

**GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
RAILWAY BOARD**

No. 2015/TG-III/531/1

New Delhi, Dated: 16.06.2015

The Chief Commercial Managers,  
All Indian Railways.

The Chairman and Managing Director,  
IRCTC, New Delhi.

**(Commercial Circular No. 36 /2015)**

Sub: Policy for Installation of Water Vending Machines (WVMs) on IR.

**OBJECTIVE**

The objective of this policy is to lay down guidelines to make available potable drinking water of prescribed standard to willing customers at affordable price through Water Vending Machines (WVMs) at stations.

**1. LOCATION AND TYPE OF WVMs**

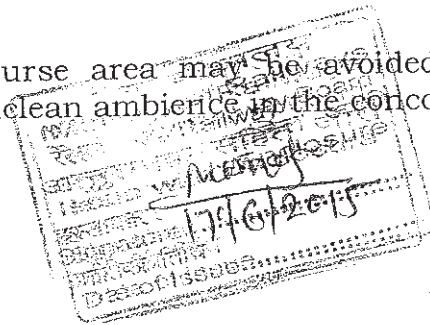
- 1.1 Water Vending Machines can be installed only in stand-alone mode by reputed manufacturers or their franchisee holders or authorized agents at stations.
- 1.2 Availability of water at stations to be confirmed by division and type of filtration to be decided after study of contaminants in the water available at the station.
- 1.3 The WVMs should have multiple dispensing tapes to facilitate maximum passengers to avail the facility simultaneously.

**2. SCALE OF PROVISION OF WATER VENDING MACHINES:**

- 2.1 For 'A1' and 'A' category stations, 1 WVM in case it is located in middle of the platform and 2 WVMs in case they are located at ends of the platforms.
- 2.2 For 'B' and 'C' category stations, 1 WVM in case it is located in middle of the platform and 2 WVMs in case they are located at ends of the platforms.
- 2.3 For 'D' and 'E' category stations, minimum 1 WVM and a maximum of 2 WVMs at the station.
- 2.4 Provision of WVMs in the Concourse area may be avoided altogether to prevent spillage and consequent unclean ambience in the concourse.

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- 2.5 Any increase in the numbers of WVMs, as stated in para 2.1 to 2.4 above, may be permitted based on requirement only with the approval of Divisional Railway Manager (DRM). The number of WVMs in a platform and their location will be decided by the Railways with the approval of DRMs. However, priority should be accorded to provide them at locations where General Coaches can have easy access.
- 2.6 WVMs can be installed even at banned stations (stations where providing new stalls are banned), taking due care to avoid congestion on the platform with the approval of General Manager of the Zonal Railway.
- 2.7 The DRM may prepare a master plan for installation of WVM for the entire division and hand over the same to IRCTC for implementation at all categories of stations.

### **3.0 ADVANTAGES OF WATER VENDING MACHINES**

#### **3.1 Pure Water**

Presently, drinking water at stations is generally supplied through water booths/water coolers after carrying out requisite treatment/disinfection as per requirement. On select stations, R.O. drinking water units have also been provided. In addition, packaged drinking water through departmental and licensee operated units is supplied. In the initial phase, those platforms of the stations which are already provided with R.O. drinking water units supplying free water may not be provided with water vending machines.

Pure water will be dispensed through these highly mechanized machines for the passengers at an affordable price. Water dispensed through the vending machine should conform to BIS specifications IS 10500:2012 (specification for drinking water) test requirement within desirable limit. The water may be provided from the WVM in a container without seal.

#### **3.2 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. The water should be frequently/regularly checked (at least once a month) through suitable device by the Health Inspector/Medical Personnel.

#### **3.3 Reduction in sale price as compared to Packaged Drinking Water**

WVMs will provide pure drinking water in a much less price as compared to packaged drinking water.

#### **3.4 Quality and quantity**

Microprocessors and interlocks will ensure correct quality and quantity.



