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**CATERING SERVICES IN INDIAN  
RAILWAYS**

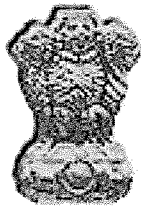
**MINISTRY OF RAILWAYS (RAILWAY BOARD)**

**PUBLIC ACCOUNTS COMMITTEE  
(2023-24)**

**ONE HUNDRED AND FIFTEENTH REPORT**

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**SEVENTEENTH LOK SABHA**



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**LOK SABHA SECRETARIAT  
NEW DELHI**

PAC NO. 2345

**ONE HUNDRED AND  
FIFTEENTH REPORT**  
**PUBLIC ACCOUNTS COMMITTEE**  
**(2023-24)**  
**(SEVENTEENTH LOK SABHA)**

**CATERING SERVICES IN INDIAN  
RAILWAYS**

**MINISTRY OF RAILWAYS (RAILWAY BOARD)**



*Presented to Lok Sabha on: 08.02.2024*

*Laid in Rajya Sabha on: 08.02.2024*

**LOK SABHA SECRETARIAT  
NEW DELHI**

**February, 2024 /Magha, 1945 (Saka)**

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## COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE (2023-24)

Shri Adhir Ranjan Chowdhury

- Chairperson

### MEMBERS

#### LOK SABHA

2. Shri Thalikkottai Rajuthevar Baalu
3. Shri Subhash Chandra Baheria
4. Shri Bhartruhari Mahtab
5. Shri Jagdambika Pal
6. Shri Vishnu Dayal Ram
7. Shri Pratap Chandra Sarangi
8. Shri Rahul Ramesh Shewale
9. Shri Gowdar Mallikarjunappa Siddeshwara
10. Shri Brijendra Singh
11. Shri Rajiv Ranjan Singh *alias* Lalan Singh
12. Dr. Satya Pal Singh
13. Shri Jayant Sinha
14. Shri Balashowry Vallabbhaneni
15. Shri Ram Kripal Yadav

#### RAJYA SABHA

16. Shri Shaktisinh Gohil
17. Dr. K. Laxman
18. Shri Derek O' Brien\*
19. Shri Tiruchi Siva
20. Dr. M. Thambidurai
21. Shri Ghanshyam Tiwari
22. Dr. Sudhanshu Trivedi

#### SECRETARIAT

1. Dr.Sanjeev Sharma - Joint Secretary
2. Smt.Bharti Sanjeev Tuteja - Director
3. Dr.Faiz Ahmad - Under Secretary
4. Shri Ashikho Alema - Executive Officer

\* Elected w.e.f. 19.08.2023 consequent upon retirement of Shri Sukhendu Sekhar Ray, MP on 18.08.2023.

## **INTRODUCTION**

I, the Chairperson, Public Accounts Committee (2023-24) having been authorised by the Committee, do present this One Hundred and Fifteenth Report (Seventeenth Lok Sabha) on "Catering Services in Indian Railways" based on C&AG Report No.13 of 2017 relating to the Ministry of Railways (Railway Board)

2. The C&AG Report No. 13 of 2017 was laid on the Table of the House on 21.07.2017

3. The Public Accounts Committee (2023-2024), selected the aforesaid subject for detailed examination and took oral evidence of the representatives of the Ministry of Railways (Railway Board) on the subject matter on 21 November, 2023 and 17 January, 2024. Based on the oral evidence and written replies, the Committee examined the subject in detail.

4. Public Accounts Committee (2023-2024) considered and adopted the Draft Report on the aforementioned subject at their Sitting held on 06.02.2024. The Minutes of the Sittings are appended to the Report.

6. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in thick type and form Part- II of the Report.

7. The Committee would like to express their thanks to the representatives of the Ministry of Railways (Railway Board) for tendering evidence before them and furnishing the requisite information to the Committee in connection with the examination of the subject.

8. The Committee also place on record their appreciation of the assistance rendered to them in the matter by the Committee Secretariat and the Office of the Comptroller and Auditor General of India.

**NEW DELHI:**  
**February, 2024**  
**Magha 1945 (Saka)**

**ADHIR RANJAN CHOWDHURY**  
**Chairperson,**  
**Public Accounts Committee**

## REPORT

### PART – I

#### I INTRODUCTORY

This Report of the Committee is based on C&AG Report No.13 of 2017 on the "Catering Services in Indian Railways", pertaining to the Ministry of Railways.

2. The Public Accounts Committee took up the subject for detailed examination, took oral evidences of the representatives of the Ministry of Railways and obtained written replies on the subject. Based on the oral evidence and written replies, the Committee examined the subject in detail.

3. The Committee noted that the Indian Railways (IR) carries about 22.21 million passengers per day. Passenger traffic of this magnitude needs the services of a well-managed catering and vending system for supply of healthy and wholesome food at reasonable prices. The catering services are provided by IR departmentally, through Indian Railway Catering and Tourism Corporation (IRCTC) and by engaging outside agencies at stations and in trains. Frequent change in catering policy and consequent transfer of responsibility to manage catering units from railways to IRCTC and back, have created a state of uncertainty in management of catering services provided to the passengers over the years. As the quality of catering services was not enhanced as expected, Railway Board has formulated a new Catering Policy 2017, which has been issued on 27 February 2017. As per the new policy, a number of catering activities which were assigned to IRCTC in 2005 policy and then transferred to Zonal Railways in 2010 policy, have now been assigned back to IRCTC.

4. However, the Committee also noted that the concerns of quality, hygiene, affordability and availability of food to passengers as identified in this Report are needed to be adequately addressed. The policy of progressive switch over from gas burners to electric power equipment in pantry cars was not followed while manufacturing the pantry cars in Integral Coach Factory, Perambur. Requirement of catering facilities on stations and trains were not assessed comprehensively for each station in the form of Master Plans (Blue Prints) by all Zonal Railways. A large number of base kitchens were located outside the railway premises, not subjected to quality checks and thus, did not provide an assurance for quality, hygiene and cleanliness. In the new Catering Policy 2017, the responsibility of setting up and operation of base kitchens has been given to IRCTC. Though a time frame has been fixed for the whole process of setting up of base kitchens and responsibility of Zonal Railways and IRCTC has been defined, penalty has been prescribed only for delay on part of IRCTC after handing over of site by the Zonal

Railways to IRCTC. As such, accountability of Zonal Railways to carry forward the new Catering Policy of 2017 needed to be clearly demarcated.

5. Moreover, the Zonal Railways had not ensured provision of pantry cars in a number of long distance trains. Alternative services through train side vending and/or base kitchens were also not provided in some of the trains checked in audit. The Committee also observed that the availability of Janta meals on stations was also not adequate. As the new Catering Policy has transferred the responsibility of management of Jan Ahaars to IRCTC, Railways need to ensure that adequate number of low cost Janta Meals are provided by IRCTC to passengers. Continued presence of hawkers and sale of unauthorized food on trains also indicated that the catering services provided on trains were not adequate. Audit inspected units including static and mobile units managed both by Zonal Railways as well as by IRCTC – departmentally or through licensees, at selected stations and trains jointly with railway personnel. It was seen that hygiene and cleanliness in respect of the food served was not ensured by the railways on stations and in trains. Unfair practices were being followed in execution of catering services at stations and trains. These deficiencies indicated that the contractors compromised on value for money in respect of food items served to passengers and action taken by Railway Administration for the deviation from the quality standards was not effective.

