It was a hot summer afternoon in New Delhi, India, and Mr Siya Ram, the Group General Manager of Rail Neer, the packaged water brand of Indian Railway Catering and Tourism Corporation Ltd (IRCTC), was having his lunch in his office on the 11th floor of The Statesman House, the corporate headquarters of IRCTC. His office had a view of the Connaught Place, a popular shopping district in New Delhi, India. His eyes fell on a group of 10–12 people crowding a road-side stall buying bottled chilled water to quench their thirst.

His thoughts flew back to the event yesterday, where he launched an Automatic Water Vending Machine (AWVM/WVM) at the New Delhi railway station, a product developed for the Indian Railways (IR) by private manufacturers. The vending machine made purified and chilled drinking water available to customers at busy platforms of railway stations, dispensing different amounts ranging from 300 ml to 5 l with an option to collect the water in a packaged or a refill option (Exhibit 1). As he cast his eyes again on the road-side stall selling water, now teeming with a different set of people, he wondered if he was on the verge of a solution that provided clean drinking water at public places in India. He rued that despite 70 years of independence; a large population still lacked access to clean drinking water and were either exploited by corporations or forced to use water of suspect quality. The huge volume of people travelling by IR on a daily basis made him hope that an intervention by railways in the packaged drinking water segment could harbinger change across geographies and societies in the country. He therefore felt that this was an opportunity for the IR to revolutionize this product category.

However, since morning, he was both irritated and worried. He had received calls from two vendors citing non-cooperation from the authorities at railway stations. The vendors needed water and electricity connections from railway stations for operationalizing water ATMs and a delay in providing them was causing problems for installing these ATMs. He knew that the vendors would not approach him unless the matter was serious, long-drawn and needed his attention.
Vendors complained that it sometimes took nearly four to six months to obtain connections leading to idle assets and prevention of early cash flows, higher interest costs, and delay in attaining break-even point.

Exhibit 1: Picture of a Water ATM Installed at Tiruchirappalli Railway Station

Source: Company documents.

Siya Ram knew that the problem was much deeper. The water ATM project was not a priority for the officials at railway stations. They had to meet their daily responsibilities and neither IRCTC nor the vendors chosen by IRCTC to implement water ATMs had an authority to enforce the agreement at the local level. In addition, railway stations stood to gain only 15 per cent of the revenues generated through water ATMs. Even though the minister of railways was championing the project, the situation at the ground level prevented rapid installation of the water ATMs. Vendors had begun losing interest and were now reluctant to apply for new licences. Siya Ram was under pressure from his seniors to install water ATMs at a large number of railway stations. His long experience in the railways told him that the solution was in managing relationships on a day-to-day basis at ground zero. He needed to put in place a framework within which the relationships could be managed. The legacy of IR of more than 100 years had built-in a rigidity in the system that was difficult to shake off.

INDIAN RAILWAYS (IR)—AN INTRODUCTION

IR commenced operations in 1,853 with the first passenger train travelling a distance of 33 km from Mumbai to Thane. It had 14 railway carriages that carried 400 guests. IR was nationalized in 1951, four years after India’s independence. It is now the world’s fourth largest rail network. IR has more than 66,000 km of railway track length and operates more than 12,617 trains, connecting more than 7,000 stations and ferrying over 23 million passengers daily. In fact, it is often said that IR moves equivalent to the entire population of Australia every day. With nearly 7,500 freight trains, it carries 3 million tonnes (MT) of freight every day. IR accounted for nearly 15 per cent of public transport and 36 per cent of freight transport in India in 2017. IR continues to be the world’s eighth largest employer with more than 1.326 million employees surpassed by only the US Department of Defense, the Chinese Army, Wal-Mart, McDonald’s, China National Petroleum, State Grid of China, and UK National Health Service.

