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**Evaluation of Services provided by Indian Railway Catering and Tourism
Corporation Limited**

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Abstract

Indian Railway is the one that connects and comprises of people from all the sectors of the country. It will continue to play a crucial role in the economy of the country in the many years to come. Today's need of the hour is to have an exclusive catering policy and system in place that would fulfil the requirements of the whole spectrum of passengers. India has tremendous potential to become a major global tourist destination, Travel and tourism industry is the second highest foreign exchange earner for India in the year 2009, Irctc is Schedule 'B' Mini Ratna Company of Indian government. In the recent past years, the hospitality and Catering Industries in India has Emerged as one of the largest in terms of production and fastest in terms of the growth prospects. The strong aspect of about our Indian Catering industry is that it did not bear any negative effects during the recession period, when other industries were struggling hard. Over the last five years this industry in India is consistently growing at the annual growth rate of 15-20% and in year 2010-11 it was given the credit of excellent. In the year 2012-2013 irctc contributed a sum of Rs.28.19 Crore to the revenue of Indian Railways as against a sum of Rs.25.64 crore during the year 2011-12. Within a short span of its going online, it had become the largest and the fastest-growing e-commerce website in the Asia-Pacific region, with about six lakh registered users as of 2013. In This perspective this is a exploratory study to evaluate satisfaction level of the services provided by irctc at the present time

Keywords: Catering and Hospitality, Travel and Tourism, financial performance, satisfaction, local vendor, Excellent,

Introduction

India is a country of numerous festivals and ceremonies, held in the form of important events, due to which scope of catering business in the past, was limited to social events like marriages etc. the catering industry in India is finally extending its reach beyond marriages and the Indian catering services providers are enjoying the good times .Milestone in the history of India Railway started on April 16, 1853, when It started its journey of 53 km between Mumbai to Thane. Today, it has one of the largest rail networks in the world with 64,460 route kilometres of route length. It is offering a cheap and affordable means of transport to millions of passengers, hence playing a major role in the social and the economic development of the country. Today it is serving over 1.4 Crore passengers every day. As part of Indian Railways' wider organizational reform and to strengthen its marketing and service capabilities in the areas of rail catering, tourism, hospitality and passenger amenities a corporate entity, Indian Railways Catering And Tourism Corporation Limited (IRCTC) was incorporated on 27th September 1999 under the Companies Act 1956 as a Government company. The company obtained the Certificate for commencement of Business on 2nd December 1999. The full-fledged functioning of the Corporation started on 1st August 2001. It has more than 1500 specialised hospitality professionals and a widespread network across

India. IRCTC is connecting India in more than one way. Thus the main objective of irctc is to provide a single window-service for hospitality, travel and tourism products. The catering business of Indian Railways is estimated to be around 2,000 Crore per annum. According to a senior Railway Ministry official, the average booking per day has been increased from 3.67 lakh in 2012 to 4.15 lakh in May 2013. Approximately, 31 crore reserve tickets are booked in a year out of which 55% of tickets are sold through windows, 37% of tickets are booked online and 8% are booked by ticketing agents. Its highest-ever single day booking is 5.02 lakh e-tickets on 1 March 2013. Due to heavy rash in internet ticket In March 2014, the Competition Commission of India (CCI) ordered an investigation against the website's regarding alleged unfair practices related to compulsory sale of food to travellers on some trains and ticket booking.

The corporation has made significant progress in travel and tourism segment of business. The turnover of this segment has almost double due to significant strides made in domestic tourism, As the Rail Neer is concern the Corporation has three operational rail plants at Nangloi, Danapur and palur. During the year 2013-13, a new manufacturing line of 500 ml Rail Neer bottle of capacity 60 BPM has been commissioned at Nangloi plant for supply to shatabdi train having travelling time of up to five hour and static units, capacity of rail Neer plant, Nangloi has also been enhanced from 8500 cartons per day to 11000 per day.

Future growth Strategy-over the years, IRCTC has developed extensive capability in the field of hospitality, catering, tourism, package drinking water and e-commerce, with the expertise in hand and support of the ministry of Railway, IRCTC is site to take new initiatives in various field as it is to grow many fold in coming years. as for the the corporation is poised to capture new opportunities in railway and Non Railway segment to sustain its high level of performance and at the same time shall continue to lay added emphasis on developing existing business lines. In tourism, step such as Introduction of a new rail, air packages, extension of the Buddhist Circuit special train to Odisha, New tour packages, launch of outbound packages, organisation of MICE events are being taken. In internet ticketing, the future thrust areas would be strengthening of ticketing service by up-gradation, introduction of value added services and diversification into areas like events ticketing, ticketing for foreign railways etc.

Vision

"To be the leading provider of high quality travel, tourism and hospitality related services, for a range of customer segments, with consistently high level of customer satisfaction."

Objectives of IRCTC

Catering and Hospitality

- To provide high quality catering services directly as well as through network of professionally competitive licensees and franchisees.
- To be a significant player in the hospitality business.
- To produce bulk food manufacturing facilities like food factories etc.

Packaged Drinking Water (Railneer)

- To provide high quality package drinking water (Railneer).