6. The Committee learnt that some of the important Audit findings in the Report are as under:

- Due to frequent policy changes, IR could not take effective steps to bridge the gap to provide necessary infrastructure in terms of base kitchens, Static Catering Units, Trains Side Vending arrangements and Automatic Vending Machines etc.
- Zonal Railways were required to prepare a Master Plan (Blue Print) of catering services to be provided at each station and onboard trains. Blue Print for provision of catering services was not prepared in seven Zonal Railways East Central Railways, Eastern Railways, Northeast Frontier Railways, North Western Railways, South East Railways, South Western Railways and East Coast Railway (ECR, ER, NFR, NWR, SER, SWR and ECOR).
- Gas burners were to be progressively switched over to electric power equipment in pantry cars in trains as per policy. However, ICF manufactured 103 pantry cars during April 2011 to March 2016 with provision for centralized LPG cylinders, which were distributed to Zonal Railways.
- Zonal Railways did not ensure provision of pantry cars in a number of long distance trains. During joint inspection, it was seen that in nine trains having a run of more than 24 hours, no pantry car was provided. No Train Side Vending

Services were provided by North Central Railways, South East Central Railways and Southern Railways (NCR, SECR and SR) for the trains which run for more than 12 hours during the day time.

- Base kitchens were to be set up in railway premises to monitor and control the quality and hygiene of food served in trains. However, only 16 base kitchens were located in railway premises. 115 base kitchens were located outside the railway premises and were not subjected to quality check. In respect of 128 trains of seven Zonal Railways, meals were picked up from outside base kitchens. Railway Board instructed (January 2012) Zonal Railways to make efforts to improve the sale/availability of Janta meals so as to provide good quality food at affordable price to railway passengers. However, out of 74 stations where joint inspections were conducted by Audit, Jan Aahar units were not provided on 46 stations. Share of Janta meals sold to the overall meals sold in six Zonal Railways was declining in the last three years.
- During joint inspections of selected trains, audit observed a number of unauthorized vendors on platforms and trains. During 2013-14 to 2015-16, 2,39,096 cases were prosecuted by Railway Protection Force and fine imposed in eight Zonal Railways.
- Audit checked 124 contracts awarded by eight Zonal Railways and observed that a major portion of contract value was paid as license fee to Zonal Railways, leaving a small margin of the contract value for the licensee for providing catering services. It may not be workable for the licensees to cater to the needs of passengers within the available margin and may result in compromising the quality, quantity and prices etc.

7. The Committee have learnt that during the joint inspection of selected 74 stations and 80 trains over Zonal Railways, Audit noticed that the following:-

Cleanliness and hygiene were not being maintained at catering units at stations and in trains. Unpurified water straight from tap was used in preparation of beverages, waste bins were not found covered, not emptied regularly and not washed, food stuff were not covered to protect them from flies, insects and dust, rats and cockroaches were found in trains etc.

Unfair practices were being followed in execution of catering services at stations and trains. Bills were not given for the food items served in mobile units in trains. Printed menu cards with tariff for the list of food items sold in the mobile units were not available with waiters and Catering Managers in trains. Food stuff served was less than the prescribed scheduled quantity, unapproved packaged drinking water was sold, Proprietary Article Depot (PAD) items were sold at the railway stations at maximum retail price (MRP) with weight and prices different



from the open market and per unit price of food articles sold in railway premises is significantly higher.

Deficiencies in respect of quality of food served were noticed. Articles unsuitable for human consumption, contaminated foodstuff, recycled foodstuff, shelf life expired packaged and bottled items, unauthorized brands of water bottles, etc., were offered for sale on stations.

The Committee also learnt that Audit observed that though a complaint redressal system has been put in place, there is no reduction in the number of complaints over the years. It was also seen that the major share of complaints pertained to overcharging and quality issues.

#### **A. CATERING POLICY AND PLANNING**

8. The salient features of the New Catering Policy were as follows:-

- The new Catering Policy provides for transfer of catering services through mobile catering units, base kitchens, cell kitchens, refreshment rooms at A1 and A Category of stations, Food Plazas, Food Courts, Train Side Vending, Jan Ahaars to IRCTC. All other catering units like Refreshment rooms at B and below category stations, Automatic Vending Machines, Milk Stalls, Trolleys shall remain with Zonal Railways.
- Food preparation and food distribution has been delinked. Food will be cooked by kitchens operated and maintained by IRCTC. IRCTC is permitted to engage service providers from hospitality industry for serving food in trains.
- IRCTC will develop/refurbish new or existing kitchen units. These kitchens are expected to be modern, mechanized and quality ensured through a valid ISO Certification. IRCTC shall retain the ownership and shall be fully accountable for all the issues pertaining to setting up and operation of the base kitchens and quality of food.
- The old catering stalls will be replaced gradually with the compact modular stalls of superior quality material. The menu and tariff of catering units (other than Food plazas etc.) will be fixed by IRCTC in consultation with the Zonal Railways/ Railway Board. Rates for meals in the trains served by the IRCTC will be fixed by the Railway Board.
- Officials of Railway Board, Zonal Railways and Division shall be authorized to inspect the kitchen units/ mobile catering units and taking penal action for the deficiencies noticed in catering services.

- Criteria for license fee has been retained at 12 per cent of turnover. The fixation of license fee has to be done by Zonal Railways. The formula for fixing the license fee is to be devised by each Zonal Railway. Revised criteria for ceiling of catering units allotted to private contracts has also been prescribed.
9. The Committee observed that the Indian Railways has changed its catering policy three times since 2005. Frequent change in catering policy and consequent transfer of responsibility to manage catering units from railways to IRCTC and back, have created a state of uncertainty in management of catering services provided to the passengers over the years. As per the new policy (issued in February 2017), a number of catering activities which were assigned to IRCTC in 2005 policy and then transferred to Zonal Railways in 2010 policy, have now been assigned back to IRCTC. However, the concerns of quality, hygiene, affordability and availability of food to passengers are needed to be adequately addressed. Also, due to frequent policy changes, IR could not take effective steps to bridge the gap to provide necessary infrastructure in terms of base kitchens, Static Catering Units, Trains Side Vending arrangements and Automatic Vending Machines etc.
10. When enquired about the reasons for the frequent changes in the Catering Policy and consequent transfer of responsibility to manage catering units from railway to IRCTC, the Ministry in their written reply stated as under:

“It is a continuous effort to improve catering service on railways and balance the emerging priorities of the passengers, Indian Railways and the stakeholders. While review/revision of policies is a continuous process, new policies were necessitated to address urgent and/or important issues. Para 1 of Catering Policy of 2005 clearly delineates the 'Need for a new policy' citing need to meet social obligations in respect to allotment of stalls. The Catering Policy 2010 Preamble states that 'Modification of the policy has now been necessitated after the experience gained and public perception since the operation of this policy. The modifications pertain to establishing good governance standards and improving the quality of these services for providing food and beverage services to passengers ...' The Catering Policy of 2017 had quality improvement as its prime focus, and brought a paradigm shift to this effect which introduced the 'unbundling of services' where food production would be separate from service, and food preparation would be controlled at source (base kitchens).

Transfer of role and responsibility between Zonal Railway and IRCTC, while having necessitated related administrative tasks, has not

suo motu impacted the catering services negatively. The roles and responsibilities between Zonal Railways and IRCTC have been defined keeping passengers' interest in mind and they are mandated to execute their responsibility within the framework of the extant policy instructions. Indian Railways continuously endeavour to ensure availability of good quality and affordable food for the common passengers at stations and in trains.”

11. When asked as to what action has been taken for effective implementation of unbundling of services and fast pacing of setting up of new base kitchens so as to ensure improved quality of catering services to passengers as envisaged, the representative of the Ministry stated as under: -

“For implementation of Catering Policy 2017, transfer of catering units (those envisaged in the policy) to IRCTC has already been completed (with the exception of one mobile unit and 13 static units which are under court case). Management of 377 mobile units (pairs of trains with pantry Cars), 262 static units (168- Refreshment Rooms, 53- Jan Ahaar, 27- Cell Kitchen & 14- Base Kitchens) has been transferred to IRCTC.