Indian Railway Catering and Tourism Corporation Ltd (IRCTC)

IRCTC was incorporated in 1999 as a public sector enterprise under the Ministry of Railways with the objective of hiving off entire catering and tourism activity of railways to the new corporation. IRCTC was expected to leverage nearly 13 million passengers who travelled on the network every day and expected catering, hospitality, and related services. It was however popularly known as the entity that transformed ticketing services by introducing Internet-based ticketing. It was also expected to create public-private partnerships to achieve its objectives.

IRCTC clearly articulated its vision and objectives (Exhibit 2) and launched a large number of initiatives like IRCTC Rail Connect (an android-based ticketing app), executive lounges at railway stations, e-catering facility that enables passengers to order meals online while travelling, concierge services at major stations, semi-luxury trains like Tiger express, etc. in line with this vision. The initiatives delivered results soon and helped IRCTC win several awards and recognitions (Exhibit 3). A facilitating organization structure was created to ensure appropriate devolution of authority, smoothness in operations across vast geographical spread of its operations (Exhibit 4).
Exhibit 2: Vision and Objectives of IRCTC

Vision
Enhance customer services and facilitation in railway catering, hospitality, travel and tourism with best industry practices.

Objectives
- To be a customer-friendly company through constant innovation aided by technology and human resource development
- Optimize use of resources and increase manpower productivity through quality product vending and innovative marketing strategies
- Upgrade and consolidate catering services in the organized sector
- Expand areas of core competencies
- Enhance business opportunities through efficient public–private partnerships
- Maximize generation of resources
- Imbibe strong and ethical work culture through teamwork
- Build and reposition Indian Railways in the emerging services sector
- Evolve high standards of business ethics, quality management and effective cost control measures
- Concern for environment and heritage

Source: IRCTC website.

Exhibit 3: Recent Awards and Recognition for IRCTC

- Website of the year in 2014 and 2015
- The Maharaja Express, world’s most luxurious train owned and operated by IRCTC, received seven star luxury hospitality and lifestyle award at Marbella, Spain in 2016
- CMD IRCTC received PSU leadership award for e-initiatives in 2016
- BW Golden Cart Awards for country’s most popular e-commerce portal in the govt/public sector category in 2016
- Best public sector company for consumer-friendly initiatives under the government organization promoting tourism category of Today’s Traveller Award, 2016
- Dalal Street Investment Journal (DSIJ) PSU award 2014 for the Biggest E-Commerce portal in India
- News Ink legend PSU Shining Awards 2014 in the category—Legend PSU of the year for Customer Friendly Operations
- Indian e-Retail Awards 2015, in the category Leisure and Travel e-Retailer of the Year
- IRCTC App Awarded in Best Use of App Category in Mobillion Event

Source: www.irctc.com

Exhibit 4: Organization Structure of IRCTC

IRCTC was headed by Chairman and Managing Director (CMD) who was assisted by three Directors: Director (Catering Services), Director (Tourism & Marketing) and Director (Finance) and nine Group General Managers. For smooth operations of the business across the country, five Zonal Offices were based at Delhi, Kolkata, Mumbai, Chennai & Secunderabad. South Zone Office was headed by Regional Director and all other Zonal Offices were headed by Group General Managers. All Group General Managers had vast experience of working with Indian Railways. These Zonal Offices were assisted by ten Regional Offices at Lucknow, Chandigarh, Jaipur, Bhubaneswar, Guwahati, Patna, Bhopal, Ahmadabad, Bangalore and Ernakulam, which were headed by Chief Regional Managers/Regional Managers.

Source: IRCTC’s tender document for installation and operation of water vending machines at railway stations.

Role of IRCTC in Popularizing E-ticketing
No story of IRCTC is complete unless its seminal contribution in changing the face of railway ticketing in India is outlined. IRCTC initiated Internet-based ticketing through its website in 2002 with just 27 bookings on its first day of operations. It launched an upgraded version of the e-ticketing system in 2014 that allowed 120,000 concurrent users to book tickets simultaneously with a bandwidth of booking 7,200 tickets per minute. This was substantially more than the previous figures of 40,000 and 2,000, respectively. This initiative brought results almost immediately and on 1 April 2015, IRCTC created a new record with 1.345 million tickets booked in a day. The success of IRCTC in this field was evidenced in the
fact that more than 58 per cent of all reserved accommodation tickets purchased were booked online in 2016.