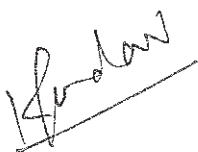
### **3.5 Better Maintenance of Sales Record**

All machines will have automatic computerized counters to give actual sale figures so that there is no leakage of revenue. Sales Records should be properly maintained. Zonal Railways and IRCTC shall be authorized to inspect/assess the sales records for the purpose of ascertaining correct accountal of sales.

## **4. SPECIFICATIONS**

Water Vending Machine should conform to the following:-

- 4.1 Water Vending Machine should be with Reverse Osmosis (RO) technology or alternate superior technology, in consultation with division (DRM) of the Railway, depending upon the level of contamination in the water so that wastage of water is below 30%. Prior to installation of WVMs, a sample of water on the given station along with Govt. authorized / affiliated Lab Report shall be made available by the Licensee/IRCTC suggesting use of technology to be adopted (RO or alternate superior technology) for providing clean drinking water.
- 4.2 Water Vending Machine should have adequate dispensing rate so as to cater to the demand depending upon the volume of traffic handled on a given station.
- 4.3 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. Space given to IRCTC cannot be sublet and it can only be utilized for installation of WVMs.
- 4.4 Water vending machine should provide water as per specifications laid down in IS 10500:2012. The drinking water should comply with the bacteriological, virological and biological requirements as specified in BIS standards. Water should be free from microscopic organisms such as algae, zooplanktons, flagellates, parasites and toxin producing organism and coliform bacteria.
- 4.5 The cost & quantity of water dispensed should be displayed in a LED display so that amount is verifiable by the customer.
- 4.6 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.
- 4.7 Machine should have multi meter facility to display and 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.



4.8 The prototype of the machine should be available with the vendor which should be seen by the requisite committee nominated for the purpose.

## **5.0 SELECTION PROCEDURE**

**5.1 Water Vending Machines will be installed by IRCTC at all categories of station.**

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

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

5.2.1 Popularity of the brand name/image of the company;

5.2.2 Financial standing and track record in Water Vending Machines/potable water purification systems;

5.2.3 Volume of business, sales turnover, network for maintenance and servicing of the machines;

5.2.4 Product conforming to the quality control;

5.2.5 Any other factor considered relevant by IRCTC.

5.3 The second packet (Packet-B) will consist of financial bid on licence fee in lump sum terms over and above the minimum reserve price. 12% of assessed sales turnover expressed in lump sum terms subject to minimum licence fee, defined below, whichever is higher, should be fixed as Licence Fee:-

5.3.1 Minimum licence fee of Rs. 40,000 per annum per machine for 'A1' and 'A' category station;

5.3.2 Minimum licence fee of Rs. 25,000 per annum per machine for 'B' and 'C' category station;

5.3.3 Minimum licence fee of Rs. 10,000 per annum per machine for 'D' category station &

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

5.4 Bids will be invited by IRCTC for group of stations having similar type of WVMs for getting good value of licence fee. Group of platforms can be considered to form a composite offer in order to reduce the number of contracts and bring in





good companies. It should however be ensured that suitable penalty should be levied for non installation of WVMs in any group.

#### **6.0 LICENCE FEE**

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

At the time of renewal of the licences or fresh bid for the licence, licence fee should be enhanced based on actual sales turnover of the unit subject to a minimum for 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 and chargeable as per Railways policy guidelines on this issue.

#### **7.0 TENURE**

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

#### **8.0 SALE PRICE**

Selling price of dispensed water will be as below:-

	<b>Refill</b>	<b>With Container</b>
300 ml. glass	Rs. 1	Rs. 2
Half Litre Bottle	Rs. 3	Rs. 5
1 Litre Bottle	Rs. 5	Rs. 8
2 Litre Bottle	Rs. 8	Rs. 12
5 Litre Bottle	Rs. 20	Rs. 25

#### **9.0 REVIEW OF LICENCE FEE AND SALE PRICE**

Minimum licence fee, as mentioned in para 5.3 above and the sale price, as mentioned in para 8 above, may be considered for revision by Railway Board based on feedback received on the implementation of the WVMs from IRCTC. The criteria would be based on input cost vis.-a-vis. market response and the objective of provision of affordable drinking water for the common man.