IRCTC has upgraded 30 Base Kitchens/ Kitchen Units till 30th September 2018. 15 more Kitchen Units are planned to be upgraded by IRCTC during FY 2018-19. 9 Green Field Base Kitchens are to be set up by IRCTC during FY 2018-19. IRCTC is closely monitoring the quality of food preparation through various modalities, e.g. CCTV, Food safety supervisors, IRCTC supervisor, food sampling in NABL accredited labs.

IRCTC has started unbundling of services on trains by supplying meals from IRCTC kitchens. In the initial phase, the departmentally managed base kitchens were aligned to the trains for meal supplies. Further, other kitchens as identified are being aligned with trains for meal supplies progressively.”

12. Throwing light on the issue, the Ministry in reply to the question posed during oral evidence held on 09.08.2021 stated as under:

“As envisaged in Catering Policy-2017, the transfer of catering units (Mobile Units and Kitchen Units those envisaged in the policy) to IRCTC has already been completed. Transfer has been made under tripartite agreements between Zonal Railway, IRCTC and the licensee.

A Model Agreement, (prepared by the Railway Board), with respect to each unit has also been signed by IRCTC and Zonal Railways as mandated in Catering Policy 2017. The model agreement stipulates the terms and conditions

for management of the respective unit by IRCTC including the penal provisions against IRCTC in case of deficiency in the services or violation of any policy provision.”

13. With regard to ensuring supply of quality and hygienic food and monitoring, the Committee were intimated through the written replies as under: -

“Indian Railways has a detailed institutionalized mechanism for monitoring of quality and hygiene of catering services through regular, periodical and surprise inspections. If any deficiency is found, corrective actions is taken including penal actions like imposition of fines, termination of contract depending upon the gravity of offence. It is mandatory for service provider of each catering unit to take FSSAI certificate and follow FSSAI rules and regulation under schedule IV of FSSAI guidelines. Following measures have also been taken: -

- Onboard supervisors have been deployed by IRCTC in Rajdhani, Shatabdi, Duronto & Mail/Exp. trains to keep an eye on quality check while food preparation, packing, service to passengers. Onboard supervisor also checks the quality of raw materials used for preparation of meal.
- Special surprise check drives are conducted to check the quality of food, hygiene in pantry cars, cleanliness of pantry etc.
- Periodical Third Party Food Audits are conducted to check the quality of food, service, hygiene etc. A checklist is given to third party audit agency which covers all the parameters of quality, service, hygiene, etc. and report is made on the basis of customer feedback along with self assessment of the third party auditor.
- Food Safety Supervisors (FSS) have been deployed by IRCTC, in base kitchens managed by service provider or by IRCTC itself to keep an eye on the quality & hygiene assurance along with testing of food sample on regular basis.
- For real time assistance, Catering Monitoring Cells have been set up at Zonal and Divisional levels. A Centralized Catering Services Monitoring Cell (CSMC) has been set up at national level with a toll free number 1800-111-321.
- A defined Quality Assurance Programme with passenger opinion feedback scheme has also been made a part of the mechanism to improve the quality of catering services on trains.
- A pilot project for introduction of Interactive Voice Response System (IVRS) based feedback system was launched on some trains.

- Third Party Audit of catering services are to be conducted at periodic intervals by independent and reputed auditing agencies accredited by NABCB (National Accreditation Board for Certification Bodies) as empanelled by the Zonal Railways. The parameters for audit include all aspects of catering services like personal hygiene, infrastructure facilities, cleaning and sanitation, food safety, storage facilities, implementation of regulatory, statutory and safety regulations, quality of presentation etc.”

14. Through a written reply, the Ministry further submitted as under: -

“A new Catering Policy 2017 has been notified on 27/02/2017 with the objective to provide quality and hygienic food to passengers. As mandated in Catering Policy 2017, management of Mobile units and Kitchen Units was transferred to IRCTC. To ensure quality and hygiene, following measures have been taken after notification of Catering Policy 2017: -

- FSSAI Certification has been made mandatory for each catering units to ensure compliance of food safety norms.
- CCTV Cameras were installed in the upgraded Base Kitchens/Kitchen Units to monitor Kitchen activities on a real-time basis.
- QR code or stickers on food boxes started which provide details like MRP, name of contractor, weight, date of packing and symbol of veg./non-veg. food item, etc Introduction of hand held POS machine along with QR code for generation of bills. Awareness Campaign "No Bill- The food is for FREE".
- Food Safety Supervisors were deployed in Kitchens to ensure that the norms of FSSAI regarding maintenance of food safety and personal hygiene are complied with. This includes periodic testing of food samples in the accredited labs.
- On-board Supervisors have been deployed by IRCTC to monitor catering services on trains.
- Periodical Third Party Food Audits are conducted to check the quality of food, service, hygiene conditions etc. at catering units. Audit parameters include quality, service, hygiene, etc.
- Passengers satisfaction surveys are conducted to get feedback from passengers.
- Along with the above, special/surprise inspections/drives are also conducted to check the quality and hygiene of food in trains and static units.

It is further submitted that after resumption of catering services post lockdown on account of pandemic, service of only 'Ready to Eat' (RTE) meals, manufactured from reputed and IRCTC empaneled RTE manufacturers, has been allowed in train to ensure hygiene."

15. The Committee noted that Zonal Railways were required to prepare a Master Plan (Blue Print) of catering services to be provided at each station and onboard trains. The Committee also noticed that Blue Print for provision of catering services was not prepared in seven Zonal Railways (East Central, Eastern, Northeast Frontier, North Western, South Eastern, South Western and East Coast Railways). Blue print of Central Railway and Northern Railway was not approved by Railway Board. Only six zonal Railways reviewed and periodically updated the Master Plan. Other zonal Railways had not reviewed and updated the plan.

16. On the issue of non-preparation of Master Plan (Blue Print) and delay in preparation of the same, the representatives of the Ministry during evidence stated as under:-

"As per the Catering Policy 2017, Station wise Master Plans/Blue Prints have already been prepared in all 16 Zonal Railways and the same is currently under implementation over Indian Railways."

17. The Committee learnt that as per the Catering Policy 2010, mobile catering services was to be provided with suitably designed pantry cars and equipment of state-of-art technology. There was to be progressive switch over from gas burners to electric power equipment. The policy of progressive switch over from gas burners to electric power equipment in pantry cars to avoid the occurrence of fire accidents in trains was not followed while manufacturing the pantry cars in Integral Coach Factory, Perambur. A total of 103 pantry cars were manufactured by Integral Coach Factory during April 2011 to March 2016 at a total cost of Rs.111.94 crore with provision for centralized LPG cylinders with open flames instead of providing electric power equipment panels counter etc. and distributed to all the Zonal Railways.

18. When questioned on the provisions pertaining to electric power equipment panels as specified in Catering Policy 2010, the Committee were apprised, through the written replies, as under: -

"A Joint Procedure Order (JPO) for attachment of Pantry Cars has been issued on 10/10/2018 entailing provisions to switch over from flamed cooking with gas burner in Pantry Cars to flame less cooking by using the electrical equipments provided in the re-designed /modified Pantry Cars.

It is therefore endeavour of Railways that there would be a progressive switch over from gas burner to safer electrically power equipments. Electric power equipment are presently in use on LHB pantry cars which have End on Generation as against ICF pantry cars. It is technically not feasible to retrofit an existing ICF Pantry car with electric power equipment due to heavy power demand of the electrical equipment and hence switchover to LHB coaches from ICF is the only viable option.

