



PHILOSOPHY OF THE CATERING POLICY 2010

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13.9.2011

LUCKNOW



A THOUGHT

- "THE WORST SIN TOWARDS OUR FELLOW CREATURES IS NOT TO HATE THEM, BUT TO BE INDIFFERENT TO THEM: THAT'S THE ESSENCE OF IN-HUMANITY"

- **GEORGE BERNARD SHAW**

- *THE DEVIL'S DISCIPILE*



HISTORICAL EVOLUTION OF CATERING ON IR

- CATERING CONCESSIONS
- DEPARTMENTAL CATERING
- I) Origin 1915 on BNR(now SER, ECOR, SECR) introduced Western Style catering..... opened railway hotel at Ranchi..... 1919 taking over of certain Indian style catering establishments..... Opening of Puri Hotel in 1925
 - ii) On M&SMR in 1920 and 1925 on SIR.....cheap Indian style vegetarian food
 - iii) Nizam State Railway opened Railway Hotel in Aurangabad in 1938
 - iv) till 1953 constituted 16% of the total number of catering establishments



DEPARTMENTAL CATERING Contd.

- v) Due to criticism in media and Parliament the MOR set up a High Powered Committee on Catering headed by Shri O V Alagesan----- in 1953
- vi) The Committee concluded that, " ----- a large body of Public Opinion was in favour of departmental catering----"
- vii) The Committee inter alia made the following recommendations:
 - a) Railways with no departmental catering should start with an experiment with an economic departmental catering organization so as to set the standard and service as a model
 - b) The holdings of contracts should be compact and of a manageable size and the existing large holdings which have resulted in unsatisfactory service should be reduced
 - c) Railway administrations should ensure more effective supervision and take prompt and vigorous action against unsatisfactory service



Contd.

- MOR generally accepted the recommendations and in 1955 issued the new policy with the observations
- *“ In this context Railways must remember that merely taking away contracts from contractors and running them departmentally is not the objective. Departmental catering is required to set the standards for the supply of tasty and wholesome food at reasonable prices combined with courteous and efficient service which standards the licensees should follow and emulate”*



CATERING ON IR Contd.

- ERA OF DINING CARS/BUFFET CARS
- SWITCH TO PLATED MEALS FROM BASE KITCHENS
- PREMIUM SILVER SERVICE CATERING ON RAJDHANIS



Contd.

- ERA OF SPECIALITY RESTUARANTS
"TERRACE", "NARGIS"
- PALACE ON WHEELS
- CASSEROLE MEALS
- ERA OF SHATABDIS
- PROLIFERATION OF RAJDHANIS



SETTING OF IRCTC AND ITS MANDATE

- ISSUES:

- I) CONCESSION CATERING
- II) DEPARTMENTAL CATERING

- ERA OF LIBERALISATION

- MANDATE:

- I) TAKE OVER CATERING ACTIVITIES FROM IR
- II) PROFESSIONALISE THEM
- III) FRANCHISE



IT'S PERFORMANCE

- DEPARTMENTAL CATERING REDUCED PROGRESSIVELY
- NON OPTIMAL USE OF TRAINED MANPOWER OF IR
- FOCUS ON CONCESSIONING WITHOUT APPROPRIATE CONTRACT MANAGEMENT IN PLACE
- SHORTCOMINGS IN THE BUSINESS MODEL



Déjà vu MINISTER'S BUDGET SPEECH

- ***Budget speech on 03.7.2009*** "all Railway zones have been instructed to give priority to provision of ***good quality food***, drinking water and toilet facilities and ensure cleanliness on trains and stations. I have further instructed that ***availability of Janta Khana should be ensured*** and we will be introducing national and regional cuisines in our catering. A comprehensive policy including strict monitoring mechanisms would be developed soon for achieving these objectives."
- Reply to the Budget discussion in Lok Sabha dated 09.7.2009 , ***"outsourcing cannot be done everywhere ... it has been decided to arrange food in Rajdhani/Shatabdi trains through department ... we do not need outsourcing ... food will be arranged by departmental arrangements ... catering and tourism corporation will be reconstituted and let them do tourism but not food... "***



Contd.

- MR orders dated 30.10.2009 “the catering policy needs to be reviewed. One of the reasons for calling for a review of the catering policy was to avoid monopolization. ”



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- " there is a ***widespread perception*** that the ***quality of catering services*** at present is ***not upto the expectations of the passengers***. The Catering Policy of the Railways has in the recent years ***focused on revenue generation*** and service to the upper class passengers losing sight of the common passengers ... it is imperative that these ***policies are reoriented towards providing good quality and affordable food for the common passengers*** the hiving off of the management of catering services to IRCTC has ***created a duality in the roles and responsibilities in this regard*** Railways ***do not have any effective say*** in the fulfillment of these expectations. In order that the catering services are ***put on a proper keel***, the ***role and responsibility of IRCTC vis-à-vis the Indian Railways may have to be redefined.***"



PREAMBLE OF THE CATERING POLICY 2010

- Pursuant to a Cabinet decision, the Catering business of Indian Railways was ***being progressively*** hived off to the Indian Railways Catering and Tourism Corporation (IRCTC) through provisions in the Catering Policy of 2005. Modification of the policy has now been necessitated after the experience gained and public perception since the operation of this policy. The modification pertain to ***establishing good governance standards and improving the quality of these services for providing food and beverages services*** to passengers traveling on trains through mobile catering services and operation and management of the static catering contracts dealing with provision of food and beverages to passengers travelling on trains, on railway premises like platform, concourses etc.



