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**STANDING COMMITTEE ON  
RAILWAYS  
(2018-19)  
SIXTEENTH LOK SABHA**

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**MINISTRY OF RAILWAYS  
(RAILWAY BOARD)**

**[Action taken by Government on the recommendations/observations contained in  
the 21<sup>st</sup> Report of the Standing Committee on Railways (Sixteenth Lok Sabha) on  
'New Railway Catering Policy, 2017']**

**TWENTY FIFTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

FEBRUARY, 2019/ MAGHA, 1940 (SAKA)

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SCR NO. \_\_\_\_\_

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**[Action taken by Government on the recommendations/observations contained in  
the 21<sup>st</sup> Report of the Standing Committee on Railways (Sixteenth Lok Sabha) on  
'New Railway Catering Policy, 2017']**

**Presented to Lok Sabha on 07.02.2019**

**Laid in Rajya Sabha on 06.02.2019**



**LOK SABHA SECRETARIAT  
NEW DELHI**

**FEBRUARY, 2019/ MAGHA, 1940 (SAKA)**

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## **COMPOSITION OF STANDING COMMITTEE ON RAILWAYS (2018-19)<sup>@</sup>**

**Shri Sudip Bandyopadhyay                      -                      Chairperson**

### ***MEMBERS***

#### ***LOK SABHA***

2. Smt. Anju Bala
3. Shri Ram Tahal Choudhary
4. Shri Pankaj Chowdhary
5. Shri Sudheer Gupta
6. Dr. Sanjay Jaiswal
7. Shri Gajanan Chandrakant Kirtikar
8. Shri Kunhalikutty P.K.
9. Shri Balabhadra Majhi
10. Dr. K.H. Muniyappa
11. Shri Kinjarapu Ram Mohan Naidu
12. Shri A.T. (Nana) Patil
13. Shri Vijayakumar S.R.
14. Shri R. Radhakrishnan
15. Shri Lakhan Lal Sahu
16. Shri Rajeev Shankarrao Satav
17. Prof. (Dr.) Ram Shankar
18. Shri Gowdar Mallikarjunappa Siddheshwara
19. Shri Ganesh Singh
20. Shri Uday Pratap Singh
21. Shri Kukade Madhukarrao Yashwantrao

#### ***RAJYA SABHA***

22. Shri A.K. Antony
23. Shri Shwait Malik
24. Shri Satish Chandra Misra
25. Shri Mukut Mithi
26. Ms. Saroj Pandey
27. Shri Garikapati Mohan Rao
28. Shri T. Rathinavel
29. Shri Bashistha Narain Singh
30. Mahant Shambhuprasadji Tundiya
31. Shri Motilal Vora

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<sup>@</sup> Constituted w.e.f. 01.09.2018 *vide* Lok Sabha Bulletin Part II No. 7332 dated 18.09.2018.

**LOK SABHA SECRETARIAT**

- |    |                      |   |                     |
|----|----------------------|---|---------------------|
| 1. | Smt. Kavita Prasad   | - | Joint Secretary     |
| 2. | Shri Arun K. Kaushik | - | Director            |
| 3. | Shri R.L. Yadav      | - | Additional Director |

## **INTRODUCTION**

I, the Chairperson, Standing Committee on Railways (2018-19), having been authorised by the Committee to submit the Report on their behalf, present this Twenty Fifth Report on Action Taken by Government on the Recommendations/Observations of the Committee contained in their Twenty First Report (Sixteenth Lok Sabha) on 'New Railway Catering Policy, 2017'.

2. The Twenty First Report was presented to the Lok Sabha and laid in the Rajya Sabha on 07.08.2018. The Report contained 25 Recommendations/Observations besides Paras 1 and 2 which were introductory in nature and did not contain any recommendation. The Ministry of Railways furnished their Action Taken Notes on all the recommendations/observations contained in the Report on 30.11.2018.

3. The Committee considered and adopted the Draft Action Taken Report at their sitting held on 04.02.2019. The minutes of the sitting are given in Appendix-I.

4. For facility of reference and convenience, the observation and recommendations of the Committee have been printed in bold letters.

5. An analysis of the Action Taken by Government on the recommendations/observations contained in the Twenty Fifth Report of the Standing Committee on Railways (Sixteenth Lok Sabha) is given in Appendix-II.

NEW DELHI:  
4 February, 2019  
15 Magha, 1940 (Saka)

**SUDIP BANDYOPADHYAY**  
**Chairperson,**  
**Standing Committee on Railways**

## **CHAPTER I**

### **REPORT**

This Report of the Standing Committee on Railways deals with the action taken by the Government on the Recommendations/Observations contained in their Twenty First Report (16<sup>th</sup> Lok Sabha) on "New Railway Catering Policy, 2017".

2. The Twenty First Report was presented to the Lok Sabha and laid in Rajya Sabha on 07.08.2018. It contained 25 Recommendations/Observations besides Paras 1 and 2 which were introductory in nature and did not contain any recommendation.

3. Action Taken Notes in respect of all Recommendations/Observations have been received and categorised as follows:

(i) Recommendations/observations which have been accepted by the Government:-

Para Nos. 3,4,5,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25,26 and 27

Total : 23  
Chapter II

(ii) Recommendations/observations which the Committee do not desire to pursue in view of the Government's replies:-

NIL

Total : 00  
Chapter III

(iii) Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:-

NIL

Total : 00  
Chapter IV

(iv) Recommendations/observations in respect of which final replies are still awaited:-

Para No. 6 & 7

Total : 02  
Chapter V

**4. The Committee trust that utmost importance will be given to the implementation of the Recommendations accepted by the Government. The Committee desire that final action taken notes to the Recommendations/ Observations contained in Chapters-I&V of this Report should be furnished to them not later than three months of the presentation of this Report.**

5. The Committee will now deal with the action taken by the Government on some of their recommendations/observations.

#### **A. MANAGEMENT OF MOBILE AND STATIC UNIT**

##### **Recommendation (Para No.5)**

6. The Committee had recommended as under :

"The Committee have been informed that the Catering Policy, 2010 had aimed a paradigm shift with regard to the whole approach towards railway catering. Whereas earlier policy sought to treat catering as an independent profit centre, the Policy of 2010 acknowledged catering as a passenger service. The New Catering Policy, 2017 mandates that Zonal Railways will prepare the plan in coordination with Divisions and IRCTC at each station. In the Policy of 2017, the Ministry has categorically demarcated the areas of service providers of Food Preparator (who shall prepare the food) and the Distributor (who will distribute the prepared foods). The Committee have been informed that the system of train based contracts prevailing in earlier Catering Policy, 2010 has now been done away with in new Catering Policy, 2017 and instead IRCTC run state-of-the-art kitchens of various sizes would be provided at locations across the country. IRCTC would be responsible for catering services through mobile catering units, Base Kitchens, Cell Kitchens, Refreshment Rooms at A1 and A category stations, Food Plazas, Food Courts, Train Side Vending, Jan Ahaars as defined in the Policy. All mobile units will be handed over to IRCTC along with existing contracts. The contracts which were awarded in 2013-14 and still continuing, will gradually be short terminated or continued till expiry and re-allotted afresh after expiry of term. Further, Mega Base Kitchens will be constructed by IRCTC and the existing four Mega Base Kitchens of Ahmedabad, Howrah, Mumbai and Delhi will be upgraded by IRCTC on PPP mode. Mega Kitchens will be provided with the provisions that there should be a Base



Kitchen on every 300 Km. The Committee are unhappy to note that out of 80 number of Mega Kitchens proposed to be constructed, only 16 have been planned to be constructed in 2017. Further, to their dismay, only 5 Mega Kitchens have been completed so far. The Committee feel that if Railways intend to provide good quality hygienic foods to their passengers, they will have to focus on timely construction of base kitchens. The Committee emphasize the need of expeditious completion of remaining Base Kitchens to satisfy the need of growing number of passengers by way of providing good quality hygienic food. Further, the Ministry have claimed that out of 272 static units, 255 static units have been taken over by IRCTC and remaining 17 static units are still pending with Zonal railways. Likewise, as on 17.1.2018, all mobile units (Pantry and Mini pantry) have been taken over by IRCTC except 01 (one) train which is under litigation. The Committee have taken note of lack of seriousness on the part of the Ministry and are of the view that if proper preparedness were made to settle the issues before launch of such a prioritized Scheme of public importance, there would have no scope of any litigation and all units would have been transferred to IRCTC smoothly. The Committee are apprehensive that such incomplete transition of catering services may cause considerable inconvenience to the travelling passengers as it will hamper IRCTC in facilitating smooth and unhindered catering services. They, therefore, desire that with a view to implement the new Catering Policy, 2017 in letter and spirit, the Railways should hand over remaining catering services immediately to IRCTC to make them responsible for supply of quality, wholesome and hygienic food to passengers. They, therefore, desire the Ministry to take the remedial measures immediately to hand over all units including Food Plazas and Food Courts to IRCTC urgently."

