICAL FITNESS

Operator of the machine should be trained in hygienic handling of water, personal hygiene and hygienic surrounding so that he understands the precautions necessary to prevent contamination of drinking water.

Operator of the machine should be medically fit and a medical certificate should be obtained from the DMO/Sr.DMO of the concerned division.

14.0 INDEMNIFICATION OF RAILWAYS

The licensee will indemnify Railways/IRCTC of all damages and liabilities arising out of claims and injury on account of water dispensed from his machine, various Acts and laws of the land.

15.0 INSPECTION

IRCTC and / or Railways may inspect the Water Vending Machines from time to time to maintain the quality of services. The licensee will open one inspection register in his custody for nominated officials of IRCTC and Railways which should be serially numbered and verified by SS before opening. Similar inspection register will be maintained by SS / Commercial Inspector of the station in his custody.

16.0 MAINTENANCE OF THE MACHINE & TERMINATION CLAUSE

Maintenance of the machine will be the responsibility of the licensee. Contract agreement should have adequate provision for penalty including termination of contract against sub-standard / adulterated / irregular services / non-supply of contract item, as well as undue down time..

17.0 NO CLAIM FOR JOB IN RAILWAYS

It should be clearly mentioned in the agreement to be signed between Railways/IRCTC and the licensee that licensee/employee of the licensee will have no claim for any job in railways on account of this contract.

18.0 ARBITRATION

Contract agreement should have arbitration clause for the case of any dispute, difference, or question arising between Railway/IRCTC and the licensee as to the respective rights, duties, obligations of the parties hereto or as to the construction or interpretation of any of the terms and conditions of the agreement or as to its application.

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


(Dr. P. K. Goel)
Executive Director (Tourism & Catering)
Railway Board

No.2005/TG.III/531/3

New Delhi, 30.1.2006

Copy to:

1. FA & CAO, All Indian Railways (with 5 spare copies) for information.
2. ADAI / Railways (with 36 spare copies).
3. MD/IRCTC, 9th Floor, Bank of Baroda Building, Parliament Street, New Delhi.


for Financial Commissioner / Railways