

भारत सरकार GOVERNMENT OF INDIA
रेल मंत्रालय MINISTRY OF RAILWAYS
(रेलवे बोर्ड RAILWAY BOARD)

No.2020/Catering/600/07

New Delhi, dated 18.10.2022

Principal Chief Commercial Managers.
All Zonal Railways

Sub: Allotment of catering units through e-Auction..

Ref: (i) FM Circular No. 11 of 2022 dated 13.06.2022.
(ii) FM Circular No. 15 of 2022 dated 29.07.2022.
(iii) Board's letter of even no. dated 09.09.2022 and 26.09.2022.
(iv) Letters of NR, SCR, ECoR, ER & NER.
(v) CRIS letter No. CRIS/GM/EPS (Spl.Proj.)78 dated 13.10.2022.

In response to the demo on e-Auction module for catering units held by CRIS, the suggestions have been received from the nominated Divisions/Zones vide letters mentioned above. The remarks of T&C in this regard are as under:

Suggestions	Remarks
<p>NR (Delhi Division)</p> <ol style="list-style-type: none">1. There is no option to define the type of existing unit.2. There is no option to feed different types of unit's allotted under one contract agreement prior to Catering Policy 2017.3. Provision should be given for extending the contracts awarded prior to CP 2017 which are extended from time to time and to maintain Status Quo.4. There should be provision for changing Contract Period starting date in case a contractor starts operation of his unit before the time limit of 30 days.5. As per para 9.4.2 of Catering Policy 2017, in case a SMU is converted into GMUs due to no response in bidding, how such SMUs will be shown on e-Auction platform.6. There should be provision for giving sub-quota for 'women' (33%) as per Para no. 10.3 of Catering Policy-2017 for such converted units from SMU to GMU. Further as per Para no 10.2 of Catering Policy, the sub quota of 10% for freedom fighters & war widows and widows of Railway Employees, sub quota of 2% for physically and mentally challenged people will also be applicable for such converted units from SMU to GMU of D, E & F category Stations.	<p>1 to 5: CRIS letter at Ref (v) is enclosed.</p> <p>6. There is no change in the extant provision regarding reservation in allotment of catering units as envisaged in Catering Policy 2017. Accordingly, such converted SMU units shall be added in the total number of GMUs over the Division for the purpose of applying reservation in totality for one term only as envisaged in Catering Policy 2017 (Para 9.4.2).</p>

<p>7. As per Para no. 10.2 of FM circular 11/2022, reserve price will be fixed by the ACO and the same will be kept strictly confidential. Further, as per Para no. 10.3.4 of FM circular 15/ 2022, “Reserve Price/Minimum license fee for minor catering units for all categories for stations shall be fixed as 12% of the annual sales turnover for the static units (estimated as per Para 1.2.1 of Catering Policy 2017)”. If the criteria for fixing Reserve Price/ Minimum license fee will be based on Para 10.3.4 of FM circular no 15/2022, then there will be no secrecy of reserve price. Thus this clause may be reviewed.</p>	<p>7. No change.</p>
<p>SCR (Secunderabad)</p> <ol style="list-style-type: none"> 1. In the trial IREPS website, dealing section for catering units was created by the department. However, the same is not being reflected in the Dealing section dropdown while creating assets. Only Advertising, Parking and Parcel SLR dealing sections are displayed. The same may be rectified. 2. As per clause 10.3.4 of FM circular 15/2022, “reserve price /minimum licence fees for minor catering units at all categories of stations shall be fixed as 12% the annual sales turnover for the static units (Estimated as per Para 12.1 of Catering policy 2017). As per Para 12.1 of Catering Policy 2017, SAG formula was issued by Headquarters with approval of GM and the same is being followed for calculation of reserve price/minimum license fee for tenders. It is requested to clarify whether SAG formula has to be followed for calculation of reserve price and vetting of finance and approval of DRM is required for E-Auction. 3. As per clause 1.10 of Special conditions for catering units, “In consideration of the award of the license to the licensee, the licensee shall be liable to pay annual license fee.” However, this is in contrast to clause 19.1 of the policy guidelines in FM Circular 11 of 2022 wherein, license fee for contracts other than leasing of parcel space is to be deposited quarterly. As per Clause 33 of the policy issued vide FM Circular 11 of 2022, special conditions shall not contradict any of the clauses of this policy. Hence, the same may be clarified. 4. Clause 1.2 (d) of Chapter-1 scope of work in the comprehensive SBD issued by headquarters i.e.. “The timings during which the stall has to be kept open will be decided by the office of the Senior Divisional 	<ol style="list-style-type: none"> 1. CRIS letter at Ref (v) is enclosed. 2. The process of fixation of reserve price would be same as envisaged in Catering Policy 2017. 3. Guidelines issued vide FM Circular No. 11/2022 may be followed. 4. The timings of stalls have no bearing on e-auction. This needs to be addressed through local instructions issued by the division.