7. In their Action Taken Replies, the Ministry of Railways have stated as under:

"In compliance of above, management of 377 mobile units (pairs of trains with pantry Cars) out of 378 has been transferred to IRCTC. Further, management of 262 static units (168- Refreshment Rooms, 53- Jan Ahaar, 27- Cell Kitchen & 14- Base Kitchens) out of 275 nos. of static units has also been transferred to IRCTC. Only 1 mobile unit and 13 static units remain to be transferred to IRCTC which is pending due to litigation/matter being sub-judice.

However, all out efforts are being made to pursue the matter before the Hon'ble Court so as to enable smooth transfer of remaining units to IRCTC.

Upgradation of Base Kitchens:

- 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.”

**8. The Committee had recommended that with a view to implement the New Catering Policy, 2017 in letter and spirit, the Railways should hand over all the mobile and static units which remained with Railways. In compliance of their recommendation, the Committee noted that out of 378 mobile units and 275 static units, 01 mobile unit and 13 static units respectively are yet to be transferred to IRCTC and is still pending with Railways. Likewise, out of 80 mega kitchens proposed to be constructed, only 16 were planned in 2017 itself out of which only 5 were completed. The Committee are happy to find that all out efforts are being made by the Ministry for smooth transfer of remaining units to IRCTC, upgradation of Base Kitchens and setting up of Green Field Base Kitchens. While reiterating their earlier recommendation, the Committee would like to emphasize on the Ministry to vigorously pursue the matter for speedy transfer of the remaining units to IRCTC. The Committee also like to know the current status of construction of Mega Kitchens.**

## **B. NEW MENU AND TARIFF COMMITTEE**

### **Recommendation (Para No. 6)**

9. In their Report, the Committee had recommended as under :

“The Committee are happy to note that in new Catering Policy, 2017, a New Menu and Tariff Committee has been constituted by the Ministry to study the workability of the rates in catering contracts and to recommend/report upon the fixation of tariff for standard menu/food items on the list of menu items given by IRCTC and calculation of empirical formulae so as to calculate annual or periodical escalation with respect to increase in prices of the components leading to preparation of meal. The committee will submit its report

shortly. The Committee, therefore, desire that while implementing the new Catering Policy, 2017, the Railways should closely examine the recommendations of the New Menu and Tariff Committee and implement them in letter and spirit to avoid difficulty and demotivation to the parties concerned in the endeavor for the betterment of catering services over Indian railways. The Committee would like to be apprised of its recommendations vis-a-vis status of their implementation.”

10. In their Action Taken Replies, the Ministry of Railways have stated as under:

“It is intimated that the Menu and Tariff Committee, constituted by the Ministry of Railways to study the workability of the rates in catering contracts and to recommend/report upon the fixation of tariff for standard menu/food items has already submitted its report which is under examination.

Further, IRCTC has already been advised by Railway Board to take necessary action for rationalisation and standardisation of the existing menu and number of services undertaken for catering in trains. In addition Railway Board has also directed that while undertaking the said review exercise, IRCTC shall ensure that the hygiene and quality of catering services is maintained to the highest level within the framework of tariff notified. IRCTC accordingly has revised and implemented new meals based on menu rationalization on 35 pairs of Shatabdi, Rajdhani and Duronto Trains.”

**11. The Committee had noted that a New Menu and Tariff Committee was constituted by the Ministry of Railways to report upon the fixation of tariff of menu/food items given by IRCTC and calculation of empirical formulae for calculating cost escalation and increase in prices of components of food items. The Committee had desired to closely examine the recommendations of this Committee and implement them in letter and spirit to avoid difficulty and demotivation to the parties concerned for the betterment of catering services over Indian Railways. The report of the above Committee is stated to be under examination. The Committee have noted that the Ministry (Railway Board) has advised the IRCTC to take necessary action for rationalization and standardization of the existing menu and number of services undertaken for catering in trains and accordingly, IRCTC has revised and implemented new menu on 35 pair of trains in Shatabdi, Rajdhani and Duronto trains. However,**

**The Committee desire the Ministry to examine the recommendation of the New Menu and Tariff Committee in depth expeditiously and take appropriate action to rationalize the catering services over Indian Railways.**

**C. CONTRACT AWARDING, MANAGEMENT AND MONITORING SYSTEM**

**Recommendation (Para No. 7)**

12. In their Report, the Committee had recommended as under :

“The Committee have been informed that in the Catering Policy, 2010, Zonal Railways had a contract awarding, management and monitoring system which was effective and transparent. The allotment of all major units and General Minor Units at A, B and C categories stations were done through open, competitive and two-packet tendering system based on Standard Bid Document (SBD) and duly following all the procedures/instructions issued by Government of India/Railway Board from time to time. Allotments of static Special Minor Units (SMUs) at A, B and C categories of stations and all GMUs and SMUs at D, E and F categories stations were done by calling applications through press notification. The Ministry have informed that tenure of all major units being handed over to IRCTC will be governed as per catering Policy, 2010 and continue till the expiry of the contracts. IRCTC shall further manage these units as per the provisions of the new Catering Policy, 2017. Tenure of all other catering units (major units and minor units) will be for a period of 5 years only. The contracts awarded by zonal railways for kitchen units viz. Refreshment Rooms at A1 and A category stations, Jan Ahaar, Cell Kitchens shall be reassigned to IRCTC on the same terms and conditions with sharing of license fee between IR and IRCTC in the ratio of 40:60 in all cases other than departmentally managed units by IRCTC wherein revenue shall be shared in the ratio of 15:85. The allotment of Refreshment Room (at B and below category stations), a stall or a trolley is deemed as one unit and shall be awarded through a single license. No new license for khomcha/Dallah/Chhabba/Wheel Barrow/Hand Barrow/Tray/Table/Tea Balta (or any other similar unit by a different name) shall be awarded by Zonal Railways. The Committee, however, note that though the Ministry of Finance (Deptt. of Expenditure) has mandated all Ministries/Departments of Central Government, their attached and subordinated offices, Central Public Sector Enterprises and

Autonomous/Statutory bodies to commence e-procurement through E-tendering in respect of all procurements with estimated value of Rs. 2 lakhs or above w.e.f. 1.4.2016 vide Office Memorandum dated 30.03.2012, 09.01.2014 and 21.01.2016 by selecting e-Procurement service provider of their own choice, the Railways are still continuing awarding contracts by following old systems even after unification of Railways Budget with Union Budget. The reasons for opting E-tendering process has been stated to be more transparent for awarding contracts. In this regard, the Ministry have informed that they have constituted a committee for preparation/modification in the Standard Bid Document for allotment of static catering units and development of e-tendering module for Zonal Railways which has submitted its report on E-tendering module for catering tenders along with draft SBDs (Standard Bid Documents). The SBDs are under examination. The Committee desire that the examination of SBDs may be expedited and E-tendering module may be implemented over Indian Railways in letter and spirit. A monitoring mechanism be evolved to enable that all contracts may be awarded commensurate to this E-tendering module.”

13. In their Action Taken Replies, the Ministry of Railways have submitted as under:

“The Standard Bid Documents (SBD) for various types of minor static catering units viz. General Minor Units, Special Minor Units (SMU) have already been issues by Ministry of Railways as per the following details :-

- (i) SBD for GMUs at A-1, A, B & C category stations vide letter No.2017/TG-III/600/09/Pt.1 dated 10.01.2018.
- (ii) SBD for SMUs at A-1, A, B & C category stations vide letter No.2017/TG-III/600/09/Pt.2 dated 06.02.2018.
- (iii) SBD for GMUs at D, E & F category stations vide letter No.2017/TG-III/600/09/Pt.3 dated 31.01.2018.
- (iv) SBD for SMUs at D, E & F category stations vide letter No.2017/TG-III/600/09/Pt.4 dated 07.02.2018
- (v) SBD for Milk Stalls at all category stations vide letter No.2017/TG-III/600/09/Pt. 5 dated 28.05.2018.