In recent years, there has been an increase in the production of LHB coaches, including LHB pantry cars every year. Further, a decision to stop production of ICF coaches from April 2018 has already been taken. Hence, LHB pantry cars with electric power equipments will only be manufactured henceforth on Indian Railway and cooking with gas burners will be phased out in due course of time.”

19. In this connection, during oral evidence the representative of the Ministry also stated:-

“Sir, you mentioned about electric burners. So far, we had ICF coaches. Now, we are only making LHB coaches. Majority of trains are still running at ICF coaches. There, even if we want, we cannot provide pantry cars because we have to provide pantry cars, which are of ICF designs and the ICF design has been stopped. Now, only LHB coaches are being made. In LHB coaches, all the pantry cars have electric burners and through that, shift is already there. Now, we would be able to provide more pantry cars when we introduce fully LHB trains and we replace ICF trains by LHB trains.”

20. The Committee found that in the new Catering Policy 2017, the responsibility of setting up and operation of base kitchens has been given to IRCTC. They would submit a business plan within 30 days of issue of the policy for approval of Railway Board in another 30 days. IRCTC will be responsible for maintaining quality of the food served. IRCTC shall not out-rightly outsource or issue licenses for provision of catering services to private licensees. The kitchen set up would be modern, mechanized and shall acquire valid ISO certification within a specified time period. The policy further states that Zonal Railways and IRCTC shall finalize and submit to Railway Board an action plan within 30 days of issuance of this policy, wherein the list of units along with the status and timeframe in which it shall be handed over/ taken over shall be stated. The Committee further noted that base kitchens were to be set up in railway premises to monitor and control the quality and hygiene of food served in trains. However, only 16 base kitchens were located in railway premises. 115 base kitchens were located outside the railway premises and were not subjected to quality check. In respect of 128 trains of seven Zonal Railways, meals

were picked up from outside base kitchens. A large number of base kitchens were located outside the railway premises, not subjected to quality checks and thus, did not provide an assurance for quality, hygiene and cleanliness.

21. The Committee took note of the fact that IRCTC had furnished the Business Plan which was found to be not in accordance with Catering Policy 2017. Accordingly, IRCTC had been advised to submit a modified Business Plan in line with provisions of Catering Policy 2017. IRCTC in view of above have submitted a revised Business Plan which is currently under examination.

**B. ADEQUACY AND AVAILABILITY OF CATERING SERVICES**

22. The Committee observed that Zonal Railways did not ensure provision of pantry cars in a number of long distance trains. During joint inspection, it was seen that in nine trains having a run of more than 24 hours, no pantry car was provided. Alternative services through train side vending and/or base kitchens were also not provided in some of the trains checked in audit. No Train Side Vending Services were provided by North Central, South East Central and Southern Railways for the trains which run for more than 12 hours during the day time. Absence of pantry cars in long distance trains and Train Side Vending Services attracts unauthorized vendors in trains and sale of unhygienic and unhealthy food products.
23. When enquired about the number of long distance trains running without pantry cars and Train Side Vending (TSV), the representative of the Ministry stated as under:-

“At present there are approximately 245 pairs of long distance trains having running time of more than 24 hrs. which are running without Pantry Cars. Catering services are provided to onboard passengers through Train Side Vending (TSV) model in 1133 number of trains which do not have pantry cars. However, passengers travelling in trains have the facility to order food of their choice through e-catering which is available at all major stations en-route and also through static catering units located at all en-route stations.”

24. In this regard the representative of the Ministry further stated:-

“On Indian Railways, approximately 2.3 Cr passengers travel daily and approximately 12 meals are provided to travelling passengers every day. There are 378 pairs of trains with pantry cars, Train Side Vending (TSV) model in 1133 number of trains without pantry cars along with 9696 Major and Minor Static Units on Indian Railways. Managing catering services of this size and scale is challenging and in the last few years, Railways has not only undertaken an in-depth analysis of catering services but also initiated structural reforms to bring in



a paradigm shift in catering business and also to bridge the gap between demand and supply of meals on IR. Therefore, in order to cater to the demands of meals/catering services on stations and trains, continuous efforts are being made by Railways. E-catering scheme has been launched which is now available on more than 325 stations wherein average 8000 meals are provided every day. Further, to ensure provision of adequate catering services for passengers, Zonal Railways have been advised to grant Platform Vending Permissions to Static Catering Units.”

25. The Committee learnt that since the available base kitchens were not adequate to cater to the needs of the trains, food was being procured by licensees from outside instead of being prepared in the base kitchens. It was seen that meals were picked up from outside base kitchens in respect of 128 trains of seven Zonal Railways (ECoR-24, ECR-15, SR-38, NER-9, NFR-1, NCR-1 and NR-40).

26. When enquired on the action initiated by the Ministry under the Catering Policy 2017 providing adequate base kitchens to cater to the needs of the trains as well as ensuring supply of quality and hygienic food, the Ministry through a written reply submitted as under:-

- 30 Kitchen Units have been upgraded till 30th September 2018 entailing civil works, electrical works and heavy duty kitchen equipments.
- 15 more Kitchen Units are planned to be upgraded by IRCTC during 2018-19.
- 9 Green Field Base Kitchens to be set up by IRCTC during 2018-19.

Indian Railways have developed a robust mechanism to inspect the food quality and hygienic condition at Base Kitchens. Following measures have been taken to inspect food quality and hygienic conditions at Base Kitchens:-

- Food Safety Supervisors (FSS) have been deployed by IRCTC in base kitchens managed by service provider or by IRCTC itself to keep an eye on the quality & hygiene assurance along with testing of food sample on regular basis.
- Installation of Artificial Intelligence through CCTVs in Base Kitchens having net connectivity for live streaming of the activities of Base Kitchens.
- Periodical Third Party Food Audits of Base Kitchens are conducted to check the quality of food, service and hygiene. A checklist is given to third party audit agency which covers all the parameters of quality, service, hygiene, etc. and report is made on the basis of customer feedback along with self assessment of the third party auditor.

- Special surprise inspections/drives are also conducted to check the quality of food, hygiene in Base Kitchens.”

27. The Committee noted that as per the new Catering Policy 2017, certain static units in A1 and A category stations viz. Refreshment rooms, Jan Ahaar, Cell Kitchens shall be handed over to IRCTC on ‘as is where is’ basis including infrastructure and equipment. Besides, Fast Food Units, Food Plazas and Food Courts continue to be managed by IRCTC. The policy further requires IRCTC and CCM of the concerned Zonal Railways to enter into an agreement with respect of each unit to be handed over to IRCTC. Railway Board shall issue a draft model agreement and executed before handing over the units to IRCTC.

28. On being asked about the status of transfer of units to IRCTC and draft model agreement, the Ministry in their written reply brought out as under:

“For implementation of Catering Policy 2017, transfer of catering units (those envisaged in the policy) to IRCTC has already been completed (with the exception of one mobile unit and 13 static units which are under court case). Management of 377 mobile units (pairs of trains with pantry Cars), 262 static units (168- Refreshment Rooms, 53- Jan Ahaar, 27- Cell Kitchen & 14- Base Kitchens) has been transferred to IRCTC. Model agreement to be signed by Zonal Railways and IRCTC in respect to each unit has been issued which is being executed.”

29. With regard to non-provision of TSVs and decline in provision of Janta Aahar Meals, the Ministry stated through their written replies as under:-

“It is continuous endeavour of Indian Railways to provide catering services as per the needs of passengers. Presently there are 378 pairs of trains running with Pantry Cars. Out of these, 235 pairs of long distance trains having more than 24 hours of travel time have been provided with pantry cars on priority. Catering services on trains running without Pantry Cars are being provided through Train Side Vending, e-catering and Static Unit at enroute stations. Further, instructions have been issued to permit platform vending through static units to meet the demand of passengers and also to curb unauthorized vending. Regular preventive checks are also conducted to detect unauthorized vending and necessary action is taken as per Indian Railways Act.