Travel and Tourism

- To promote tourism across the country especially for all segments of Rail Passengers.
- To provide single window solution to its customers including train travel, road travel, air travel, hospitality, hotel accommodation and catering etc.
- To develop and operate Executive Lounges, Multi-functional complexes, budget hotels etc. through participation by professionals.

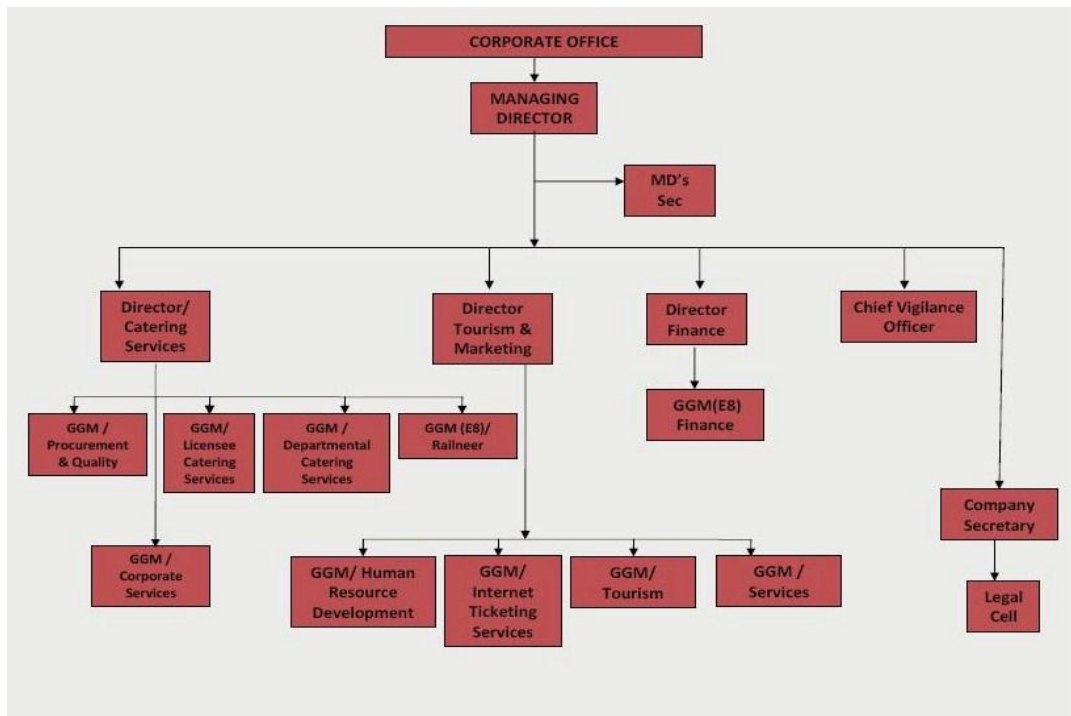
Internet Ticketing

- To maintain leading position in internet ticketing, e-commerce and technology for customers interface for railway passengers/ customers.

Other objectives of IRCTC

- To be a technology driven customer oriented company through constant innovation and human resource development.
- To promote private sector participation and expertise to improve quality of products and services.
- To imbibe strong customer friendly, professional and ethical work culture.
- To adopt strong Corporate Governance practices and best and transparent industry practices.
- To work towards creation of additional infrastructure on Railway or non-railway premises in their mandated line of business with a view to improve the Gross Block.

Organization Structure of IRCTC



Corporate Office of IRCTC is situated at New Delhi, which is headed by the Managing Director. Managing Director is being assisted by three Directors, Director (Catering Services), Director (Tourism & Marketing) and Director (Finance), and nine Group General Managers. For smooth operations of the business across all over the country, five Zonal Offices are working at Delhi, Kolkata, Mumbai, Chennai and Secunderabad. South Zone Office is headed by Regional Director and all other Zonal Offices are headed by Group General Managers. These Zonal Offices are assisted by ten Regional Offices at Lucknow, Chandigarh, Jaipur, Bhubneshwar, Guwahati, Patna, Bhopal, Ahemedabad, Bangalore and Ernakulam, which are headed by Chief Regional Managers/ Regional Managers.

Research Methodology

Objective of the Study

The objective of our study is to evaluate the level of satisfaction among the customer of the Indian railway catering and Tourism Corporation limited's catering services

Period of the Study

Period of the study for the Secondary data is taken for ten years, from the year 2003-2004 to 2012-2013

Significance of the study

The result of our study will show the view and perception of general (Common man) customer toward IRCTC's services who are well aware about its services, including foods provided by onboard and its varies subsidiary. It will also help to know policy maker especially irtc's expert about much customer's are satisfied or dissatisfied with the IRCTC's