As regards to issuance of E-tendering module for tendering of minor static catering units, it is stated that the recommendations regarding same has been received from the committee and presently under examination in Board’s office. It will be issued after approval of the competent authority”

**14. The Committee had desired from the Railways to expedite Standard Bid Documents (SBDs) and commencing e-tendering module for awarding contract of catering units by following the procedures and instructions as mandated by the Ministry of Finance (Department of Expenditure) for all the Ministries and Departments of Government of India, their attached and subordinated offices, Central Public Sector Enterprises (CPSEs), all autonomous/statutory bodies. As such all the procurements with estimated value of Rs.2 lakhs or above had to commence through e-procurement w.e.f. 21.01.2016. The Committee are not satisfied with the reply of the Ministry regarding issuance of e-tendering module for tendering of static catering units. The manner in which the Ministry has strived to evade its accountability by stating that the same are still under examination in Board's office for approval of the competent authority, is not acceptable to the Committee. They note that even after lapse of several years of unification of Railway Budget with that of Union Budget, Ministry has not cared to implement Government of India policy of e-tendering. The Committee find that a committee in the Railways had already submitted its Report on SBDs and e-tendering. The Committee wish to remind the Ministry that e-tendering – being more transparent, should be effectuated in Railways immediately at par with other Departments of Government of India to commence e-procurement with estimated value of Rs.2 lakhs or above. The Committee, therefore, reiterate their earlier recommendation and desire that the Railways should implement e-tendering module in letter and spirit and award contracts only through e-tendering.**

## **CHAPTER-II**

### **RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT**

#### **Recommendation (Para No. 3)**

The Committee note that catering services had undergone frequent changes which have adversely impacted the catering over Indian Railways. The Catering Policy of 2005 mandated IRCTC to manage catering services which was subsequently transited to Zonal Railways in Catering Policy, 2010 on the grounds that the IRCTC focused to revenue generation instead of improving the catering services. The Indian Railways Catering and Tourism Corporation (IRCTC) was restricted to management of Food Plazas, Food Courts, Fast Food Units and tourist activities. The Committee are distressed to note that the Catering Policy, 2010 too could not bring fruitful improvement in catering services and complaints were flooding from all corners over Indian Railways. The Committee further note that C&AG in its Report No. 13 of 2017 has pointed out that preceding to new Catering Policy, 2017, the management of catering services was with Zonal Railways wherein cleanliness and hygiene were not maintained properly at catering units at stations and in trains. Unpurified water straight from taps and at times toilets was used in preparation of beverages, waste bin were not found covered/emptied regularly and not washed, food stuff were not covered to protect them from flies, insects and dust. Rats and cockroaches were found in Kitchens, Station Kitchens and Train Pantries. Besides, unfair practices were followed in execution of catering services at stations and in trains. Bills were not provided for the food items served in mobile units. 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. Less than prescribed quantity of food stuff were served, 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 open market and per unit price of food articles sold in railway premises was significantly higher. Deficiencies in respect of quality of food served were noticed. Articles unsuitable for human consumption, contaminated food stuff, recycled food stuff, shelf life expired packaged and bottled items, unauthorized brands of water bottles etc. were offered for sale on stations. The Committee have been apprised

by the Ministry that in new Catering Policy, 2017, these problems would be removed and IRCTC would be responsible for catering services through mobile units and static units viz. Base Kitchens, Cell Kitchens, Refreshment Rooms at A1 and A category of stations, Food Plazas, Food Courts, Train Side Vending, Jan Ahaars. In order to upgrade quality of food preparation, IRCTC shall set up new Kitchens and upgrade existing ones which shall comply all statutory guidelines of food safety. The Committee are of the view that unless the basic problems and deficiencies which the railways and IRCTC have experienced in the past such as supply of quality and hygienic foods and beverages including purified water to their customers are addressed, nothing is going to happen for betterment of catering services. Mere bringing a new policy and blaming the concerned agencies to be responsible for the lapses will not solve the problem. They hope that the railways would endeavour in this direction so that the new Catering Policy, 2017 could bring a paradigm shift in catering business on Indian Railways to provide healthy, wholesome and hygienic food to the passengers through closely monitored units by creating a distinction between food preparation and food distribution and removing all the deficiencies experienced earlier.

## **AND**

### **Recommendation (Para No. 4)**

The new Catering Policy, 2017 has again mandated IRCTC to take over the management of catering services in a slightly modified way of carrying out the unbundling of catering services by creating a distinction primarily between food preparation and food distribution. The Committee are of the view that not only the Catering Policy of 2005 lacked professional, practical and futuristic vision but also the Catering Policy, 2010 was not well planned in a professional and scientific way to cater to the needs of the commuters of Indian Railways which have necessitated to introduce new Catering Policy, 2017 in a very short span of time. Besides, frequent changes in Catering Policy for an undertaking of the size of the Indian Railways where 23 million passengers travel daily, have adversely impacted the catering services leaving the travelling passengers in lurch and switch over to other means of catering resulting into intrusion of unauthorized vendors. The Committee fail to understand as to how it was decided to frequently change the responsibility of such an



important service of catering of a vast organization like Indian Railways from IRCTC, which was incorporated on a decision of the Cabinet, as an extended arm of Indian Railways. Frequent changes in policies not only affect the efficiency of the system due to time lag in dealing with teething problem of implementation but also hits the morale of the employees of the organization. The Committee hope that the new Catering Policy, 2017 has been designed in a more scientific manner. They hope that it will be implemented effectively in letter and spirit with no further change in the system.

### **Reply of the Government**

The White Paper on Indian Railways brought in 2009 observed several shortcomings in the Catering Policy being followed then from the standpoint of quality and affordability. Accordingly a New Catering Policy 2010 was formulated to bring improvements in catering by shifting the task of managing and monitoring quality of service from IRCTC to the Zonal Railways and to leverage Zonal Railways' vast and elaborate all-India network in order to effect a thorough supervision and control over catering activities.

Further, Ministry of Railways in November, 2014, set up Sreedharan Committee which suggested that all catering related services should be transferred back to IRCTC. To examine the feasibility of transfer of catering services to IRCTC, Ministry of Railways constituted a CCM level committee in October, 2015 which also suggested management of mobile units by IRCTC in a phased manner wherein IRCTC should be permitted to outsource only its back end operations.

Provision of catering services to such large number of passengers having diverse tastes and a choice on such a gigantic scale is an onerous task. As discussed above, over the years not only an in-depth analysis has been undertaken to identify the root causes of deficiency in Catering Services but also structural reforms have been initiated to solve the problem institutionally. The in depth analysis revealed that unless the quality of food at source is not controlled, onboard quality would not change.

Therefore in view of above dialectics in order to professionalise catering services and in order to bring about a tangible change in Catering Services on Indian Railways, New Catering Policy 2017 was decided to be formulated.

Accordingly Hon'ble MR in his Budget Speech 2016-17 announced as under:-

"IRCTC would begin to manage catering services in a phased manner. IRCTC would unbundle catering services by creating distinction primarily between food preparation and food distribution."

With respect to implementation of Catering Policy 2017, it is submitted that transfer of catering units to IRCTC has already been completed (with the exception of one mobile unit and 13 static units which are under court case).

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 is 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.

### **Recommendation (Para No. 5)**

The Committee have been informed that the Catering Policy, 2010 had aimed a paradigm shift with regard to the whole approach towards railway catering. Whereas earlier policy sought to treat catering as an independent profit centre, the Policy of 2010 acknowledged catering as a passenger service. The New Catering Policy, 2017 mandates that Zonal Railways will prepare the plan in coordination with Divisions and IRCTC at each station. In the Policy of 2017, the Ministry has categorically demarcated the areas of service providers of Food Preparator (who shall prepare the food) and the Distributor (who will distribute the prepared foods). The Committee have been informed that the system of train based contracts prevailing in earlier Catering Policy, 2010 has now been done away with in new Catering Policy, 2017 and instead IRCTC run state-of-the-art kitchens of various sizes would be provided at locations across the country. IRCTC would be responsible for catering

services through mobile catering units, Base Kitchens, Cell Kitchens, Refreshment Rooms at A1 and A category stations, Food Plazas, Food Courts, Train Side Vending, Jan Ahaars as defined in the Policy. All mobile units will be handed over to IRCTC along with existing contracts. The contracts which were awarded in 2013-14 and still continuing, will gradually be short terminated or continued till expiry and re-allotted afresh after expiry of term. Further, Mega Base Kitchens will be constructed by IRCTC and the existing four Mega Base Kitchens of Ahmedabad, Howrah, Mumbai and Delhi will be upgraded by IRCTC on PPP mode. Mega Kitchens will be provided with the provisions that there should be a Base Kitchen on every 300 Km. The Committee are unhappy to note that out of 80 number of Mega Kitchens proposed to be constructed, only 16 have been planned to be constructed in 2017. Further, to their dismay, only 5 Mega Kitchens have been completed so far. The Committee feel that if Railways intend to provide good quality hygienic foods to their passengers, they will have to focus on timely construction of base kitchens. The Committee emphasize the need of expeditious completion of remaining Base Kitchens to satisfy the need of growing number of passengers by way of providing good quality hygienic food. Further, the Ministry have claimed that out of 272 static units, 255 static units have been taken over by IRCTC and remaining 17 static units are still pending with Zonal railways. Likewise, as on 17.1.2018, all mobile units (Pantry and Mini pantry) have been taken over by IRCTC except 01 (one) train which is under litigation. The Committee have taken note of lack of seriousness on the part of the Ministry and are of the view that if proper preparedness were made to settle the issues before launch of such a prioritized Scheme of public importance, there would have no scope of any litigation and all units would have been transferred to IRCTC smoothly. The Committee are apprehensive that such incomplete transition of catering services may cause considerable inconvenience to the travelling passengers as it will hamper IRCTC in facilitating smooth and unhindered catering services. They, therefore, desire that with a view to implement the new Catering Policy, 2017 in letter and spirit, the Railway should hand over remaining catering services immediately to IRCTC to make them responsible for supply of quality, wholesome and hygienic foods to passengers. They, therefore, desire the Ministry to take the remedial measures immediately to hand over all units including Food Plazas and Food Courts to IRCTC urgently.