IRCTC has taken over 15 contracts covering 393 nos. of TSV trains from Zonal Railways. In addition to this, IRCTC has also awarded 15 nos. of contracts covering approximate 740 trains on pan India basis so as to cover

the vacant sections over IR. Further, the services are being extended to increase coverage progressively.

Janta meals are sold not only at Jan Ahaars but also at other static units as per instructions of Ministry of Railways. Instructions have also been issued to Zonal Railways and IRCTC for ensuring availability of Janta meals/Jan Ahaar items on trains/stations for sale to passengers. There can be many factors for decline in sale of Janta meal, including rising purchasing power of passengers, availability of greater variety of food etc. Further, the rates fixed for selling standard meals/thali meals in Refreshment Rooms which are in the range of ₹35/- to ₹ 50/- for veg. and non-veg. are quite reasonable. There is also a wide variety of food items sold at different prices in various catering units, such as Refreshment Rooms, Food Plazas and Fast Food Units on stations. Thus, different types of catering services are available to passengers, enabling them to exercise their choice.

Further, to ensure availability of Janta Khana regular supervision, monitoring and inspection/check etc. is conducted and erring service providers are suitably penalized for non-availability. Wide publicity of menu and tariff of standard items including Janta Meals/Jan Ahaar items, notified by Railway Board is given through leading newspapers, websites of Railways/IRCTC, Trains at a Glance, social media, etc."

30. On the matter of restricting unauthorized vendors access to trains and stations/platforms, the Ministry through a written reply submitted as under:-

"Indian Railways allows only authorised vendors to provide catering services to the passengers through Pantry Cars, Train Side Vending, e-Catering services, Static Units at stations. Further, to curb unauthorised vending in railway premises, instructions have also been issued to grant platform vending permissions through static units so as to meet the demand of passengers. Continuous efforts are being made through regular preventive checks/special drives in association with RPF and ticket checking staff to ensure that only authorised vendors operate in the railway premise. Necessary penal action is taken as per Indian Railways Act against the unauthorised vendors detected during these checks.

The details of action taken against the unauthorised vendors /hawkers during the period 2018-19, 2019-20 & 2020-21 are as under :-

Details of checks conducted along with RPF on unauthorised vendors/hawkers			
Period	No. of persons apprehended	No. of persons prosecuted	Amount of penalty realized (in Rs.)
2018-19	108144	92686	84038218
2019-20	89567	69273	58831994
2020-21	12117	9244	6879779

### C. MANAGEMENT OF CATERING CONTRACTS

31. The Committee observed that out of the 124 audit checked contracts awarded by eight Zonal Railways a major portion of contract value was paid as license fee to Zonal Railways, leaving a small margin of the contract value for the licensee for providing catering services. The Committee noted that it may not be workable for the licensees to cater to the needs of passengers within the available margin and may result in compromising the quality, quantity and prices etc.
32. When enquired as to whether any guidelines have been formulated for fixation of reserve price and assessing the workability of rates after introduction of new catering policy, the Ministry stated through their written replies as under:-

“As per Catering Policy 2017, guidelines have been issued for fixation of Minimum Reserve Price which is to be fixed as 12% of the annual sales turnover for static units. Annual sales turnover is to be calculated based on various parameters. As envisaged in Catering Policy 2017, committee comprising three Senior Administrative Grade (SAG) officers from Commercial, Finance and Civil Engineering fixes the formula for each category of stations. SAG formula for fixation of license fee of minor static catering units has been fixed over Zonal Railways.

Standard Bid Documents for various Minor Static Catering Units have been issued by Railway Board, which have also introduced the concept of “Indicative License Fee”. It is mentioned that the catering contracts essentially being revenue/earning contracts, are awarded on revenue considerations without upper ceiling limit of financial bid. However, in order to ascertain reasonability of minimum license fee, the working of contracts needs to be assessed over a period of time, duly comparing the same with various considerations, including the formula of fixing minimum license fee.

Therefore, the license fee quoted by the licensee in response to the minimum license fee fixed in the tender document is based on his/her turnover/profitability assessment, duly taking into consideration the schedule, route, locations, frequency of train, sales potential etc. of the specific train/static unit. Therefore, the margins left out for maintaining the services after working on quoted license fee will vary from one unit to other unit and also for different bidders accordingly.”

33. The Committee also highlighted non-recovery of various charges and penalties from the catering unit licensee operators. A significant amount of license fee was outstanding against the contractors and Zonal Railways did not levy interest of 14 per cent on late payments as required under the provisions. Payment towards testing of food samples was also not recovered from the licensees in five Zonal Railways. Delay in payment of license fee along with interests was also noticed. The Committee further noted that water charges and electricity charges were to be recovered based on the actual consumption. However, the Committee found discrepancies like non-maintenance of Water Bill Register and no periodic updation of details of contract, non-maintenance of proper records on payment or otherwise of water charges by the parties, dues pertaining of arrears of water charges from licensees of zonal railways and IRCTC, non-revision of recoverable water charges, recoverable dues on arrears of electrical energy from licensees of zonal railways and IRCTC.
34. When asked as to what measures have been taken to strengthen existing monitoring mechanism for correct billing, accounting and watching recovery of license fee, water and electricity charges and penalty payable by licensees in Zonal Railways and steps taken to resolve the irregularities highlighted by the Committee, the Ministry stated through their written replies as under:-

“All efforts are being made to recover any outstanding license fee by Zonal Railways. Zonal Railways have intimated that the outstanding license fee has been recovered from the licensees with penal interest as per SBD guidelines and 3 contracts of pantry cars have also been terminated on account of non-payment of license fee on time. Further, the demand of electricity and water charges are regularly raised against the licensees by the competent authority in Zone/Division. Accordingly, the concerned authorities in Divisions have been instructed to keep close watch on timely realization of Water/electric and other charges as per extant guidelines. As per information received from Zonal Railways it has been found that the fines imposed are being collected regularly by giving constant notices to the defaulter licensees.”

**D. PROVISION OF GOOD QUALITY AND HYGIENIC FOOD**

35. The Committee learnt that during the inspection of the Audit team, several deficiencies related to hygiene and cleanliness of food were found. The noticed that cleanliness and hygiene were not being maintained at catering units at stations and in trains. Unpurified water straight from tap was used in preparation of beverages, waste bins were not found covered, not emptied regularly and not washed, food stuff were not covered to protect them from flies, insects and dust, rats and cockroaches were found in trains etc. Unfair practices were being followed in execution of catering services at stations and trains. Bills were not given for the food items served in mobile units in trains. Printed menu cards with tariff for the list of food items sold in the mobile units were not available with waiters and Catering Managers in trains. Food stuff served was less than the prescribed scheduled quantity, unapproved packaged drinking water was sold, Proprietary Article Depot (PAD) items were sold at the railway stations at Maximum Retail Price (MRP) with weight and prices different from the open market and per unit price of food articles sold in railway premises is significantly higher. Deficiencies in respect of quality of food served were noticed. Articles unsuitable for human consumption, contaminated foodstuff, recycled foodstuff, shelf life expired packaged and bottled items, unauthorized brands of water bottles, etc., were offered for sale on stations.