<p>Commercial Manager (based on the traffic trends) and informed to the licensee in writing. The licensee is bound to keep the stall open in these timings, Also, the stall should be kept open in these timings in all 365 days of the year. Any violation of these instructions will be deemed as Breach of Contract.” The same may be included in the special conditions of the contract.</p> <p>5. Clause 2.1.17 of Chapter 2 instructions to bidders of the SBD issued by Railway Board i.e. as and when the station is redeveloped under the new Station Redevelopment Policy, the license will be novated/assigned to the Station Developer for the remaining period of the contract on the same terms and conditions. The same may be included in the special condition of the contract.</p> <p>6. Clause regarding mandatory updation of labour data on Railways Shramik Kalyan portal by licensee issued by Headquarters letter No. C.78/F/SBDs/MCUs/VOL.II Dt. 01.12.2018 may be included in the special conditions of the contract.</p> <p>7. As per Clause 12.1 of FMC-11/2022, Security Deposit equivalent to 5% of annual bid value is to be collected. However, as per clause 19.1 of standard conditions of FMC 11 of 2022, penalty provisions included maximum penalty of 10 % annual contract value or full contract value whichever is lower for the third or subsequent irregularities. In case of non-payment of penalty by the licensee, due amount cannot be recovered from the licensee. Further, Clause 4.6 Recovery of Outstanding dues of the Master licence agreement may be included in the special conditions of the contracts.</p>	<p>5.The suggestion is agreed and following clause may be added in the Special Condition of Contract issued vide Board’s letter under ref (iii): <i>“As and when the station is redeveloped under the new Station Redevelopment Policy, the extant instructions of the Board, issued in this regard, shall apply.”</i></p> <p>6. The suggestion is agreed and following clause may be added in the Special Condition of Contract issued vide Board’s letter under ref (iii) <i>“The licensee is required to comply with all labour laws and other statutory requirements issued by the Governments from time to time”.</i></p> <p>7. Security Deposit to be continued @5% as per FM Circular no. 11/2022. However, provision regarding recovery of outstanding dues may be added as Special Condition of Contract (SCC) as under: <i>“Notwithstanding anything contained in this Agreement, the Railway shall be at liberty to receive any payments /outstanding dues including penalties against the Licensee, in any of the contracts over Indian Railway entered in to by the licensee (an individual licensee includes a partnership firm in which the individual licensee is a member),from the Security Deposit provided by the Licensee after which Railway shall communicate to the Licensee of such deductions. In such an event, the Licensee shall be obligated to ensure that the Security Deposit is restored to its original value within seven (7) working days from such deduction failing which the same shall be deemed as</i></p>
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	<i>material breach by the Licensee and entitle the Railway to terminate this Agreement.</i>
<p>ECoR (Waltair)</p> <p>1. In trail IREPS website, while creating assets for SMU/GMU in catering module, Dealing Section drop down box is not working, so further catering asset could not be created. Hence, necessary changes are required for creation of asset.</p> <p>2. As per RB letter No. 2017/TG-III/600/09/pt.4 dated 07.02.2018, Article 5 of 5.1 “the Licensee shall furnish to Railway a Security Deposit for an amount equal to 10% (ten percent) of the Total License Fee for the entire direction” but in E-Auction policy only EMD provision is there which is merely 5 % of first year license fee. So in case of non-payment of penalty by the licensee, the due amount cannot be recovered from the licensee. Further, Clause 4.6 Recovery of Outstanding dues of the Master License Agreement may be included in the special conditions of the contract.</p> <p>3. As per RB letter No. 2017/TG-III/600/09pt.4 dated 07.02.2018, Annexure-III (penalties), clause may be included in special conditions of the contract.</p>	<p>1. CRIS letter at Ref (v) is enclosed.</p> <p>2. This issue is addressed in item no. 7 of SCR.</p> <p>3. Kindly refer to para 2.22 of the SCC enclosed with Board’s letter under ref (iii), which requires Zonal Railways to prepare and notify Annexure-4 in this regard.</p>
<p>ER (Asansol)</p> <p>1. There should be an incorporated Catering option in the Dealing Section under catering assets tab.</p> <p>2. There should be provision of separate option for the units which were allotted prior to Catering Policy 2017.</p> <p>3. No options are shown in the associated account unit in the create new lot section.</p>	<p>1 to 3 : CRIS letter at Ref (v) is enclosed</p>
<p>NER (Lucknow)</p> <p>1. While creating assets in the trial IREPS Website, the dealing section is not being reflected in dropbox. The same may be rectified.</p> <p>2. As per Para 9.4.2 of Catering Policy 2017, A SMU unit is converted to GMU, if there is no bid received from reserve category applicants on two time bidding, the same may be included in the e-auction module.</p> <p>3. Clause regarding mandatory updation of labour data on Railways Shramik Kalyan Portal by licensee may be</p>	<p>1 to 2 : CRIS letter at Ref (v) is enclosed.</p> <p>3. This issue is addressed in item no. 6 of SCR.</p>