### **Reply of the Government**

In compliance of above, management of 377 mobile units (pairs of trains with pantry Cars) out of 378 has been transferred to IRCTC. Further, management of 262 static units (168- Refreshment Rooms, 53- Jan Ahaar, 27- Cell Kitchen & 14- Base Kitchens) out of 275 nos. of static units has also been transferred to IRCTC. Only 1 mobile unit and 13 static units remain to be transferred to IRCTC which is pending due to litigation/matter being sub-judice.

However, all out efforts are being made to pursue the matter before the Hon'ble Court so as to enable smooth transfer of remaining units to IRCTC.

#### **Upgradation of Base Kitchens:**

- 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.

### **Comments of the Committee**

(Please *see* recommendation Para No. 8 of Chapter-I)

### **Recommendation (Para No. 8)**

The Committee note that after the Catering Policy 2010, Zonal Railways were required to prepare a Master Plan (Blue Print) of catering services to be provided at each station and on-board trains which was not prepared in Zones like ECR, ER, NFE, NWR, SER, SWR and ECOR. They are of the considered view that making a master plan (Blue Print) as per given mandate, was important for planning catering services over Indian Railways. The Ministry failed to submit any reasons for not making plan/blueprint by these Zonal Railways. Also, the Ministry could not take effective steps to bridge the gap to provide necessary

infrastructure in terms of base kitchens, Static Catering units, train-side vending arrangements and Automatic Vending Machines etc. to ensure adequate catering facilities available to the travelling public. Even, in the new Catering Policy, 2017, the Zonal Railways are required to prepare plan in coordination with Divisions and IRCTC at each station taking into consideration bans notified from time to time as making master plan is considered important for planning catering services. The Committee desire the Ministry to ensure that the required plan/blue print for each station are prepared in a time bound manner and be implemented in all Zonal Railways in letter and spirit.

### **Reply of the Government**

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.

### **Recommendation (Para No. 9)**

The Committee note that during earlier catering policies, the catering services was used to shift from IRCTC to Zonal Railways and vice versa but the basic problems were not addressed. The same set of contractors who were in Railway catering, went to IRCTC and came back to Railways. Then, with the change in policy, the contractor with their same products and services remained the same. Based on the feedback, complaints and other information that the Railways got from time to time, they brought in the new Catering Policy, 2017 which aims to remove anomalies which the earlier policies had over looked. The Committee appreciate this move of the Ministry and hope that the new Catering Policy, 2017 will be implemented efficaciously to benefit the passengers at large.

### **Reply of the Government**

Recommendation/Observation of the committee has been noted for compliance.

### **Recommendation (Para No. 10)**

The Committee have been given to understand that in new Catering Policy, 2017, IRCTC was required to submit Business Plan to Railway Board within 30 days from issuance

of the Policy. The IRCTC is stated to have submitted the business plan to Railway Board which has been sent back to IRCTC for rectification/modification. They wonder that even after lapse of one year of issue of the Policy, the Business Plan is still at scrutiny stage reflecting lack of preparedness and lackadaisical approach on the part of the Railways. The Committee, therefore, recommend that Railway should take effective steps to support IRCTC to finalize concrete Business Plans urgently so that vested responsibilities of IRCTC aiming at improvement in catering services are not hampered due to non-implementation of the new Catering Policy, 2017.

### **Reply of the Government**

The recommendations of the Committee have been noted for implementation.

IRCTC had furnished Business Plan after the issue of Catering Policy 2017 which was found to be not in accordance with some of the provisions of Catering Policy 2017. Accordingly, vide letters dated 22/09/2017, 12/01/2018 & 12/04/2018 issued by Railway Board, IRCTC was advised to submit a modified Business Plan in line with framework envisaged in Catering Policy 2017. IRCTC in view of above have submitted a revised Business Plan in September 2018. The revised Business Plan submitted by IRCTC talks about PPP model for operation of Base Kitchens, changes in principles of Revenue sharing model and aggregation of contracts which are substantial issues and core areas of Catering Policy 2017 and may involve modifications in policy thereof. The entire issue is under examination, however this has not affected discharge of catering business by IRCTC in any way.

### **Recommendation (Para No. 11)**

The Committee are happy to note that with a view to uplift socially and economically backward people of the society, a provision for reservation in award of contracts has been made in favour of the underprivileged and marginalized sections of society in the new Catering Policy, 2017. Indian Railways follow the reservation criteria in allotment of catering units except the major units wherein no reservation is applied. They find that in allotment of minor units at A1, A, B and C categories of stations, twenty five percent (25%) reservation has been provided wherein 6%, 4%, 3%, 3%, 2%, 4% and 3% reservation is earmarked

to SCs, STs, OBCs, Minorities, Divyang, Freedom Fighters/war-widows/widows of railway employees/persons displaced due to their land taken over by the Railways for its own use and People Below Poverty Line respectively. Among minorities, Muslims, Christians, Sikhs, Buddhists, Zoroastrians (Parsis) and Jain are covered. Likewise, 49.5 percent reservation has been made for allotment of Minor Units at D, E, and F category stations wherein SCs are provided 12%, STs 8%, OBCs 20% and minorities 9.5%. The Committee desire that a uniform policy of reservation should be followed in all catering units at all stations/trains. They, therefore, recommend that the existing reservation policy of the Government of India should be strictly followed and complied with. The Committee note that the issue of reservation is, at present, sub-judice in the Hon'ble Supreme Court and as a result, all allotments/extensions in the case of reservations are subject to the final order of the Hon'ble Supreme Court in Civil Appeal No. 7513 of 2005 and analogous cases referred to the Constitutional Bench. They would like the Ministry to pursue the matter expeditiously so that catering need of passengers met appropriately.

### **Reply of the Government**

Recommendation/Observation of the committee has been noted for compliance.

### **Recommendation (Para No. 12)**

The Committee note that preceding to new Catering Policy, 2017, the Zonal Railways did not ensure provision of pantry cars in a number of long distance trains. 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 facilitated by NCR, SECR and SR for the trains which run for more than 12 hours during the day time. They are not convinced with Ministry's attribution that non-attachment of pantry cars in long distance trains was due to capacity constraints of trains as 360 trains are already running with pantry cars and 232 mail/express trains have sectional train side vending. The Committee are of the view that wherever the Indian Railways do not attach pantry cars to trains, they should arrange adequate number of catering static units on stations en-route, Train Side Vending and E-catering facility available to passengers. They hope that in new Catering Policy, 2017, these anomalies would be removed and the trains having run of 12 hours or more will be facilitated with pantry cars

and trains having run of 12 hours, where no pantry car is attached, shall be provided proper catering services like catering static units on stations en-route, train side vending and e-catering facilities available to passengers.

### **Reply of the Government**

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.

Attachment of pantry car in any train depends upon various factors such as order of priority with respect to category of train viz. Rajdhani/Shatabdi/Duronto/Mail/Express trains etc, load limitation and journey time of train, availability of Pantry Cars et al. 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.

Catering services are also being provided to onboard passengers through Train Side Vending (TSV) model in 393 number of trains which do not have pantry cars. Further, E-catering services have been extended to all A-1 and A category stations of Indian Railways, thus providing vast scope and coverage to all trains passing through those stations.

Further, Zonal railways have been empowered to permit platform vending through static units to meet the demand of passengers.

Continuous supervision and monitoring is done through regular inspection by the railway officials and supervisors to check and ensure that adequate and hygienic catering services, as per the needs of passengers travelling in trains without pantry cars, are available at stations.