36. On being asked about the measures taken by the Indian Railways and IRCTC to ensure good food quality and preparation of food in hygienic conditions, the Ministry stated through their written replies as under:-

“Indian Railways have developed a robust mechanism to inspect the food quality and hygienic condition at Base Kitchens. Following measures have been taken to inspect food quality and hygienic conditions at Base Kitchens:-

- Certification from FSSAI to each catering unit on IR is mandatory to ensure compliance of food safety norms.
- Food Safety Supervisors (FSS) have been deployed by IRCTC in base kitchens managed by service provider or by IRCTC itself to keep an eye on the quality & hygiene assurance along with testing of food sample on regular basis.
- Installation of Artificial Intelligence through CCTVs in Base Kitchens having net connectivity for live streaming of the activities of Base Kitchens.
- Periodical Third Party Food Audits of Base Kitchens are conducted to check the quality of food, service and hygiene. A checklist is

given to third party audit agency which covers all the parameters of quality, service, hygiene, etc. and report is made on the basis of customer feedback along with self assessment of the third party auditor.

- Special surprise inspections/drives are also conducted to check the quality of food, hygiene in Base Kitchens.”

37. With regard to ensuring that the catering services providers do not resort to unfair practices such as, overcharging, serving food stuff less than the prescribed quantity, selling non-authorized food items on stations and in trains, non-exhibition of price card and not issuing receipts for the food stuff sold etc., the Ministry stated through their written replies as under:-

“Indian Railways provide catering services in trains as per the prescribed standard and tariff. Regular and surprise inspections are conducted to check quality, quantity and overcharging of food on Indian Railways. All complaints of deficiency in service by the licensees are dealt strictly. Stringent punitive actions including monetary penalty, debarring and termination of contract are taken as per the gravity of the complaint. In addition, to ensure no compromise in food items to be served to passengers, Indian Railways have taken following measures:-

- Prominent display of Menu/Tariff through various means viz. websites, social media, newspaper, ‘Trains at a Glance’, mandatory with waiters etc.
- Deployment of onboard IRCTC supervisors for continuous monitoring.
- Introduction of Hand held POS machine along with QR code for generation of bills.
- MRP on food boxes - " No MRP, the license get cancelled"
- Awareness Campaign “No Bill- The food is for FREE”.
- Deployment of Food Safety Supervisors.
- Provision of tablets to on board catering supervisors for passenger feedback and inspection applications.
- Examination of quality of food, hygiene and cleanliness in pantry cars by third party audit. Customer satisfaction survey by Third Party Agencies.
- Monitoring and supervision of catering service through Operation of centralized Catering Service Monitoring Cell (CSMC) toll free number 1800-111-321,

- Operation of All India Helpline No. 138, Twitter handle, CPGRAMS, E-Mail and SMS based complaints redressal.

38. On the steps taken to ensure catering service to passengers at affordable rates, the Ministry in a written reply stated as under:-

“The meals on trains are provided under tariff fixed by the Board keeping in mind affordability. As such 'Standard Meal' segment is provided which included standard menus at Rs 50/- and Rs.55/- for Veg and Non Veg respectively, till November 2019, only recently revised to Rs.80/- and Rs.90/- respectively after 7 years. However, due to pandemic, service of only Ready to Eat (RTE) meals has been permitted on MRP.

IR has also provided for Janta Meals that costs Rs 15/- on stations and Rs. 20/- on trains and consists of 7 puris (175 gm), dry potato vegetable (150gm) and pickle sachet (15gm). Jan Ahaar items are food items consisting of economy combo meals, low cost affordable items costing from Rs 5/- to Rs. 50/ and provided from a Jan Ahaar outlet. Further, meal options at affordable prices in the form of 'Snack meals' as a Standard meal offering at a flat price of Rs.50/- has also been introduced. This includes options of regional cuisine.

In addition Indian Railways, in association with IRCTC, has started e-Catering services under which passengers have choice to book meals of their preference at the price they wish to pay.

Measures taken to improve quality includes upgradation of Kitchen Units, installation of CCTVs with artificial intelligence in Kitchens, QR codes on food boxes, ISO certifications of the units, deployment of on board supervisors/food safety supervisors, Third Party Audit of units, etc.”

39. In this regard, the Ministry further intimated the Committee through their written replies:-

“Monitoring and Supervision of Catering Service on IR has been strengthened and following measures have been taken. To effectively check and control unfair practices the following measures are in place:

a. Prompt and effective Complaint Redressal System:-

- Operation of centralized Catering Service Monitoring Cell (CSMC) toll free number 1800-111-321.
- Operation of All India Helpline No. 138.



- A Twitter handle @ IR CATERING has been made operational since March 2016 to cater to the complaints / suggestions.

b. CPGRAMS, E-Mail, SMS based complaints redressal system in place.

c. Stringent punitive action ranging from fines to terminations is taken for deficiency in service.

d. Third Party Audit launched by IRCTC: A third-party audit to examine the quality of food, hygiene and cleanliness in pantry car and base kitchen, has been started by IRCTC. IRCTC has awarded Food safety, hygiene audit for 355 trains, 263 Static Units.”

40. With regard to ISO Certification of Catering Units, the Committee noted that as per Clause 4 of the Catering Policy 2010, all major catering units were to obtain ISO 22000 certification. However, it was observed that only 1.07 percent of major units managed by Zonal Railways and 70 percent of units managed by IRCTC were ISO 22000 certified as on 31 March 2016. In 42 IRCTC units, the ISO certification was not updated.

41. In reply, the Ministry stated through their written replies as under:-

“It is pertinent to mention here that HACCP (Hazard Analysis and Critical Control Points) guidelines are covered under Schedule IV of FSSAI Regulations 2011 and all catering units over Indian Railway/IRCTC have FSSAI certification. More than 70% of major catering units of IRCTC (Food Plazas and Fast Food Units) are ISO 22000 certified as well as registered with FSSAI.”

42. When asked as to whether customer satisfaction surveys were been conducted, the Ministry stated as under:-

“Customer Satisfaction Surveys at various units are through third party. The details of the survey conducted in the year 2017-18 and 2018-19 are as under:-

- (a) In year 2017-18, IRCTC has conducted Passenger Satisfaction Survey in 117 Mobile units and 205 Static units.
- (b) In year 2018-19, IRCTC has conducted 3 surveys regarding passengers’ feedback on ‘Choice of Menu’ and their opinion on ‘Upgraded Services in Rajdhani/Shatabdi and Duronto trains’.

- (c) In the year 2018-19, IRCTC has also awarded the work of customer satisfaction survey to third party for 351 trains and 263 Food Plazas/Fast Food Units.”

43. In regard to the coordination mechanism between the Railways and IRCTC, the Ministry through the written replies intimated the Committee:-

“As per Catering Policy 2017, under the revised protocol of understanding for time bound improvements in catering services on Indian Railways, while the operation of major catering units has been mandated to IRCTC, Zonal Railways would continue to supervise and monitor catering services provided by IRCTC. Thus the role and responsibilities of Zonal Railways and IRCTC have been redefined.”

**PART II****OBSERVATIONS/RECOMMENDATIONS**

Indian Railways caters to millions of passengers per day and in order to meet the catering requirements of such an enormous number of passengers, IRCTC was incorporated as an extended arm of the Indian Railways to upgrade, professionalize and manage the catering and hospitality services at stations, on trains and other locations and to promote domestic and international tourism through development of budget hotels, special tour packages, amongst others. However, the Committee in this regard learn that frequent change in catering policy and consequent transfer of responsibility to manage catering units from railways to IRCTC and back, created a state of uncertainty in management of catering services provided to the passengers. Therefore, to improve the standard of food being provided to passengers in trains, new Catering Policy was issued on 27th February 2017 wherein inter-alia IRCTC had been mandated to carry out the unbundling by creating a distinction primarily between food preparation and food distribution.

The Committee's examination revealed several discrepancies like frequent policy changes, non preparation of master plan/blue print by some zonal railways, non installation of electric burners in place of gas burners, non-provision of pantry in some long distance trains, base kitchens located outside railway premises resulting in compromising the food quality, hygiene and cleanliness, non-provision of Jan Ahaar in several station, unauthorized vendors on platforms and trains and unfair practices at stations and trains. Based on the relevant material furnished and available, and evidence tendered before them, the Committee have come to certain inescapable recommendations and observations which are enumerated in the succeeding paragraphs.