**Potable Water in Trains and at Railway Stations**

IR ensured the supply of potable water through taps on every platform at railway stations. It was in the list of minimum essential amenities to be provided at all six categories of railway stations (Exhibit 5 and Exhibit 6).

Potable water was provided as piped water or through hand pumps at smaller stations. Water coolers were installed at stations that had more than 1,000 inward and outward passengers every day. These initiatives were taken to provide good quality drinking water to railway passengers waiting on platforms and travelling by trains. However, regular wear and tear arising out of heavy use coupled with a lack of regular maintenance made them dirty, unhygienic, and an eyesore.

**Exhibit 5: Categories of Stations for Provision of Passenger Amenities**

| Category | Criteria |
|----------|----------|
| A | Non-suburban stations with an annual passenger earnings of Rs. 6 crore and above |
| B | I. Non-suburban stations with an annual passenger earnings between Rs. 3 crore to Rs. 6 crore  
   II. Stations of tourist importance, or an important junction station (to be decided by GM) |
| C | All suburban stations |
| D | Non-suburban stations with passenger earnings between Rs. 1 and Rs. 3 crore |
| E | Non-suburban stations with passenger earnings less than Rs. 1 crore |
| F | Halts |

Source: www.indianrailways.gov.in

Note: Annual passenger earnings at the station for the purpose of the amenities shall be worked out as per para 2.4 of the instructions.

**Exhibit 6: Minimum Essential Amenities at Each Category of Station**

| Amenities | Station Category |
|-----------|-----------------|
| A | B | C | D | E | F |
| 1. Booking facility | Yes | Yes | Yes | Yes | Yes | Yes |
| 2. Drinking water**piped/hand pump | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Waiting hall/shed | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. Seating | Yes | Yes | Yes | Yes | Yes | – |
| 5. Platform shelter | Yes | Yes | Yes | Yes | – | – |
| | shady trees | – | – | – | Yes | Yes |
| 6. Urinals | Yes | Yes | Yes | Yes | Yes | – |
| 7. Latrines | Yes | Yes | Yes | Yes | Yes | – |
| 8. Platforms—High | Yes | – | Yes | – | – | – |
| | Level—Medium | – | Yes | – | Yes | – | – |
| | –Rail | – | – | – | Yes | Yes |
| 9. Lighting # | Yes | Yes | Yes | Yes | Yes | Yes* |
| 10. Fans @ | Yes | Yes | Yes | Yes | Yes | – |
| 11. Foot over bridge | Yes | Yes | Yes | – | – | – |
| 12. Time Table Display | Yes | Yes | Yes | Yes | Yes | Yes |
| 13. Clock | Yes | Yes | Yes | Yes | Yes | Yes |
| 14. Water cooler | Yes | Yes | Yes | – | – | – |

Source: www.indianrailways.gov.in

Notes:
# Stations may be electrified as per provisions of Board’s circular No.95/Elec(G)/109/1 dt.1.2.95 & 95/Elec(G)/138/5 dt.19.3.96
@ To be provided at electrified stations
* Where train stops at night
** Stations falling in water scarcity zones or at station, where water source dries up in summer drinking water facility should be ensured at every platform by means of Syntac Tanks/CANS/Matkas/Piaos, etc. to be decided by GM of the Railways. At less important stations particularly falling under category E & F, one water supply source at location convenient to passenger may be provided.
Over the past few years, due to increased awareness, there is a widespread use of purified, mineralized, and chilled water for drinking. The storage and manner of dispensing has also gained importance. These trends spurred the demand for packaged water and paved way for creation of bottled water industry. The industry was driven by rising population, changes in consumption patterns, lifestyle trends, and growing health consciousness. Bottled drinking water was particularly popular and was defined as any water taken from natural spring, well, municipal, or private utility systems, or distilled water to which chemicals were added and put into sealed bottles, packages, or other containers to be sold for domestic consumption or culinary use.