### **Recommendation (Para No. 13)**

The Committee note that the new Catering Policy, 2017 envisages for setting up of base kitchens in the Railway premises to monitor and control the quality and hygiene of food served in trains. Earlier, foods were prepared in kitchens most of them located outside



railway premises and carriage of foods from the kitchen to the serving destination used to take much time and as such prepared foods could not reach to the customers in time resulting into decline in quality of foods. Besides, the quality of foods prepared in base kitchens located outside railway premises could not be easily monitored and controlled unlike the foods prepared in kitchens located in railway premises. The Committee are satisfied to find that in new Catering Policy, 2017, foods will be prepared in modern, mechanized and state-of-the-art kitchens developed by IRCTC located in railway premises only under the direct supervision of IRCTC and no food will be picked from kitchens located outside the rail premises. The quality of foods so prepared will be monitored easily. The Committee emphasize the need of narrowing the time gap of food preparation and its distribution and development coordination between the agencies of food preparation and food distribution so as to ensure that the prepared foods could remain as fresh as possible and reach the customers within the shortest time gap.

### **Reply of the Government**

As per Catering Policy-2017, IRCTC has been mandated for setting up of modern & mechanized Base Kitchens over entire Indian Railways. In order to implement this policy of unbundling, IRCTC has developed/upgraded 30 Kitchen Units with state of the art kitchen equipments. 15 more Kitchen Units are planned for up gradation during 2018-19.

Further to ensure quality and hygiene of food products produced in these Base Kitchens, Food Safety Supervisor (FSS) have been deployed and regular sampling for testing in NABL (National Accreditation Board for Testing and Calibration Laboratories) accredited labs is being carried out for meals produced in these Base Kitchens. Also third party audits are also being undertaken as per schedule over different catering units. CCTV cameras have been installed in 16 Base Kitchens and control centre has also been setup for real time monitoring of activities undertaken in these Base Kitchens. The CCTV recording has net connectivity for sharing of live streaming of the operations inside Base Kitchens through website of IRCTC.

#### **Recommendation (Para No. 14)**

The Committee note that the Ministry has made arrangements for Third Party Audit of catering services to be conducted at periodic intervals by independent and reputed auditing agencies. For this purpose, IRCTC has already selected an agency to conduct Third Party Audit for 96 number of trains and 206 number of Food Plazas and Fast Food Units. The Committee are of the considered view that these issues require continuous surveillance of the Railways. They desire that frequent surveys should be conducted and feedback taken from passengers and deficiencies noticed, may be eliminated immediately. The complaints and suggestions should not be ignored rather than should be the basis for better service.

**AND**

#### **Recommendation (Para No. 15)**

The Committee find that in the new Catering Policy, 2017, the Ministry has taken measures for Third Party Audit of Catering Services to be conducted at periodic intervals by independent and reputed auditing agencies accredited by National Accreditation Board for Certification Bodies (NABCB) as empanelled by the Zonal Railways. The parameters for Audit of catering services have been enumerated to be personal hygiene of service providers, infrastructure facilities, cleaning and sanitation, food safety, storage facilities, implementation of regulatory, statutory and safety regulations, quality of presentation etc. IRCTC has already selected an agency to conduct Third Party Audit for 96 trains and 206 Food Plazas and Fast Food Units. The Committee desire that all mobile and static units within the jurisdiction of IRCTC, may be brought under the third party audit. They hope that the audit will be conducted in details, regularly and shortcomings, if any, will be removed immediately.

#### **Reply of the Government**

To ensure quality of the meal items being prepared at IRCTC Base Kitchens, Food Safety Supervisor (FSS) have been deployed and regular sampling for testing in NABL accredited labs are being done through engagement of reputed agency. IRCTC has also engaged the services of professional independent agency empanelled by NABCB (National Accreditation Board for Certification Bodies) and FSSAI to conduct Third Party Audit of

catering services being provided on mobile and static catering units. IRCTC conducted Third Party Audit of 96 mobile units and 205 Food Plazas during FY 2017-18. M/s TUV India Ltd., an agency approved by FSSAI, has been engaged by IRCTC to conduct Third party Audit.

Apart from this IRCTC conducted Customer satisfaction survey through M/s Karvy Insights, a reputed agency in survey research, in 205 static units & 128 Mobile units during 2017-18. The report of third party audit & Customer Satisfaction Surveys is examined and accordingly remedial and punitive action is taken against the defaulting service provider as per the terms & condition of the contact.

In addition there is a Catering Services Monitoring Cell in Railway Board which analyses complaints/feedbacks received from passengers and strives to carry out redressal of complaints on real time basis, while also following up on the action taken by concerned Zones/IRCTC.

FSSAI certification is mandatory at all catering units and further the Food Safety Inspectors carry out checks.

### **Recommendation (Para No. 16)**

The Committee note that New Catering Policy, 2017 mandates IRCTC to supply low cost Janta Meals through static catering units, including the units handed over to IRCTC at the rates decided by Railway Board. In this regard, instructions have already been issued to Zonal Railways and IRCTC for sale of Janta Meals at Static Units. The Zonal Railways would endeavour to make efforts to improve the sale/availability of 'Janta Meals' of good quality at affordable rates to railway passengers. The Committee find that in Catering Policy, 2010, Zonal Railways were required to provide Jan Ahaar units to facilitate passengers which could not materialize in letter and spirit. Even, the C&AG, in their audit observation, revealed that out of 74 stations where joint inspections were conducted, Jan Ahaar units were not provided on 46 stations. Further, share of Janta meals to the overall meals sold in six Zonal Railways was declining in the last three years. The reasons explained by the Ministry that Janta Meals were sold not only at Jan Ahaars but also at other static units as per Board's instructions and thus, absence of Jan Ahaar outlets does not mean no sale of Janta Meal at

any station as other outlets were also mandated to sell Jan Ahaars in all static units. However, this is not acceptable to the Committee as the passengers may not be even aware the availability of Jan Ahaar at other outlets. They feel that lack of preparedness in ensuring sale of Janta meals at stations as mandated in the Policy resulting into slippages and depriving the passengers from availing good quality catering services at affordable rates at designated places. The Committee urge the Ministry for regular monitoring of availability of Janta Meals at Stations and ensure that the concerned agencies at the stations are alert towards their duties and responsibilities. They also urge the Ministry to take up the work in right earnest so that both the passengers and the Railways are benefitted from the scheme.

### **Reply of the Government**

Jan Ahaar items are low cost affordable meals that are provided from a Jan Ahaar outlet or any other major or minor outlet. These are food items comprising of economy combo meals costing from Rs 5/- to Rs. 50/-. Janta meal is a meal that costs Rs 15/- on stations and Rs. 20/- on trains and consists of 7 puris (175 gm), dry potato curry (150gm) and pickle sachet (15gm). Janta meals are sold not only at Jan Ahaars but also at other static units as per Board's instructions.

Instructions have been issued to all Zonal Railways for ensuring availability of Janta meals/Jan Ahaar items on trains/ stations for sale to passengers.

Availability of Janta Khana is being ensured through regular monitoring and inspections/checks etc. Wide publicity is given in leading newspapers regarding menu and tariff of standard items notified by Railway Board. Catering licensees have been directed to keep sufficient quantity of Janta Khana at their stalls.

### **Recommendation (Para No. 17)**

The Committee are concerned to note the mushroom growth of unauthorized vending in trains and at stations. They are aware that the Railways have taken measures to refrain unauthorized vending in trains and at stations including inspections to check the menace of unauthorized vending. The Ministry have issued instructions to service providers to provide prescribed uniforms along with name badge and logo of IRCTC to their working staff on

board for creating distinction from unauthorized vendors inside the trains. Despite these efforts, unauthorized vendors are predominating in trains and at stations in selling adulterated and simulated food items, beverages and water bottles. Prosecution of 4,43,193 cases of unauthorized vending in 2016 and 2017 (upto December), by Railway Protection Force and imposition of fine and realization of Rs. 21,45,73,139/- towards fine imposed as such, substantiate the volume of menace of unauthorized vending and disclose inadequacy of penal provisions and precautionary measures of Railways. The Committee note that the strengthening of the penal provisions of the Railways Act, 1989 including Section 144 is underway. Railways are also constructing boundary wall at vulnerable locations over Railway Network and 425 KM of boundary wall has been put at different locations. However, the Committee apprehend that unless and until stringent penal provisions are provided in the Act / Rules and action is taken accordingly against the defaulters, no tangible improvement can take place. Further, the probability of connivance of railway officials with the unauthorized vendors should also be looked into. According to C&AG Report, Audit para (Para No. 3.9) tabled in Parliament on 21st July, 2017 has also observed activities of a number of unauthorized vendors on platforms and in trains which they detected during joint inspections in selected trains. The Committee strongly feel that unauthorized vending not only causes loss of revenue to Railways but also poses a health hazard to the passengers. They, therefore, urge the Ministry to immediately work out appropriate remedial measures to check unauthorized vending both in mobile units and at stations.

