

Executive Summary

Indian Railway (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.

Audit was carried out to assess the adequacy and availability of good quality and hygienic food to railway passengers at affordable rates. Audit also assessed the management of contracts awarded for providing catering services at stations and in trains for ensuring good quality catering services. The audit examination covered the period from 2013-14 to 2015-16.

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. However, 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.

Zonal Railways did not ensure 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. Audit 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.

Important Audit findings

- 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. **(Para 2.2)**
- 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 (ECR, ER, NFR, NWR, SER, SWR and ECOR). **(Para 2.3)**
- 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. **(Para 2.4.1)**
- 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 NCR, SECR and SR for the trains which run for more than 12 hours during the day time. **(Paras 3.1 and 3.6)**

- 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. **(Para 3.2)**
- 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. **(Para 3.7)**
- 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. **(Para 3.9)**
- 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. **(Para 4.1)**
- During the joint inspection of selected 74 stations and 80 trains over Zonal Railways, Audit 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.

(Paras 5.1 to 5.3)

- 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.

(Para 5.5)

Recommendations

- 1. ICF may be directed to keep in view the policy of switch over from gas burners to electric power equipment in pantry cars, while manufacturing pantry cars.***
- 2. Provision of pantry cars may be considered in case of long distance trains as per policy.***
- 3. Railways may facilitate smooth transfer of catering units including base kitchens to IRCTC by ensuring that the obligations on part of the Zonal Railways are fulfilled and accountability of Zonal Railways to carry forward the new Catering Policy of 2017 is clearly demarcated.***
- 4. IRCTC may be obligated to provide low cost Janta meals on stations and these should be effectively advertised amongst the passengers.***
- 5. The prescribed monitoring mechanism may be effectively exercised to ensure hygiene, cleanliness and quality of the catering services by IRCTC/licensees.***
- 6. Railway Board may frame guidelines for assessing the workability of rates in catering contracts so that the quality of the services is not compromised.***
- 7. Railways may ensure effective checks and controls to stop 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, by catering service providers.***