



इंडियन रेलवे कैंटरिंग एवं टूरिज्म कॉरपोरेशन लिमिटेड
(भारत सरकार का उद्यम-मिनी रत्न)
INDIAN RAILWAY CATERING AND TOURISM CORPORATION LTD.
(A Govt. of India Enterprise-Mini Ratna)

"CIN-L74899DL1999GO1101707", E-mail : info@irctc.com, Website: www.irctc.com

2019/IRCTC/CS/STEX/356

March 1, 2021

BSE Limited (Through BSE Listing Centre) 1 st Floor, New Trade Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street Fort, Mumbai – 400 001 Scrip Code: 542830	National Stock Exchange of India Limited (Through NEAPS) "Exchange Plaza", C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Scrip Symbol: IRCTC
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Sub: Ministry of Railway's directive to IRCTC

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sir/Madam,

Pursuant to Regulation 30 of SEBI (LoDR) and other applicable provisions, it is informed that Ministry of Railways vide their letter dated 23rd February, 2021 (received on 26th February, 2021), in compliance of orders of Hon'ble High Court of Judicature at Madras dated 19.01.2021 in WP 1061 of 2021, has directed IRCTC to terminate all existing contracts of mobile catering (currently kept in abeyance) involving scope of work of providing cooked food to passengers prepared from base kitchens as per the existing terms and conditions. (Copy of the letter enclosed as **Annexure**)

The impact of the above directive is being assessed and will be informed to exchanges in due course.

This is for your information and record.

Thanking you,

Yours faithfully,

For and on behalf of Indian Railway Catering & Tourism Corporation Limited

Suman Kalra

(Suman Kalra)

Company Secretary and Compliance Officer

Membership No: F9199



GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAILWAY BOARD

No. 2019/Catering/600/04

New Delhi, dated 23/02/2021

The CMD, IRCTC,
Statesman House Building,
Barakhmbha Road,
New Delhi – 110001.

Sub:- Compliance of orders of Hon'ble High Court of Madras dated 19.01.2021 in W.P.No.1061/2021.

Ref :- IRCTC's letter No. 2020/IRCTC/CO/Catering/WP 1061-2021 dated 29.01.2021.

The issue raised in the subject Writ petition has been examined in Board's office. Considering all the merits and facts of the case including personal hearing of members of petitioner Association (Indian railway Mobile Caterers Association) and as mandated by Hon'ble High Court of Judicature at Madras in their order dated 19.01.2021 regarding WP 1061 of 2021, IRCTC is directed to terminate all existing contracts of mobile catering (currently kept in abeyance) involving scope of work of providing cooked food to passengers prepared from base kitchens as per the existing terms and conditions. IRCTC is further directed to treat this case as an exception arising out of pandemic situation and not to treat the case as contractor's default and hence not impose any fine for not providing catering services and also return the Security Deposit (SD) and advance license fee in full after considering/adjusting valid dues, if any.

This issues with the approval of the Competent Authority.

Sumeet Singh
23/2/21

(Sumeet Singh)

DTCG as Director /T&C
Railway Board

1. Copy of letter to IRMCA enclosed
for reference.

GS
25/2/21

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BY SPEED POST

GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
RAILWAY BOARD

No. 2019/Catering/600/04

New Delhi, dated 23/02/2021

The President, IRMCA,
744, Main Mathura Road, Jangpura,
South Delhi,
New Delhi – 110014.

Sub:- Compliance of orders of Hon'ble High Court of Madras dated 19.01.2021 in W.P.No.1061/2021.

Ref :- Indian Railway Mobile Caterers Association (IRMCA)'s representation dated 27.01.2021.

The Hon'ble High court of Madras has given mandate to consider the representation of Petitioner Association dated 04.01.21 and pass the final orders on merit and in accordance with law. The Petitioner Association in their representation dated 04.01.21 has inter alia requested Railway Board/IRCTC to allow them to operate the mobile catering units under regular contracts in the same manner in which the static units have been operationalized at reduced license fee. Further to this, IRMCA however mentioned vide letters dated 27.1.2021 and 8.2.2021 that they are ready to run the trains under new scope of work, i.e. only Ready to Eat (RTEs).