IRCTC capitalized on this trend and launched Rail Neer in 2003 with the objective of providing passengers with high quality and affordable bottled drinking water. In 2016, Rail Neer was declared as India’s most trusted brand in the packaged drinking water segment. The first Rail Neer manufacturing unit was set up in New Delhi in May 2003 and by 2015–2016, IRCTC had six packaged drinking water plants across the country. Two more manufacturing units were likely to begin production soon and a few more were planned. Rail Neer was available in only one stock keeping unit (SKU) of 1 l and was sold at railway stations and running trains through pantry cars and registered vendors. In 2015–2016, the total production of Rail Neer bottles was 144 million and revenues from it accounted for nearly 8 per cent of the total income of IRCTC.

As related technologies evolved, newer devices to purify and dispense water entered the market. Several devices that combined reverse-osmosis (RO) system with a cooling process and dispensed mineralized water hygienically were available in the market. In 2007, IRCTC recognized the need to evaluate alternatives in this space and sought to create a relevant product: AWVMs or water ATMs. Water ATMs were automatic water dispensing units with a pay-per-use transaction facility that could provide cold and mineralized drinking water on demand with an option of tracking the quality of dispensed water.

The product was conceived in 2007 and nearly 50 machines were installed at various railway stations. However, the project was declared closed in the same year as it met with numerous operational hurdles. Probably the market for packaged drinking water was not mature enough and the product failed to capture public imagination. In 2015, the project was revived by the then minister of railways who handed it over to IRCTC for implementation with a fresh mandate of installing the product at nearly 7,500 railway stations. The mandate included details of the number of water ATMs/WVMs that were to be installed at railway stations. The number was determined by the category of the station (Exhibit 7).

### Water ATM—The Product

Water ATM was conceived as a plug and play module to ensure rapid installation. It could produce up to 6,000 l of pure mineralized water per day and came with an inbuilt capacity to handle high temperature, humidity, dust and corrosion. It was programmed to dispense water at various quantities, from a glass of 300 ml to a jar of 20 l. Consumers had the option of collecting water in their own container or to buy it with the container. It had a provision for remotely monitoring customer transactions and had self-cleaning system with multiple filtration process and re-mineralization. It was compact, low-cost, and required minimal civil work.

### Role of IRCTC

IRCTC identified and empanelled only those dealers or manufacturers that had prior experience of installing water vending machines as its vendors. Empanelment was decided on the basis of vendor’s ability to supply, install, commission, and operate water vending machines. A provision was made to allot a certain proportion of work to NGOs to encourage micro, small, and medium enterprises (MSMEs). Vendors were expected to construct a product that met the specified technical specifications. They also had to make a financial commitment in the form of a non-refundable deposit of ₹ 0.1 million per machine to IRCTC.

### Exhibit 7: Targeted Number of WVMs across Various Categories of Stations

| Category of Stations | A1 | A | B | C | D | E | F | Total |
|----------------------|----|---|---|---|---|---|---|-------|
| 1 No. of stations    | 79 | 329 | 302 | 484 | 797 | 4,157 | 2,151 | 8,481 |
| 2 WVMs per station   | 15 | 7 | 4 | 2 | 1 | 0.25 | – | – |
| 3 Total WVMs        | 1,185 | 2,303 | 1,208 | 968 | 797 | 1,039 | – | 7,500 |

Source: www.indianrailways.gov.in
Once empanelled, vendors were expected to submit bids for the supply, commissioning, and operation of WVMs at stations. IRCTC released bid documents periodically that contained terms and conditions of contract that included scope of work, station-wise WVM services, and charges to be paid by the bidder, details of stations, etc. IRCTC was to coordinate with the railway authorities for installation.