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## **10.0 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 PET, as there are no other suitable options available, of approved quality and design of different quantity.

## **11.0 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. Further, for disposal of waste generated on account of WVMs shall be ensured strictly in compliance of instructions already issued vide Commercial Circular No. 45/2011 dated 13/09/2011 and instructions issued in this regard from time to time.

## **12. PROVISION OF DRAINAGE**

- 12.1 Reject water (waste water after filtration) shall be used by Railway for platform washing, apron cleaning, toilets, etc., as far as possible subject to its suitability based on test reports. Necessary pipelines, water storage sump etc. for this purpose shall be laid and maintained by the licensee.
- 12.2 The service provider should provide suitable / proper equipments and drainage including pressure taps/tray/sink etc. to ensure non-spillage of water around the WVM.
- 12.3 Arrangement should be made to ensure that it is not possible to throw waste etc. in the tray/sink to avoid choking & creating unhygienic condition.

## **13. COMPLIANCE OF BIS SPECIFICATIONS AND OTHER REGULATIONS**

Water dispensed by these machines should all the time conform to BIS specifications IS 10500:2012 and comply the requirement of FSSAI & 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.

## **14. PAYMENT OF ELECTRICITY /WATER CHARGES**

### **14.1 Water Vending Machines operated by the company or their franchisee holder or agent**

The companies or their franchisee holder or agent would pay electricity and water charges for the machines as per actual use as per Railways policy guidelines on this issue. For this purpose, the party may be asked to deposit in



advance a lump sum amount to be fixed by the railways, at any time, three months' advance payment for water charges shall be kept with the Railway.

#### **14.2 IRCTC operated machines**

Electricity and water charges for these machines operated by IRCTC would be borne by the IRCTC. These will be chargeable as per Railways policy guidelines on this issue.

#### **15. SALES RECORD**

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

#### **16. REVENUE SHARING BETWEEN INDIAN RAILWAYS AND IRCTC**

The objective of installation of WVMs is to make available potable drinking water to passengers at affordable price. The revenue (actual license fee received) sharing ratio between Indian Railways and IRCTC will be 15:85, because WVM is a passenger amenity item like Rail Neer, falling under Category 1 - Passenger Amenities' as per the MoU entered into between Indian Railways and IRCTC.

#### **17. 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 be obtained from the DMO/Sr.DMO of the concerned division.

#### **18. 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.

#### **19. INSPECTION/MONITORING**

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. In case of deficiencies found (quality/quantity of water, operator etc.) suitable penal action against the service provider should be taken by the Railways.



## 20. 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 by Railways and/or IRCTC including termination of contract against substandard / adulterated / irregular services / non-supply of contract item, overcharging, undue down time etc.

## 21. NO CLAIM FOR JOB IN RAILWAYS

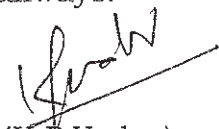
It should be clearly mentioned in the agreement to be signed between Railways/IRCTC and the licensee that licensee/employee of the licensee will have no claim for any job in railways on account of this contract.

## 22. ARBITRATION

Contact agreement should have arbitration clause for the case of any dispute, difference, or question arising between Railways/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 circular will come into effect from the date of its issue and this circular supersedes all earlier circulars on Water Vending Machines. WVMs on Indian Railways are to be treated as separate unit and to be governed as per provisions stipulated hereinabove only. Terms and conditions of catering policy, AVMs etc. shall have no bearing on the WVMs.

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



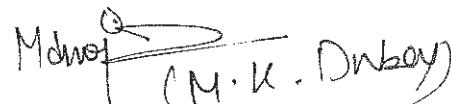
(K.P. Yadav)  
Director (Tourism & Catering)  
Railway Board

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New Delhi, Dated: 16.06.2015

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For Financial Commissioner, Railway Board