### **Reply of the Government**

Continued and ongoing efforts are made to check unauthorized vending on trains and platforms with the help of RPF. Punitive as well as legal action is taken against unauthorized vendors/hawkers under Section 144 of Indian Railway Act 1989 which includes imprisonment, fine or both.

Drives against unauthorized vending are organized constantly by Commercial Department and RPF. During the year 2017-18, 238269 offenders were prosecuted for unauthorized vending and Rs. 127208190/- was realized as fine. In the current year, 161367 offenders have been prosecuted and Rs. 92716209/- realised as fine. Along with this

Special/Decoy Checks have also been conducted and 4511 unauthorised hawkers were detected, on which fine of amount Rs. 2213415/- was imposed between April 2017 to September 2018.

Further to prevent unauthorised vending, IRCTC is taking necessary action to put in place a system for roll out of TSV services covering all 173 sections in the country. Also, Zonal Railways have been delegated powers to accord platform vending permissions to licensees from the existing static units so as to enable continuance of only authorised hygienic vending.

### **Recommendation (Para No. 18)**

The Committee appreciate to note that in new Catering Policy, 2017, the Railways have planned to effectively check and control unfair practices of overcharging, issue of quality as well as quantity of food articles. The Ministry have informed that the Railways have introduced optional catering facilities as a pilot project in mail/express trains to enable travelling passengers to pay for the meals and Packaged Drinking Water (PDW) in advance at the time of booking of journey tickets. While appreciating the same, the Committee desire the Ministry to cover foods of diverse varieties of different choice in their menu/list of foods for sake of those passengers who have to de-opt foods at the time of booking ticket on the grounds of health, ailments or need to have fresh food during long journey, in general, and delay of trains, in particular. In this regard, an option of 'specific food need' on the cost over and above the general food can be asked to be exercised from these passengers and differential cost, if any, may be charged from them. The Committee note that many a times food servers refuse to give bill to passengers even when asked to do so. In such cases, Railways should make sure to put a policy in place. They are satisfied to note that a policy of zero tolerance is being adopted in new Catering Policy, 2017 for bad quality of food served to passengers, overcharging of food articles sold and making issue of electronic receipt mandatory for sale of every item over Indian Railways. Through the use of Bar and QR Codes, each food item would be closely monitored. The Committee are of the view that these measures be implemented in all mobile and static units, Food Plazas and Food Courts with proper monitoring from time to time with stringent penal provisions for defaulters. They

also desire that a policy of 'No Food Bill, No Payment' may be adopted to do away with overcharging.

**AND**

**Recommendation (Para No. 19)**

The Committee note that the new Catering Policy 2017, mandates IRCTC to be responsible for 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 Ahaar. There would be no train based contracts. The catering activity would be done in close supervision by IRCTC on stations where kitchens are located. The Committee are glad to note that the new initiatives taken by the Ministry for ensuring computerized billing for the items sold in mobile and static units will go a long way in yielding desired results besides bringing in transparency in catering services over Indian Railways apart from strengthening the trust of railway passengers.

**AND**

**Recommendation (Para No. 20)**

The Ministry have informed that new Catering Policy, 2017 envisages for cashless transaction and ensuring computerized billing in a phased manner to the extent feasible for all the items sold in mobile and static units under the management of IRCTC. Apart from this, passengers would be facilitated for cashless transaction through usage of Point of Sale (POS)/swipe machine etc. in all the mobile and static units. IRCTC and the licensees are in the process of procurement of these machines. The Committee desire that concrete measures may be taken to ensure that POS/swipe machines are available with the catering serving personnel with regular monitoring thereof to ascertain that these machines are in working condition so that passengers could not face any hardships in making payment and catering services remain transparent and passenger friendly.

### **Reply of the Government**

In compliance of Railway Board's instructions, awareness campaign regarding "No Bill-The Food is for Free" is being taken up by IRCTC to ensure issuance of bills to passengers. Accordingly, IRCTC has launched a campaign by instructing its Zones and licensees for strict compliance of above.

In order to prevent overcharging on meal items by vendors in mobile units, as on date, IRCTC have implemented the 498 nos. of POS machines in 185 nos. of mobile units. The remaining trains are also being brought under POS progressively. 235 Food Plazas & Fast Food Units, and 95 Refreshment Rooms/Jan Ahaar/Cell Kitchens have facility of payments through digital platforms like BHIM app. To incentivize cashless transactions a discount of 5% on the bill is being offered on use of POS machine.

### **Recommendation (Para No. 21)**

Quantity and quality of food items and safe drinking water supplied to the travelling passengers are the matters of utmost concern for the Committee. Though quality control is of paramount importance in any concern dealing with food and beverages as it is directly linked with the health and safety of the passengers. Quantity control of items supplied to passengers is in no way lesser than the quality. Every travelling passenger has right to get accurate quantity of items against payment of the given cost of that item. But things are happening not like that. It is seen that items are sold over and above the MRP prices mentioned thereon. Even in open market, these items are available below the MRP. Sometimes, prices indicated on items are got erased and overwritten to charge extra from the passengers. No bills are provided for the items sold to passengers. The Committee while commending the initiative of the Ministry to make computerized billing mandatory in mobile trains as well as at static units desire the Ministry to ensure its implementation in letter and spirit with proper monitoring. Stringent penal provisions may also be put in place for adherence.



### **Reply of the Government**

If any such violation of the provision of the policy or deficiencies is noticed in the provision of catering service, suitable penal action as decided by Zonal Railways is taken in accordance with the provisions of agreement.

Awareness campaign regarding "No Bill- The Food is for Free" is also being taken up by IRCTC to ensure issuance of bills to passengers. Accordingly, IRCTC has launched a campaign by instructing its Zones and licensee for strict compliance of above. It has also been strictly instructed that all food boxes served in mobile (post-paid) and static units will bear all details including MRP, name of contractor, weight, date of packing etc. In line with efforts to curb overcharging, a "Rate App" has also been launched by IRCTC, wherein passengers can have instant view of the existing rates of catering items sold over Indian Railways.

Further, IRCTC takes other suitable action including termination of license in case of repeated and persistent overcharging complaints in Mail/Express trains.

### **Recommendation (Para No. 22)**

The Committee find that the Railways have launched E-catering facilities to travelling passengers which is presently available on 357 railway stations. They note that only F and B operators, having valid FSSAI license, are allowed to take and serve orders through E-catering. The average supply of meals under this scheme is around 6000 meals per day which was 400 meals per day in 2015. The Ministry have informed that E-catering services are being managed by IRCTC on stations where travelling passengers can avail e-catering facilities for all trains halting at and originating from those stations. Booking of meals is facilitated through specified phone number (1323)/website/SMS/Mobile Apps etc. and passenger can pre-order the meal from the different options available as per choice for delivery at the opted stations. The mode of payment is both pre-paid as well as cash on delivery (CoD). After the meal is ordered, the same is communicated to the concerned vendor immediately and also again at about 2 hours in advance of delivery time where the delivery time is the train arrival time on a particular station. The shortlisted vendor delivers

the pre-ordered meal to customer on stationary train at the opted station. The Committee are glad to note that the Railways have taken steps to reorganize and revamp marketing strategies to popularize E-catering so as to achieve the target of 1 (one) lakh meals per day from 6000 per day, as at present, but they would like to caution the Ministry not to supply stale or unhygienic meals to passengers as the time of delivery of pre ordered food is train arrival time and trains usually run late. In such cases, quality of pre-ordered meal packed for delivery as per train's scheduled arrival time may deteriorate and there is no option for passengers but to complain. The Committee find that even in a short period between September, 2015 to January, 2018, 21992 complaints were lodged. The Committee are, therefore, of the considered view that there should be a close coordination between the agencies concerned to share the information pertaining to running of train and supply of meal as any communication gap may result into health hazard to passengers arising out of supply of unhygienic meals to passengers. The Committee note that Railways have provided for a penal provision to impose fine of Rs. 100/- per order for non-delivery of an order by the vendor. In such cases, customer is provided full refund of non-delivered order along with a voucher of Rs. 100/- which is redeemable in his next order with E-catering. The Committee think that this redeemable amount is very low and is redeemable in next order only. They, therefore, desire that the redeemable amount may be increased at least to Rs. 250/- with the options to redeem the same either during on-going journey or in his next journey as per his/her convenience. The Committee also desire that stringent penal provisions should be provided for defaulting companies with imposition of fines, de-activation from website and de-listing from empanelment from the services for non-adhering to the orders of passengers.

### **Reply of the Government**

The recommendation has been noted and same shall be considered for implementation.