**Technical Specifications of Water ATM**

The technical specifications of the product and guidelines to be followed while installing water ATMs were established by IRCTC. The product would have to function on RO technology or an alternate superior technology that had to be decided in consultation with divisional railway manager (DRM) of IR. The technology set up in the WVM was decided based on the report/recommendation from the government authorized or affiliated laboratory that tested the sample of water from the identified station. It was then submitted to the IR by the licensee/IRCTC. Another deciding factor about the choice of technology to be used was that the wastage of water should remain below 30 per cent. Vending machines were expected to have the option of dispensing water in 300 ml and other volumes along with an in-built payment facility. The price at which water was to be dispensed was fixed by IRCTC (Exhibit 8).

### Exhibit 8: Pricing of Water at WVMs

| Sr. No | Size & Volume | Refill (Rs.) | With Container (Rs.) |
|--------|---------------|--------------|---------------------|
| 1.     | 300 ml Glass  | 1            | 2                   |
| 2.     | 500 ml Bottle | 3            | 5                   |
| 3.     | 1 l Bottle    | 5            | 8                   |
| 4.     | 2 l Bottle    | 8            | 12                  |
| 5.     | 5 l Bottle    | 20           | 25                  |

**Source:** IRCTC’s tender document for installation and operation of water vending machines at railway stations.

**Note:** Effective as per commercial circular no. 36/2015 dt. 16.06.2015 issued by Railway Board.

WVM was expected to handle the sudden spurt in demand arising out of trains arriving on the platform. The machine could not occupy more than 30 sq. ft including the sitting capacity of the operator. The space given to IRCTC by railways had to be utilized for installation of WVMs alone and could not be sublet. WVMs were to provide water as per specifications laid down in IS 10500:2012 and had to comply with the bacteriological, virological, and biological requirements as specified in Bureau of Indian Standards (BIS). Water had to be free from microscopic organisms such as algae, zooplanktons, flagellates, parasites, and toxin producing organism and coliform bacteria. To ensure these requirements, water was subjected to a 7-stage purification process (Exhibit 9) and a picture of the process had to be mandatorily displayed at all water ATMs.

### Exhibit 9: The 7-stage Purification Process

The 7-stage process involves the raw water passing through:

- **Stage I—Dual Media Filter.** First filter involves water passing through four layers of fine sand, pebbles, gravel and anthracite consecutively. Anthracite, the last layer absorbs sand particles and adds calorific content. It also gets rid of suspended solids, sediments and sand.
- **Stage II—Activated Carbon Cartridge Block.** It absorbs chlorine and odour and adds sheen to water.
- **Stage III—Antiscalant Dosing.** Doses of antiscalant chemical is added to water to prevent formation of layers of scales in the tubes that carry water.
- **Stage IV—Micron Cartridge Filter.** Gets rid of particles and impurities.
- **Stage V—RO Membrane.** It is a membrane which has micron-level pores and water is passed through that membrane to reduce total dissolved solids (TDS) and to remove bacteria and virus that may be present in water. Water is passed through this membrane at high pressure.
- **Stage VI—pH Correction and Remineralization.** pH of water is maintained at the value of 7 to improve water taste. Remineralization is done by adding 20 gms of Na2(CO3)2 (sodium bicarbonate) in 5 litres of water.
- **Stage VII—UV Sterilization.** Water was disinfected by passing the water through a UV rod so that the bacteria present in the water may be killed and water is safe for dispensing.

**Source:** IRCTC’s tender document for installation and operation of water vending machines at railway stations.
The price and quantity of water dispensed had to be prominently displayed on the attached LED screen for every transaction so that it could be verified by the customer. The machine had an in-built water chilling process linked to a microprocessor so as to dispense water at a prescribed temperature. It had multimetre facility to display and calculate the number of glasses, bottles, and litres of water used. The multimetre was sealed and was not accessible to the operator. The prototype of the machine was to be available with the vendor for inspection by the committee nominated for the purpose. The vendors who were not manufacturers of the WVMs and were only participating in the financial bids had to take prior approval from IRCTC regarding the brand of the machine proposed for installation.