SALIENT FEATURES

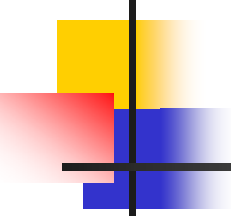
- OBJECTIVES OF CATERING POLICY
- ROLE OF IR AND IRCTC
- QUALITY ASSURANCE MECHANISM:

Objectives of the new Policy



- To provide hygienic, ***good quality affordable food*** to the travelling public by adopting best trade and hospitality industry practices.
- To have an ***inclusive approach*** where from the least advantaged passenger to the relatively affluent will be provided catering services in a socially responsible manner.
- To ***meet all the social objectives*** of the Government, including provision of reservations as per Government Directives issued from time to time.

ROLE OF IR AND IRCTC

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- Earlier policy sought to treat catering as an independent profit centre whereas this policy acknowledges catering as a passenger service.
 - The policy seeks to bring improvements in catering by shifting the task of monitoring quality of service from IRCTC to the Zonal Railways and attempts to leverage Zonal Railways' vast and elaborate all-India network in order to effect a thorough supervision and control over catering activities.
 - IRCTC would also continue to be a service provider to the Indian Railways and shall be responsible for managing the premium and high end outlets like Food Plazas, Food Courts and Fast Units; and institutional catering outside railways. IRCTC would also attempt to create a niche in high-end premium catering industry and in tourism.

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Contd.

- Para 3.5 *"ZR will institutionalize a mechanism for monitoring the catering services"*
- Para 3.5.1 *"-----will decide the extent, type and scale of catering services-----"*
- Para 3.5.2 *"-----benchmark, standardize audit food production and processes-----"*
- Para 20.6 *"-----conduct passenger satisfaction surveys by means of third party audits"*
- Para 6.1 *"-----set up a grid of modern mega, medium and small base kitchens -----to improve quality, hygiene, cleanliness"*

QUALITY ASSURANCE PROGRAMME



- Adequate weightages to the quality of services offered/conformity of the bid to the laid down standard of quality in the bid document.
- Suitable formulae for bid evaluation criteria to be defined in the Standard Bid Document.
- Special Tender Conditions to be framed by the Zonal Railways.



Comparison of complaints received during the last 9 months (Sep'10-May'11) with the corresponding period of last year

Month	2010 onwards	Previous year	% Variation
September	413	515	-19.8
October	427	626	-31.8
November	448	662	-32.3
December	416	662	-37.2
January	418	729	- 42.7
February	254	725	- 65.0
March	272	722	- 62.3
April	340	730	- 53.4
May	285	695	- 59.0
Total	3273	6066	-46.0



ROLE OF DIVISIONS

- UNDERSTAND THE SPECIFIC DYNAMICS OF THE CATERING SERVICE, BOTH STATIC AND MOBILE OF THEIR DIVISION
- DEVELOP SUPERVISORY KNOWLEDGE, SKILLS AND ATTITUDE FOR CONTRACT AND SERVICE MANAGEMENT OF CATERING SERVICE



Contd.

- DEVELOP A BUSINESS MODEL:
 - I) OBJECTIVES IN TERMS OF VALUE DELIVERY AS A PART OF THE SUPPLY CHAIN OF IR
 - II) PROCESSES TO ACHIEVE IT
 - III) MONITORING PROCESSES



FEASIBLE ACTION PLAN

- YOUR SUGGESTIONS



AFTERTHOUGHT

- “A Professional is one who wants to know everything about his profession;
- A Professional after knowing everything wants to be the best in his profession;
- And then the Professional wants to use his knowledge and skills to do something for Society”

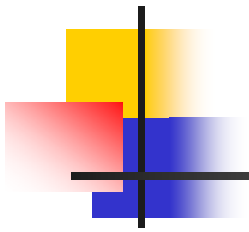
Dr. Verghese Kurien

Father of the White Revolution in India



ACKNOWLEDGEMENTS

- Shri O V Alagesan “HIGH POWERED COMMITTEE ON CATERING” REPORT
- Report of the Railway Catering and Passenger Amenities Committee, 1967
- Compendium of MR’s Budget Speeches
- Catering Policy 2010
- MOR Presentation of Catering Policy 2010 before the Parliamentary Standing Committee on 18.7.2011 by the C&IS Dte.
- IR WHITE PAPER DEC 2009



**THANK
YOU**