### **Recommendation (Para No. 23)**

The Committee note that to augment E-catering services, the Railways have initiated to bring more and more Food Aggregators within the ambit of E-catering and they will soon implement an online mechanism for vendors to get registered with IRCTC and start taking orders for supply of foods to passengers. The Committee note that quality control of food items supplied to the travelling passengers is a matter of the utmost concern and paramount importance as it is directly linked with the health and safety of the customers. The Ministry have informed that E-catering services allows as many vendors to join the platform and provide ample choice to customers to order and create an environment of competition amongst vendors for maintaining quality and value of money. Vendors will then not be required to visit IRCTC office in person or fill up any empanelment document. The Committee are of the considered view that apart from coverage of as many number of Food Aggregators under the aegis of E-catering Service to provide food of ample choice and taste to customers, a strong mechanism of quality control of foods supplied under E-catering services may also be put in place.

### **Reply of the Government**

With a view to proliferate E-Catering services and to bring good restaurants under the E-Catering umbrella, the traditional time taking convoluted methodology of empanelment has been simplified and streamlined by replacing it with online process. This new online registration process has significantly reduced the time consumed in empanelment of vendors in the E-Catering project. The new online vendor registration module developed by IRCTC is enabling new entrants to upload necessary information/documents on the E-Catering portal and if documents are found suitable the successful applicant is empanelled as vendor for E-Catering project in a transparent and time bound manner.

All empanelled vendors have to submit their FSSAI certificate which is verified by E-Catering team of IRCTC on website <https://foodlicensing.fssai.gov.in>. The copy of FSSAI is being uploaded on E-Catering portal as well. Once the validity of FSSAI expires, the said vendor is automatically deactivated on E-Catering portal.

Another innovative functionality and tool developed by IRCTC enables its E-catering website to register feedback from customers directly. All orders marked delivered/non-delivered qualifies for feedback from customers.

A penal provision has been implemented on e-Catering vendor against various defaults. The vendors if found guilty are fined and in severe cases deactivated from the panel.

### **Recommendation (Para No. 24)**

The Ministry have informed that IRCTC has started sale of Ready-to-Eat (RTE) food packets at some of the railway stations @ Rs. 40/- per packet for all items and in Firozpur Shatabdi and Special Rajdhani trains on trial basis. RTE is being served in pre-paid trains either as a distressed meal or as an option to regular lunch/dinner meal. The Committee note that the feedback of passengers not opting for RTE food discouraged the railways to arrive at that RTE is not much tasty, refreshing, flavourful and appealing as fresh food. Also, some passengers avoid RTE food under the impression that it may not be good and nutritious as fresh food. The Ministry have informed that to make RTE a success, IRCTC has signed a MoU with Defence Food Research Laboratory (DFRL), Mysore and DRDO for transfer of technology of Retort Pouch Processed Foods so that Ready-To-Eat food can be warmed and eaten straight out of the packet. The IRCTC has also signed a MoU with Central Food Technology Research Institute (CFTRI), Mysore for transfer of technology to provide hygienic food products and services to train passengers. The IRCTC and CFTRI will mutually finalize the list of products and services to be provided to passengers. The Committee find the initiatives of the Ministry laudable and hope that the synergize activities of IRCTC, Defence Food Research Laboratory, Mysore, DRDO and CFTRI may facilitate in getting fresh and hygienic foods over Indian Railways. They, therefore, desire the Ministry to finalize the proposals for RTE food technology which is pending with CFTRI, DRDO, and DFRL for implementation. The Committee would also like to be apprised of the same.

### **Reply of the Government**

IRCTC has signed MOU with DFRL for transfer of Retort packaging technology. But, the technology transfer was not successful as IRCTC do not have its own retort packaging machines. Few thousands of RTE (with retort tech) were initially manufactured at DFRL. To promote RTE, IRCTC has empanelled 09 manufacturers/brands in India for supply of RTE.

### **Recommendation (Para No. 25)**

The Ministry have informed that the new Catering Policy 2017, envisages for empanelment of Self Help Groups (SHGs) for betterment of catering services over Indian Railways by way of providing healthy, wholesome regional cuisine at an affordable cost to the travelling public through e-catering. In this regard, 9 SHGs have been empanelled at 10 stations. Out of this number, one is in Karnataka, 2 in Kerala, 3 in M.P and one each in Maharashtra and West Bengal. The remaining are in Andhra Pradesh. The Committee note with concern that the Ministry have taken steps to empanel more SHGs by creating a portal on its website for sale of catering items, handicrafts, artefacts etc. which will not only synergise catering services but also contribute in revenue generation. The only need is to closely monitor them to ensure that the items supplied by SHGs are of good quality and available to passengers at affordable rates with computerized billing.

### **Reply of the Government**

SHG's are supplying good quality food items to e-Catering customers at reasonable prices. Inspections, checks and the complaint redressal mechanisms are in place to monitor quality.

### **Recommendation (Para No. 26)**

The Committee note that as per the new Catering Policy, 2017, emphasis has been laid on ensuring quality foods to the rail customers by unbundling of catering services by creating a distinction primarily between food preparation and food distribution. The Committee appreciate the contention of the Ministry to make catering services ISO certified and FSSAI approved as per latest norms, but at the same time, they would like to caution

the Railways to not to compromise with the hygiene and quality of food provided to the passengers of Indian Railways having a vast network stretching from Jammu & Kashmir in North to Kanyakumari in South and from Bhuj in the West to Agartala in the East with each region having its distinct regional cuisines. Therefore, it becomes imperative on the part of Indian Railways to ensure availability of regional cuisines depending upon the area. The Committee hope that in new Catering Policy, 2017, railway will ensure these concerns to optimize good catering services for their passengers over the network.

### **Reply of the Government**

Pursuant to clause no. 14.1.1 of Catering Policy 2017 and Board's instructions dated 26.04.2018, IRCTC has revised the menu which is under implementation on the on 21 identified Rajdhani/Shatabdi/ Duronto trains.

IRCTC conducted a third party passenger feedback survey through a reputed agency in Rajdhani, Duronto & Shatabdi trains in which it has been found that most of the passengers of Rajdhani & Duronto trains prefers traditional meal. However, in case of Shatabdi trains, passengers prefer combo meal in place of existing Rice, Chapati, Dal, Vegetable meal. Accordingly, IRCTC has designed the menu of meal items for Rajdhani/Shatabdi/ Duronto trains, within the existing tariff notified by Railway Board.

Further, under the provision of a la carte menus, regional cuisines are being provided.

### **Recommendation (Para No. 27)**

The Committee note that the most of the complaints of passengers mainly pertain to catering services specifically hygiene and quality of foods served to them on board and in static units. The Ministry have informed that the Railways have set up Catering Monitoring Cells at Zonal and Division levels for real time assistance to travelling passengers, all Zonal Railways have also a detailed institutionalized mechanism for monitoring of quality and hygiene of catering services through regular, surprise and periodical inspections. Besides, a Centralized Catering Services Monitoring Cell (CSMC) is also operational at national level having toll free number 1800-111-321 excluding operationalization of an all India helpline number 138 for all rail users in the mobile trains. Though the Committee appreciate the

initiatives of the Ministry for providing real time assistance to passengers and prompt disposal of their grievances through social media and for this needful, they have established a twitter handle with address of @IRCATERING to cater to the complaints/suggestions of passengers, they are distressed to note that despite all these mechanism, the complaints of passengers are not decreasing. The attribution of the Ministry that flooding of complaints is due to twitter, social media etc., is not acceptable to the Committee as prior to twitter and social media, plenty of complaints did not reach to the Railways. They, therefore, desire that stringent measures should be taken in new Catering Policy, 2017 to contain the grievances by complying all statutory guidelines/norms for food safety and quality control from preparation level to its distribution. Also, strict penal provisions should be in place and adhered to in letter and spirit in respect to those who flout and default the provisions.

### **Reply of the Government**

While the total number of complaints in 2017-18 have shown a marginal decline as compared to 2016-17, the number of complaints with respect to quality has also shown a decline over last two financial years in terms of both absolute numbers and percentage of total complaints. It is the continuous endeavour of Indian railways to bring about tangible improvements in quality of food served on trains through IRCTC and in the overall catering services on Railways. The penal provisions in place have also been utilized to improve quality.

### **CHAPTER – III**

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO  
PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

- NIL -



## **CHAPTER – IV**

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE  
GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE  
REITERATION

- NIL -

## **CHAPTER – V**

### **RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES ARE STILL AWAITED**

#### **Recommendation (Para No. 6)**

The Committee are happy to note that in new Catering Policy, 2017, a New Menu and Tariff Committee has been constituted by the Ministry to study the workability of the rates in catering contracts and to recommend/report upon the fixation of tariff for standard menu/food items on the list of menu items given by IRCTC and calculation of empirical formulae so as to calculate annual or periodical escalation with respect to increase in prices of the components leading to preparation of meal. The committee will submit its report shortly. The Committee, therefore, desire that while implementing the new Catering Policy, 2017, the Railways should closely examine the recommendations of the New Menu and Tariff Committee and implement them in letter and spirit to avoid difficulty and demotivation to the parties concerned in the endeavor for the betterment of catering services over Indian railways. The Committee would like to be apprised of its recommendations vis-a-vis status of their implementation.

