

**O/o Comptroller and Auditor General of India**

**PRESS RELEASE**

**New Delhi; 21.7.17**

**CAG's Report - Union Government (Railways) for the year ended March 2016  
on 'Catering Services in Indian Railways' laid in Parliament;**

**Frequent changes in catering policy have created a state of uncertainty in  
management of catering services provided to the passengers;**

**Joint inspection reveals that Cleanliness and hygiene not being maintained,  
Bills not being given for the food items served in mobile units in trains;  
Deficiencies in respect of quality of food served**

Comptroller and Auditor General of India's Report No. 13 of 2017 - Union Government (Railways) for the year ended March 2016 on 'Catering Services in Indian Railways' has been laid on the table of both houses of Parliament today.

The report points out that frequent change in catering policy and consequent transfer of responsibility to manage catering units have created a state of uncertainty in management of catering services provided to the passengers over the years. Also, due to frequent policy changes, Indian Railway (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. Blueprint for provision of catering services was not prepared in seven Zonal Railways. The policy of progressive switch over from gas burners to electric power equipment in pantry cars to avoid the occurrence of fire accidents in trains was not followed while manufacturing the pantry cars in Integral Coach Factory, Perambur. Zonal Railways did not ensure provision of pantry cars in a number of long distance trains. 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. During joint inspections of selected trains, audit observed a number of unauthorized vendors on platforms and trains.

During the joint inspection at selected 74 stations and 80 trains, 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. 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 items were sold at the railway stations at maximum retail price 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.

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.

The Report includes the assessment of adequacy and availability of good quality and hygienic food to railway passengers at affordable rates. Audit analysis related to management of contracts awarded for providing catering services at stations and in trains for ensuring good quality catering services was also included in this Report. Audit also conducted joint inspection along with the Railway personal to assess and check the adequacy and availability of catering services at stations and in trains.

### **Major Audit findings**

- Indian Railways has changed its catering policy three times since 2005. Frequent change in catering policy and consequent transfer of responsibility to manage catering units from railways to IRCTC and back, have created a state of uncertainty in management of catering services provided to the passengers over the years. As per the new policy (issued in February 2017), a number of catering activities which were assigned to IRCTC in 2005 policy and then transferred to Zonal Railways in 2010 policy, have now been assigned back to IRCTC. However, the concerns of quality, hygiene, affordability and availability of food to passengers are needed to be adequately addressed. Also, due to frequent policy changes, IR could not take effective steps to bridge the gap to provide necessary infrastructure in terms of base kitchens, Static Catering Units, Trains Side Vending arrangements and Automatic Vending Machines etc. **(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. Audit noticed that Blue Print for provision of catering services was not prepared in seven Zonal Railways (East Central, Eastern, Northeast Frontier, North Western, South Eastern, South Western and East Coast Railways). **(Para 2.3)**
- The policy of progressive switch over from gas burners to electric power equipment in pantry cars to avoid the occurrence of fire accidents in trains was not followed while manufacturing the pantry cars in Integral Coach Factory, Perambur. A total of 103 pantry cars were manufactured by Integral Coach Factory during April 2011 to

March 2016 with provision for centralized LPG cylinders and 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. Alternative services through train side vending and/or base kitchens were also not provided in some of the trains checked in audit. No Train Side Vending Services were provided by North Central, South East Central and Southern Railways for the trains which run for more than 12 hours during the day time. Absence of pantry cars in long distance trains and Train Side Vending Services attracts unauthorized vendors in trains and sale of unhygienic and unhealthy food products. **(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. 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. **(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. As the new Catering Policy 2017 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. **(Para 3.7)**
- Continued presence of hawkers and sale of unauthorized food on trains also indicated that the catering services provided on trains were not adequate. 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)**

- To assess the adequacy of hygienic and good quality food at stations and in train, Audit conducted joint inspection at selected 74 stations and 80 trains over Zonal Railways. During the joint inspection, 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.**(Paras5.1 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)**

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