### STATUS OF IMPLEMENTATION OF CATERING POLICY 2017

1. It is apparent for the Committee to see that as per the new policy, a number of catering activities which were assigned to IRCTC in 2005 policy and then transferred to Zonal Railways as per 2010 policy, were assigned back to IRCTC. The Committee note that for implementation of Catering Policy 2017, transfer of catering units to IRCTC has already been completed with the exception of one mobile unit and 13 static units which were sub-judice. The Committee while noting that 15 Kitchen Units were planned to be upgraded and 9 Green Field Base Kitchens were to be set up by IRCTC, desire to be apprised of the present status of all Kitchen Units envisioned to be upgraded; Green Field Base Kitchens to be set up and also the status of the sub-judice cases. The Committee hope that Ministry and IRCTC have formulated plans to facilitate time bound further upgradation of all catering units in line with the emerging requirements and desire to be apprised of any plans for setting up additional base kitchens, catering units and deadline for completion of such projects.

### IMPLEMENTATION OF MASTER PLAN/BLUE PRINT

2. The Committee note that Zonal Railways were required to prepare a Master Plan (Blue Print) of catering services to be provided at each station and onboard trains. The Committee also note that the Blue Print for provision of catering services in seven Zonal Railways (East Central, Eastern, Northeast Frontier, North Western, South Eastern, South Western and East Coast Railways) were prepared only after the Audit pointed out the same and that many zonal Railways were not reviewing and updating the plan periodically. The Committee while noting that the Blue Print has now been prepared by all the 16 zonal railways and it is under implementation desire to be apprised of the reasons for the delay in the preparing a Blue Print of catering services by the seven zonal railways. The Committee are optimistic that necessary instructions have been issued to all zonal railways for undertaking periodic review based on which updation of the Master Plan may be effected. The Committee while opining that proper planning is an integral part of effective functioning in any enterprise recommend that the Ministry, IRCTC and

concerned zonal railways must undertake a joint review of the functioning vis-à-vis the blue prints prepared by each zonal railway every five years for better monitoring of the same.

### SWITCH FROM GAS BURNER SYSTEM TO ELECTRIC POWER EQUIPMENT

3. The Committee further note that as per the Catering Policy 2010, mobile catering services were to be provided with suitable design pantry cars and equipment of state-of-art technology. There was to be progressive switch over from gas burners to electric power equipment. The Committee, however note that the policy of progressive switch over from gas burners to electric power equipment in pantry cars to avoid the occurrence of fire accidents specially in running trains was not followed while manufacturing the pantry cars in Integral Coach Factory, Perambur. In this regard specifically, the Committee find that a total of 103 pantry cars were manufactured by Integral Coach Factory during April 2011 to March 2016 at a total cost of Rs. 111.94 crore with provision for centralized LPG cylinders with open flames, instead of providing electric power equipment panel counters etc. and the same were distributed to all the Zonal Railways. Clarifying its position, the Ministry submitted that it is technically not feasible to retrofit an existing Integral Coach Factory (ICF) Pantry car with electric power equipment due to heavy power demand of the electrical equipment and hence switchover to Linke Hofmann Busch (LHB) coaches from ICF is the only viable option.

The Committee also note that on 10.10.2018, a Joint Procedure Order (JPO) for attachment of Pantry Cars was issued entailing provisions to switch over from flamed cooking with gas burner in Pantry Cars to flameless cooking by using the electrical equipment provided in the re-designed /modified Pantry Cars. The Committee further note that production of ICF pantry cars has been discontinued w.e.f 01.04.2018. Hence, LHB pantry cars with electric power equipment will only be manufactured henceforth on Indian Railway and cooking with gas burners will be phased out in due course of time. The Committee are unable to comprehend the reasons as to why 103 pantry cars were manufactured by Integral Coach

Factory during April, 2011 to March 2016 with provision for centralized LPG cylinders with open flame instead of providing electric power equipment panel counters despite the provision in Catering Policy 2010 for progressive switch over from gas burners to electric power equipment in pantry cars. The Committee are hopeful that the Ministry must have had conducted an internal inquiry to find out the reasons for continuing the production of gas based pantry cars till March 2016 and appropriate action taken thereon. Noting that as of April, 2018, the Ministry had taken the decision to stop the production of ICF coaches and manufacture only LHB pantry cars with electric power equipment and phase out the ICF coaches, the Committee in no uncertain words recommend that the Ministry need to prioritize phasing out the ICF coaches and stocks on its pre-decided trajectory. The Committee recommend that the Ministry undertake a survey on the present number of trains running with ICF coaches and formulate a cost effective feasible plan to expeditiously replace the ICF coaches with LHB coaches without adversely impacting the functioning of the Indian Railways and its catering services. The Committee also desire to be apprised of the present status in this regard.

#### SUBMISSION OF BUSINESS PLAN BY IRCTC

4. The Committee learn that in the new Catering Policy 2017, the responsibility of setting up and operation of base kitchens had been given to IRCTC and that base kitchens were to be set up in railway premises to monitor and control the quality and hygiene of food served in trains and a business plan in this regard was to be submitted within 30 days of issue of the policy. As per Audit, only 16 base kitchens were inside the railway premises whereas 115 base kitchens were located outside the railway premises and were not subjected to quality check. As the available base kitchens were not adequate to cater to the needs of the trains, food was being procured by licensee from outside instead of being prepared in the base kitchens. Further, meals were picked up from outside base kitchens in respect of 128 trains of seven Zonal Railways. In the opinion of the Committee, since food was being procured by licensee from outside, they were evidently not subjected to regular and constant quality checks and thus,

could not register an assurance for quality, hygiene and cleanliness. The Committee note that the Business Plan submitted by IRCTC was not in accordance with Catering Policy 2017 and, therefore, a revised Business Plan was submitted. The Committee are hopeful that the Ministry have ensured that necessary provisions for quality, hygiene and cleanliness checks and for expeditious setting up of sufficient base kitchens and catering units within a time frame have been incorporated in the revised Business Plan. The Committee desire to be apprised of details of setting up base kitchens inside the railway premises and further desire that a review of the services rendered through these kitchens may be undertaken by the Ministry to ascertain their effectiveness in maintaining quality, hygiene and cleanliness.

#### ADEQUATE PANTRY CARS IN RUNNING TRAINS

5. The Committee observe that some Zonal Railways had not ensured provision of pantry cars in a number of long distance trains. They find that in nine trains having a run of more than 24 hours, no pantry car was provided. Moreover, alternative services through Train Side Vending (TSV) and/or base kitchens were also not provided in some of the trains. The Committee note that the absence of pantry cars in long distance trains and Train Side Vending Services invariably attracts unauthorized vendors in trains which results in not only sale of unhygienic and unhealthy food products but also poses a safety threat for the passengers. The Committee note from the reply of the Ministry that in order to ensure provision of adequate catering services for passengers, Zonal Railways have been advised to grant Platform Vending Permissions to Static Catering Units. While recommending that due diligence may be taken in awarding Platform Vending Permissions to Static Catering Units to ensure engagement of vendors with excellent credentials and track record, the Committee seek to be apprised of the status of granting Platform Vending Permission to Static Catering Units. Here, the Committee recommend that provision of adequate and quality food to passengers in every train should be accorded top most priority and necessary steps taken to ensure efficient and adequate catering service. It goes here

without saying that these services are availed by the passengers on 'user basis' and IRCTC is only managing the services on behalf of the passengers. The Committee are also hopeful that a contingency plan has also been put in place for provision of food and water to passengers in the event of inordinate delays, accidents etc. To ensure that no unauthorized vendors are allowed on Indian railways, the Committee recommend that regular surprise inspections of catering services provided in trains/ stations may be undertaken and the report thereof uploaded immediately on an online portal for enabling the senior officers to take immediate remedial action against those found responsible.