Financial and Other Specifications

IRCTC issued licences to empanelled vendors for a period of five years. A provision for a one-time extension of three years on satisfactory performance was also included. The licence fee was ₹1,00,000 per annum per machine and was to be paid to IRCTC in advance. The vendor was expected to carry out necessary repair within 24 hours. The vendor also needed to take measures to ensure the security of WVM at railways premises. They were not permitted to have advertisements at the stall. The charges for the electricity and water were to be borne by the vendor.

Winner Product but Not Yet

Siyaram was sure that WVMs bridged a gap in the market place and he was eagerly looking forward to customer feedback. The inauguration of almost every water ATM was a grand affair. Most were inaugurated by the minister of railways or by other ministers. The inauguration was covered extensively by local media. Most ministers and relevant authorities popularized it through their Twitter handles generating considerable excitement among the general public. Siyaram however had one concern, and that was the product’s commercial viability. He knew that only if the product generated sustainable revenues, it would be a success, subsequently attracting vendors for future expansion. Alternatively, it could again meet the fate that it did in 2007. The empanelled vendors had made considerable financial commitments and were impatient for returns on their investments. Success of the product depended critically on their continued interest. He knew that vendors had to balance a number of factors to ensure actual purchase of water from these machines.

CRITICAL SUCCESS FACTORS FOR WATER ATMs

Location

The right location/placement of water ATM on the platform was one of the most important factors that contributed to greater consumption, since all locations did not attract the targeted segment: passengers. A detailed survey was conducted by the empanelled vendor at the assigned railway station and its platforms to identify suitable locations. The surveys suggested that locations near the foot over bridge (FOB) and enquiry counters received higher footfalls and therefore were ideal locations. The region on the platform where air-conditioned coaches arrived were not attractive locations as chilled water was served to the passengers at their berths by pantry car salesmen, whereas locations closer to unreserved compartments and sleeper coaches were considered to have better potential. Platforms with a larger number of trains halting too were considered to be more attractive.

Appropriate Size

It was important to install water ATM of an appropriate size as all railway stations did not attract similar footfalls. Footfalls determined the demand for water and vendors had to conduct a detailed estimation of consumption of water per day so as to arrive at the appropriate size of the machine. The size was expressed in terms of capacity in litres and expectedly a significant variation in capacity versus consumption led to either delayed reaching of break-even point or substantial opportunity loss. Vendors had the flexibility to make this assessment and install machines in sizes relevant to the projected demand.

Vendor Capability

Selection of capable vendors was an equally important criterion to make the product successful. Vendors were expected to have financial depth so as to invest a substantial sum beforehand and patience to wait for the returns to begin. They were also expected to have technical expertise for conducting operations and maintenance (O&M) activities for water ATMs. They were also expected to have managerial expertise for running operations across diverse geographic and cultural contexts.

Managerial Capability

The least obvious factor which had a huge impact on the viability of the product was the individual managerial expertise of the coordinator from IRCTC,
the operator of the machine and organizational maturity of the vendor. As vendors had to manage a continuous engagement with multiple authorities at railway stations, IRCTC, manufacturer, machine operator, technical, and sales teams for smooth operation and maintenance, they needed to employ quality manpower and institute robust processes.

**BUSINESS AND ORGANIZATIONAL CHALLENGES**

Siya Ram knew that business opportunities were huge, considering the number of people that IR served every day. He was also aware that the associated challenges were complex and layered. He attributed it chiefly to the involvement of multiple agencies, each operating with independent objectives. He also understood that his task was to align goals of all the concerned agencies to the superordinate goal. He decided to organize a meeting of representatives from empanelled vendors, station superintendents from railway stations, and the coordinator of the project from IRCTC. He was sure that unless each stakeholders spoke to each another and learnt to appreciate each other’s point of view, the differences could not be ironed out.

On the day of the meeting, the conference room was abuzz with excitement. There were two presentations. The first one was by one of the large vendors, and the second by the coordinator of the project, on behalf of IRCTC. The conversation over the informal high tea before the meeting, revolved around the presentations and direction the project was likely to take.