Pursuant to this, the Ministry of Railways examined the representation submitted by Indian Railways Mobile Caterers Association (IRMCA) dated 04.01.21, along with other relevant documents including tender documents, policy instructions etc. In addition, a meeting with the members of IRMCA was also held in Ministry of Railways on 11.02.2021 to hear their plea regarding the issue including their grievances. In the meeting there was unanimous request that they should be permitted to resume work (same scope of work) on the trains held by them with reduced license fee (as in the case of static units), or they may be allowed to operate the trains under new scope of work, i.e. service of only RTEs with reduced license fee as in the case of static units.

Indian Railways have gradually started operating the passenger segment special trains post the lockdown on account of CoVID 19 as a preventive measure to contain the spread of Corona Virus. The phased introduction of passenger segment trains is being planned in close co-ordination with state governments to enable them efficiently managing COVID 19 pandemic.

It can be seen that the basic demand and grievance of Petitioners (vide letter dated 4.1.2021; matter under WP) is regarding resumption of the mobile units under regular contracts in the same manner in which the static units have been operationalized at reduced license fee. On 5.8.2020, Board issued clear instructions that only Ready to Eat meals would be served and IRCTC was also involved in the consultation process for implementation of only Ready to Eat. Hence, it is evident that with respect to catering services, it was envisaged to make RTEs the new post pandemic normal. Even if trains were to resume running as 'regular' with regular train numbers, instead of special trains, the cooked food services are not envisaged to resume. Further, IRCTC's contention that the scope of work under mobile catering contracts was changed completely in special trains is agreeable. It is a matter of fact that the scope of work of mobile catering as operated by Members of IRMCA for regular trains entailed "To operate, manage and supply catering services on the train from the nominated Base Kitchens on Railway premises as far as possible or on non-railway area approved by the Railway Administration in case of non-availability of space on Railway premises from the commencement date of operation and

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setup/operate railway approved/nominated base kitchens accordingly at originating /enroute stations on Railway premises”.

Therefore, the most basic aspect of the scope of work was to provide **cooked foods** prepared in **nominated base kitchens** and also to **setup/operate the base kitchens**. However with the changed scenario in view of COVID 19, IR has gradually allowed only limited special train services with only Ready to Eat (RTE) food items. Hence, this scope of providing Ready to Eat meals is completely different with the earlier case wherein cooked food prepared from base kitchen were served to passengers. The scope of work for catering services in the Special Trains, is significantly different so as to provide hygienic food and also contain the spread of Covid 19 pandemic situation. Further terms and conditions of static unit cannot be compared with mobile licenses, where physical distancing can be maintained unlike trains where all catering operations, etc. have to be carried out in limited physical space. Moreover, IRCTC has given an opportunity to the licensee having regular licenses to participate in the Tender process for Special Trains and such opportunity was availed by the members of IRMCA and as per records approximately 50% of them have been awarded licenses of special trains through competitive bidding.

It may be further seen that while the matter in the Hon'ble High Court of Madras pertained to catering services with respect to resumption of normal trains (normal catering service), the association in their letter dated 8.2.2021 has written that they are ready to operate trains with RTEs under provision of the existing terms which provides amendment with mutual consent. It would not be prudent to offer the same contractors the work of mobile catering of providing RTE foods as there is vast change in scope of contract and hence being a government entity the IRCTC is bound to follow the basic principles of tendering which prohibits the significant change in scope of tender. In this regard, since service of only RTEs constituted a different scope of work, IRCTC rightly awarded new short term contracts through a tendering process. Having accepted that the scope of work is different, it is neither feasible nor prudent to allow contractors with a different scope of work to work these trains.

In view of above, following orders are issued:

In view of the present situation and considering the changed scope of work of mobile catering, the licenses awarded to the members of the Indian railway Mobile Caterers Association cannot be restored especially when IRCTC gave ample opportunity to them to participate in the Tender for special Trains.

Hence, considering and keeping in mind all the merits and facts of the case including personal hearing of members of petitioner Association and as mandated by Hon'ble High Court of Judicature at Madras in their order dated 19.01.2021 in WP 1061 of 2021, the Ministry of Railways hereby orders IRCTC to terminate all existing contracts of mobile catering (currently in abeyance) involving scope of work of providing cooked food to passengers prepared from base kitchens as per the existing terms and conditions. It is also directed to IRCTC to treat this case as an exception arising out of pandemic situation and not to treat the case as contractor's default and hence not impose any fine for not providing catering services and also return the Security Deposit (SD) and advance license fee in full after considering/adjusting valid dues, if any.

This has approval of the Competent Authority

Sumeet Singh
23/2/21

(Sumeet Singh)
DTCG as Director /T&C
Railway Board

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