#### CERTIFICATION FOR CATERING UNITS

6. As per Clause 4 of the Catering Policy 2010, all major catering units were required to obtain ISO 22000 certification. Audit found that only 1.07 percent of major units managed by Zonal Railways and 70 percent of units managed by IRCTC were ISO 22000 certified as on 31 March 2016 and ISO certification had not been updated in 42 IRCTC units. The Committee note from the reply of the Ministry that Hazard Analysis and Critical Control Points (HACCP) guidelines are covered under Schedule IV of FSSAI Regulations 2011 and all catering units in Indian Railway/IRCTC have FSSAI certification. More than 70% of major catering units of IRCTC (Food Plazas and Fast Food Units) are ISO 22000 certified as well as registered with FSSAI. The Committee are unable to understand as to why ISO 22000 and FSSAI certification of all catering units of Indian Railways and IRCTC was not made mandatory before engaging them. The Committee are hopeful that necessary action has been taken by the Ministry and IRCTC to ensure 100% compliance and mandatory adherence to ISO 22000 and FSSAI certification for all existing catering units in Indian Railways.

#### CO-ORDINATION BETWEEN IRCTC AND ZONAL RAILWAYS

7. The Committee note that as per Catering Policy 2017, as per the revised protocol of understanding for time bound improvements in catering services on Indian Railways, while the operation of major catering units has been mandated



to IRCTC, Zonal Railways would continue to supervise and monitor catering services provided by IRCTC. The Committee are of the view that while responsibilities of IRCTC and Zonal Railways have been broadly demarcated, responsibility of the Indian Railways has not been earmarked. The Committee are of the opinion that the Indian Railways ought to have assumed the crucial task of ensuring that both IRCTC and the Zonal Railways adhere to the catering guidelines laid down in the Catering Policy, 2017. Noting from the audit observation that the division of responsibilities and mechanism of coordination between IRCTC and Zonal Railways with regard to daily procurement, preparation and servicing of food was not clear, the Committee are optimistic that a mechanism has since been put in place and responsibilities have now been clearly specified to ensure constant communication and seamless flow of information amongst IRCTC and Zonal Railways in their endeavor towards improving the quality of catering service to passengers of Indian Railways.

#### CUSTOMER SATISFACTION SURVEY

8. The Committee find that the Ministry conducts Customer Satisfaction Survey at various units through third party. In year 2017-18, IRCTC had conducted Passenger Satisfaction Survey in 117 Mobile units and 205 Static units. In year 2018-19, IRCTC had conducted 3 surveys regarding passengers' feedback on 'Choice of Menu' and their opinion on 'Upgraded Services in Rajdhani/Shatabdi and Duronto trains'. The Committee feel that the objective of improving the customer experience with the Indian Railways by conducting satisfaction surveys would be incomplete if no follow up improvement measures are taken thereon and the issues are not followed to a logical conclusion. The responsibility of the Indian Railways and IRCTC does not end by engaging a third party for conducting satisfaction surveys. The Committee, therefore wish to be apprised of the subsequent follow-up measures undertaken and upgrades initiated by the Indian Railways and IRCTC on the basis of various surveys conducted by the third party and also desire to be apprised of the suggestions on which action has not been taken/pending till date .

**CUSTOMER FRIENDLY GRIEVANCE REDRESSAL IN INDIAN RAILWAYS**

9. During the course of examination of this subject, the Committee found that unfair practices were being followed in execution of catering services at stations and trains. The Committee note that discrepancies like non-provision of bills for the food items served in mobile units in trains, non-availability of printed menu cards with tariff for the list of food items sold in the mobile units with waiters and Catering Managers in trains, serving of food items less than the prescribed quantity, sale of unapproved packaged drinking water, sale of Proprietary Article Depot(PAD) items at Maximum Retail Price (MRP) with weight and prices different from the open market, sale of food articles in railway premises at higher price etc. do exist in almost all catering services. To the utter dismay of the Committee, they learn that articles unsuitable for human consumption, contaminated foodstuff, recycled food stuff, shelf life expired packaged and bottled items, unauthorized brands of water bottles, etc., were offered for sale on stations. In reply, the Ministry had stated that surprise inspections are conducted to check on the quality, quantity and overcharging of food in Indian Railways, punitive action including monetary penalty and debarring and termination of contract are done as per gravity of the complaint. To deter and discourage unfair practices, the Indian Railways are also undertaking awareness campaigns like display of menu/tariff through websites, social media, newspaper, 'Trains at a Glance' mandatory with waiters, deployment of onboard IRCTC supervisors, introduced hand held POS machine with QR code for generation of bills, MRP on food boxes, e-mail and SMS based complaint facilities etc. While appreciating the steps being taken by the Indian Railways towards ensuring fair and transparent catering services, the Committee feel that the old, illiterate and passengers without access to mobile and internet services are still vulnerable to unfair treatment. The Committee, therefore, recommend that in addition to the measures being taken by Indian railways and IRCTC, provision for manual submission/reporting of complaints may also be made available, in the form of installing suggestion/complaint boxes. Moreover, the Committee feel that the onus of

ensuring fairness in catering services should be on the Indian Railways and IRCTC rather than leaving it to the passengers. The Committee, therefore recommend that the Indian Railways and IRCTC exercise vigilant monitoring and impose stringent penalty for any divergence from fair practices. Moreover, the Committee are optimistic that necessary steps are necessary to be taken to keep unauthorized vendors at bay and contaminated food items are invariably removed/ restricted before reaching the passenger. The Committee are also hopeful that a mechanism for real time reporting/submission and resolution of passenger complaints/grievances have been put in place so as to ensure that defective food items are immediately discontinued from the supply chain and the unauthorized and erring vendors blacklisted.

#### REVIEW OF CATERING SERVICES IN INDIAN RAILWAYS

10. Noting that the responsibility of providing catering services in Indian Railways have been given to IRCTC and catering services in Indian Railways has been managed by IRCTC since the introduction of the new Catering Policy, 2017, the Committee opine that the services provided by Railways/IRCTC need to be fine tuned and the policy up-dated on the basis of the emerging landscape to streamline the catering network. The Committee also desire to be apprised of the findings of periodic inspections or review, if any, conducted by the Ministry, third parties etc. on the performance of IRCTC in providing catering services in Indian Railways. Further, the Committee while noting that the mandate of IRCTC also includes promoting domestic and international tourism through development of budget hotels, special tour packages etc., recommend that the O/o C&AG may undertake a fresh audit on the performance of IRCTC in providing various services, particularly in premium/luxury trains including Maharajas' Express.

11. In summation, the examination of this subject assumes special significance, as it pertains to the fourth largest railways of the world. It dwells on providing the catering services to a very large number of passengers commuting every day which includes a fair number of foreign tourists who travel throughout the length and breadth of the country for various forms of tourism such as

cultural, adventure, leisure and religious etc. A good service rendition in terms of good and satisfactory catering services needs an all-out effort right from the stage of inception of planning till its effective implementation. Such state-of-the-art services would not only result in full passenger satisfaction but would also become a symbol to reckon with internationally. Indian Railways and IRCTC should show an unwavering efficacy in improving its catering services at all points be it the running train or the platforms or any other place where passengers need them. This should be a holistic and ever improving exercise for the benefit of the commuters.

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**NEW DELHI:**  
February, 2024  
Magha 1945 (Saka)

**ADHIR RANJAN CHOWDHURY**  
Chairperson,  
Public Accounts Committee