The first presentation was by the Head of Projects, Fontus Water Pvt Ltd, one of the empanelled vendors that had won several bids. Siya Ram quickly grasped from the presentation that Fontus wanted quick returns on their investments. They were getting impatient. The presentation was woven around two primary themes: hierarchies built around the project to facilitate quick decision-making and control systems that were put in place to ensure quality delivery. The representative from Fontus, spoke about the daily reports that were submitted to his general manager-sales and general manager-technical. He highlighted details on the number of operational and non-operational machines. He went on to list the various reasons for non-operational machines, volume of water dispensed per machine per railway station, and revenues generated per machine. He also shared the organizational structure of the team that was working on the project (Exhibit 10). He elaborated that a daily volume of 300 l was sufficient for one water ATM of a standard size to make operational profit. He also declared that at large railway stations like New Delhi they were attaining volumes well in excess of 500 l. He was more concerned about smaller railway stations where volumes were low and where a large number of machines were non-operational.

**Exhibit 10: Organization Structure of Fontus Water Pvt Ltd**

**Team Handling WVMs**

- Head Projects
- Coordinator-IRCTC
- GM-Technical
- GM-Sales
- Area Service Manager
- Water ATM Operator

The next presentation was by an officer from IRCTC, who was coordinating the entire project. His presentation focused on the importance of rendering quality customer service to passengers. It revolved around vendor capability and the methods of coordination between railway authorities and vendors. He envisaged his own role as that of a facilitator who would smoothen the work flow to ensure early implementation.

At the end of the presentations, it was Siya Ram’s turn to address the meeting. He had been contemplating his response while he sat listening to the earlier presentations. He took a deep breath, gulped down some water to moisten his throat, and stood up to speak. There was a hush in the room as he began,

Ladies and gentleman, our issues are both tactical and strategic and they must be dealt with at both levels. Our responses and solutions must be at both individual and process levels and also at the institutional-level. The vendor
quality must be ensured by following the eligibility criteria both in letter and spirit. Here I quote the three criteria mentioned in the tender document, that the vendor should have experience of manufacturing RO/alternate superior technology based water vending/dispensing machines of 40 l per hour or higher capacity for the last three (completed) financial years; the vendor should have experience in managing a bottling plant of packaged drinking water (PDW)/carbonated soft drink (CSD)/Fruit juice as owner/franchise/operations, and as a maintenance (O&M) operator for the last three (completed) financial years; and the vendor should have experience in managing catering units or cafeteria as service provider for the last three (completed) financial years.

While these are the criteria to be followed, a true manifestation of capability can happen only when the product is rolled out. The financial criteria established, that of a minimum total turnover of ₹15 million during the last 3 completed financial years apart from solvency of ₹1.5 million is to ensure financial depth. All vendors have been made aware of the risks involved. At the same time railway stations are a captive market that offers a huge business potential by driving consumption.

I must say that we are dealing with habits of people and understandably it would take time for them to adapt to new ways of consuming water. The packaged water industry is growing at unparalleled pace and you must be both, persistent and patient. Water ATMs are a new concept, equipped with futuristic technology and are likely to take time before they gain acceptance. This stems from the hope that people would prefer potable water dispensed in hygienic manner over existing methods. Hurdles that the vendors are facing in obtaining water and electricity connections at railway stations will have to be solved at individual level. It can be escalated if a solution is not found within a specified timeframe. I urge vendors to have patience, as the staff at railway stations are busy as well. I urge them to strike a personal rapport with local authorities so as to smoothen transactions.

NOTES
1. See http://www.indianrailways.gov.in/railwayboard/view_section.jsp?lang=0&id=0,1,1297

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2. See www.trucks.cardekho.com/en/news/detail/beginners-guide-1-road-transport-vs-rail-transport-959.html
3. World Economic Forum, listed organizations.
4. IBC Infomedia Pvt Ltd gave the award for 2016.