<p>included in the special conditions of contract.</p> <p>4.As per clause 10.3.4 of FMC 15 of 2022 “reserve price /minimum licence fee 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)”. As per Para 12.1 of catering policy 2017, SAG formula was issued by Headquarters with approval of GM and the same is being followed for calculation of reserve price /minimum licence fee for tenders. It is requested to clarify whether SAG formula has to be followed for calculation of reserve price in e-auction module.</p> <p>5. There is no option to define the type of existing unit i.e. whether it is stall/Trolley.</p> <p>6. There is no option to feed different types of units allotted under one contract agreement prior to catering policy and are being operated on the basis of courts order (under status quo).</p>	<p>4. This issue is addressed in item no. 2 of SCR.</p> <p>5 to 6 : CRIS letter at Ref (v) is enclosed.</p>
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Encl : As above.


18/10/22
(Sumeet Singh)
DTCG as Dir(T&C)
Railway Board

Copy for information to : (i) EDFM (ii) MD/CRIS.

o/c

SI-20

Centre for Railway Information Systems

No. CRIS/GM/EPS (Spl. Proj.)/78

Dated: 13.10.2022

Sub: Allotment of catering units through e-Auction

Ref: Rly. Bd. letter no. 2020/catering/600/07 dated 26.09.2022

I. Reply to Secunderabad Division observations

Ref: Sr.DCM/SC letter no. C/C/79/Catg./Misc Corrs/2021 dated 06.10.2022

Para A	After creation of a section, it has to be assigned to the officials who are going to use it. If a section is not assigned to the logged in user, it doesn't show in the dropdown.
Para B to G	These are policy related matters. Railway Board may please clarify.

i. Reply to Delhi Division observations

Ref: Sr.DCM/PS/DLI letter no 23AC/Ctg. Policy/2017 dated 06.10.2022

Para	Clarification
1	The type of unit is to be defined in the asset description.
2	All the units covered in a contract shall be entered in the asset description, and the same shall become part of the contract.
3	Provision is being made for extension of contract period for manual contracts entered in the system. This will become live in 1 – 2 weeks.
4	The CP start date can have a bearing on the rate quoted by the bidder. Thus, it will not be appropriate to change the same after closure of the auction. The auction conducting official is supposed to fix the CP start date with due consideration to all the factors involved. In any case, this is not as per E-Auction policy issued by Railway Board.
5	This is already covered in the lot formation process.
6	This is a policy matter. Board may please clarify.
7	This is a policy matter. Board may please clarify. It may be pointed out here that the same suggestion was given by CRIS earlier.

III. Reply to Waltair Division observations

Ref: Sr.DCM/WAT letter no WCF/E-Auction/Catering/2022 dated 08.10.2022

Para	Clarification
1	After creation of a section, it has to be assigned to the officials who are going to use it. If a section is not assigned to the logged in user, it doesn't show in the dropdown.
2	This is a policy matter. Board may please clarify.
3	This is a policy matter. Board may please clarify.

IV. Reply to Lucknow (NER) Division observations


Ref: Sr.DCM/LJN letter no NER-LJN0COMM(CRC)/32/2020 dated 10.10.2022

Para	Clarification
1	After creation of a section, it has to be assigned to the officials who are going to use it. If a section is not assigned to the logged in user, it doesn't show in the dropdown.
2	There is already provision in lot formation process to auction SMU as GMU
3	This is a policy matter. Board may please clarify.
4	This is a policy matter. Board may please clarify.
5	The type of unit shall be defined in the description
6	All the unit covered in the contract agreement can be included in the asset description

V. Reply to Asansol Division observation:-

Ref: Sr.DCM/Asansol letter no C.5/e-Auction/Corrs/ASN dated 07.10.2022

Para	Clarification
1	After creation of a section, it has to be assigned to the officials who are going to use it. If a section is not assigned to the logged in user, it doesn't show in the dropdown.
2	To the best of my understanding, the units allotted as per old policy can also be handled through existing provisions. If any problem is being faced, the same needs to be specified.
3	Linking of associate accounts unit has to be done by the admin of the unit as explained in the user manual.


 (Rajesh Abrol)
 GM/EPS/Spl. Projects