#### **Reply of the Government**

It is intimated that the Menu and Tariff Committee, constituted by the Ministry of Railways to study the workability of the rates in catering contracts and to recommend/report upon the fixation of tariff for standard menu/food items has already submitted its report which is under examination.

Further, IRCTC has already been advised by Railway Board to take necessary action for rationalisation and standardisation of the existing menu and number of services undertaken for catering in trains. In addition Railway Board has also directed that while undertaking the said review exercise, IRCTC shall ensure that the hygiene and quality of catering services is maintained to the highest level within the framework of tariff notified.

IRCTC accordingly has revised and implemented new meals based on menu rationalization on 35 pairs of Shatabdi, Rajdhani and Durgam Trains.

### **Comments of the Committee**

(Please *see* recommendation Para No. 11 of Chapter-I)

### **Recommendation (Para No. 7)**

The Committee have been informed that in the Catering Policy, 2010, Zonal Railways had a contract awarding, management and monitoring system which was effective and transparent. The allotment of all major units and General Minor Units at A, B and C categories stations were done through open, competitive and two-packet tendering system based on Standard Bid Document (SBD) and duly following all the procedures/instructions issued by Government of India/Railway Board from time to time. Allotments of static Special Minor Units (SMUs) at A, B and C categories of stations and all GMUs and SMUs at D, E and F categories stations were done by calling applications through press notification. The Ministry have informed that tenure of all major units being handed over to IRCTC will be governed as per catering Policy, 2010 and continue till the expiry of the contracts. IRCTC shall further manage these units as per the provisions of the new Catering Policy, 2017. Tenure of all other catering units (major units and minor units) will be for a period of 5 years only. The contracts awarded by zonal railways for kitchen units viz. Refreshment Rooms at A1 and A category stations, Jan Ahar, Cell Kitchens shall be reassigned to IRCTC on the same terms and conditions with sharing of license fee between IR and IRCTC in the ratio of 40:60 in all cases other than departmentally managed units by IRCTC wherein revenue shall be shared in the ratio of 15:85. The allotment of Refreshment Room (at B and below category stations), a stall or a trolley is deemed as one unit and shall be awarded through a single license. No new license for khomcha/Dallah/Chhabba/Wheel Barrow/Hand Barrow/Tray/Table/Tea Balta (or any other similar unit by a different name) shall be awarded by Zonal Railways. The Committee are, however, note that though the Ministry of Finance (Deptt. of Expenditure) has mandated all Ministries/Departments of Central Government, their attached and subordinated offices, Central Public Sector Enterprises and

Autonomous/Statutory bodies to commence e-procurement through E-tendering in respect of all procurements with estimated value of Rs. 2 lakhs or above w.e.f. 1.4.2016 vide Office Memorandum dated 30.03.2012, 09.01.2014 and 21.01.2016 by selecting e-Procurement service provider of their own choice, the Railways are still continuing awarding contracts by following old systems even after unification of Railways Budget with Union Budget. The reasons for opting E-tendering process has been stated to be more transparent for awarding contracts. In this regard, the Ministry have informed that they have constituted a committee for preparation/modification in the Standard Bid Document for allotment of static catering units and development of e-tendering module for Zonal Railways which has submitted its report on E-tendering module for catering tenders along with draft SBDs (Standard Bid Documents). The SBDs are under examination. The Committee desire that the examination of SBDs may be expedited and E-tendering module may be implemented over Indian Railways in letter and spirit. A monitoring mechanism be evolved to enable that all contracts may be awarded commensurate to this E-tendering module.

### **Reply of the Government**

The Standard Bid Documents (SBD) for various types of minor static catering units viz. General Minor Units, Special Minor Units (SMU) have already been issues by Ministry of Railways as per the following details :-

- (i) SBD for GMUs at A-1, A, B & C category stations vide letter No.2017/TG-III/600/09/Pt.1 dated 10.01.2018.
- (ii) SBD for SMUs at A-1, A, B & C category stations vide letter No.2017/TG-III/600/09/Pt.2 dated 06.02.2018.
- (iii) SBD for GMUs at D, E & F category stations vide letter No.2017/TG-III/600/09/Pt.3 dated 31.01.2018.
- (iv) SBD for SMUs at D, E & F category stations vide letter No.2017/TG-III/600/09/Pt.4 dated 07.02.2018

- (v) SBD for Milk Stalls at all category stations vide letter No.2017/TG-III/600/09/Pt. 5 dated 28.05.2018.

As regards to issuance of E-tendering module for tendering of minor static catering units, it is stated that the recommendations regarding same has been received from the committee and presently under examination in Board's office. It will be issued after approval of the competent authority.

### **Comments of the Committee**

(Please *see* recommendation Para No. 14 of Chapter-I)

NEW DELHI:  
4 February, 2019  
15 Magha, 1940 (Saka)

**SUDIP BANDYOPADHYAY**  
**Chairperson,**  
**Standing Committee on Railways**

## **APPENDIX-I**

### **MINUTES OF THE FOURTH SITTING OF THE STANDING COMMITTEE ON RAILWAYS (2018-19)**

The Committee met on Monday, the 4<sup>th</sup> February, 2019 from 1500 hrs. to 1630 hrs. in Committee Room 'C', PHA, New Delhi.

#### **PRESENT**

**Shri Sudip Bandyopadhyay - Chairperson**

#### **MEMBERS**

##### **LOK SABHA**

2. Shri Ram Tahal Choudhary
3. Shri Gajanan Chandrakant Kirtikar
4. Shri P.K. Kunhalikutty
5. Shri Lakhan Lal Sahu
6. Shri Rajeev Shankarrao Satav
7. Shri Uday Pratap Singh
8. Shri Kukade Madhukarrao Yashwantrao

##### **RAJYA SABHA**

9. Shri Garikapati Mohan Rao
10. Shri Motilal Vora

#### **SECRETARIAT**

1. Smt. Kavita Prasad - Joint Secretary
2. Shri Arun K. Kaushik - Director
2. Shri R.L. Yadav - Additional Director

#### **REPRESENTATIVES OF THE MINISTRY OF RAILWAYS (RAILWAY BOARD)**

1	V. K. Yadav	Chairman, Railway Board and Ex-officio Principal Secretary to the Government of India
2	Girish Pillai	Member Traffic, Railway Board and Ex-officio Secretary to the Government of India

3	Vishwesh Chaube	Member Engineering, Railway Board and Ex-officio Secretary to the Government of India
4	Rajesh Agrawal	Member (Rolling Stock) , Railway Board and Ex-officio Secretary to the Government of India
5	Ghanshyam Singh	Member (Traction) , Railway Board and Ex-officio Secretary to the Government of India
6	S.N. Agrawal	Member Staff, Railway Board and Ex-officio Secretary to the Government of India
7	Shailesh Kumar Pathak	Chief Commissioner of Railway Safety (CCRS)

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. Thereafter, the Committee took up for consideration the following draft Reports:-

- (i)      xxxx                                  xxxx                                  xxxx                                  xxxx
- (ii)    Action taken by the Government on the recommendations/ observations of the Committee contained in their 21<sup>st</sup> Report on the 'New Railway Catering Policy, 2017'.

The Committee adopted the above-mentioned Reports without any modification.

3. The Committee also authorized the Chairperson to finalise the Reports and present the same to Parliament.

4.      xxxx                                  xxxx                                  xxxx                                  xxxx

5.      xxxx                                  xxxx                                  xxxx                                  xxxx

6. A verbatim record of the proceedings of the Committee has been kept.

**The Committee then adjourned.**

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*xxxx not related to the Report.*

## **APPENDIX-II**

### **ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE 21<sup>ST</sup> REPORT (16<sup>TH</sup> LOK SABHA) ON "NEW RAILWAY CATERING POLICY, 2017"**

Total number of Recommendations/Observations	25
(i) Recommendations/Observations which have been accepted by the Government –	
Para Nos.	23
3,4,5,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25,26 and 27	
Percentage of total	92%
(ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies –	
Para No. NIL	--
Percentage of total	0%
(iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration –	
Para No. NIL	--
Percentage of total	0%
(iv) Recommendations/Observations in respect of which final replies are still awaited -	
Para No. 6 & 7	2
Percentage of total	8%