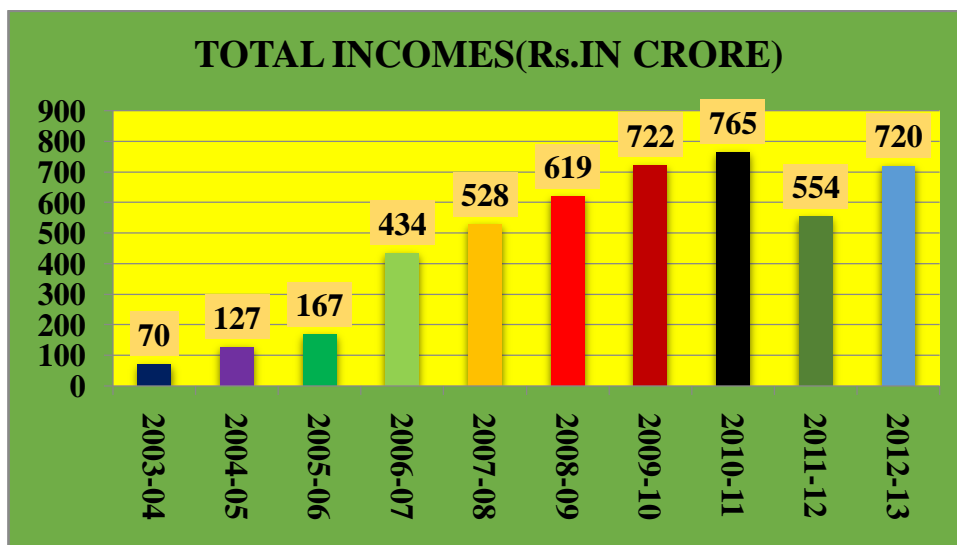
catering services and to locate various areas of improvement for increasing the satisfaction level or decrease the dissatisfaction level so that policy can be framed accordingly and customer can be careful and alert about its threat created by irctc product & services on the travel and off the travel.

Sources of Data collection

Primary data has been collected by using Questionnaire and Structured Interviews as per convenience. For Questionnaire sample size of our study was 100 and number of respondent were 82 and the sample composition include Passagers who are regularly travelling by train and availing catering services by IRCTC. To acquire basic information, *secondary data* were collected by website of irctc, Previous research, Irctc’s annual Report of 10 years, etc

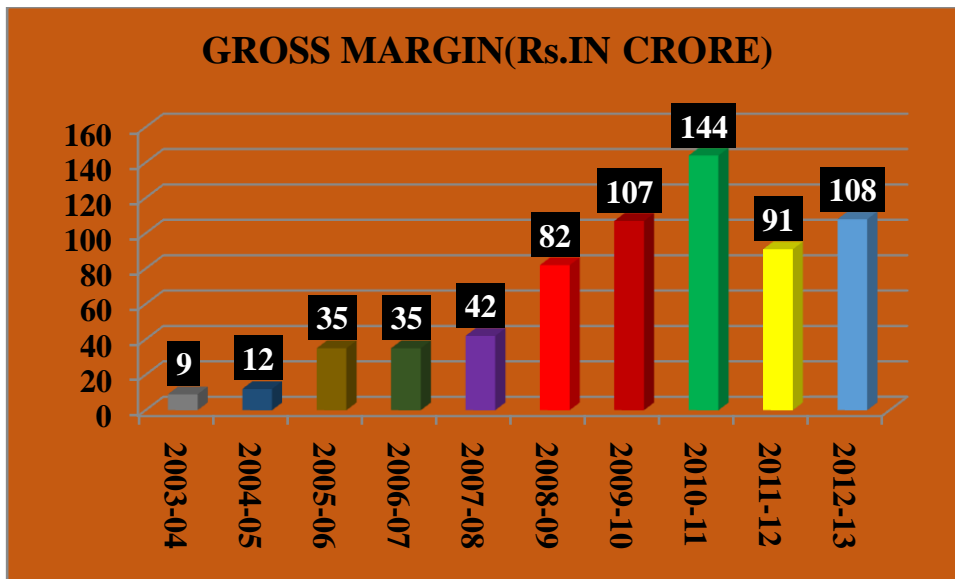
Financial Performance of irctc

As per the 14th Annual General meeting of irctc and Chairman’s Speed it was reveal that during the year 2012-2013, the corporation achieved a total income of Rs 719.69 Crore, as compare to Rs 554.11 Crore in 2011-12, The increase in income was achieved mainly due to quantum jump in tourism segment revenue from Rs. 98.95 Crore in 2010-12 to rs.188.71 in 2012-2013. Gross profit of Rs.92.41 Crore was achieved during the year 2012-2013 as compare to Rs.76.54 Crore in year 2011-12.The performance of corporation in term of MOU signed with Ministry of Railways. Government of India for year 2011-12 has been rated as ‘**Excellent**’, for the year 2012-13.the Corporation has achieved most of the physical and financial target as required for “Excellent” grading



(Sources-Annual Report of irctc)

The above figure clearly depict the increasing total income with Rs.70 Crore in the financial year 2003-2004 to Rs.765 Crore in the year 2010-2011 where it was given the credit of “**Excellent**” but due different unavoidable reason its total income decrease to Rs.554 Crore in the year 2011-2012 with a fall in Rs. 211 Crore which which can have significance affect in its performance but Different expert forecast the increase in its total income as it has again started in the year 2012-2013 and is expected to maintain its increasing order in coming day.

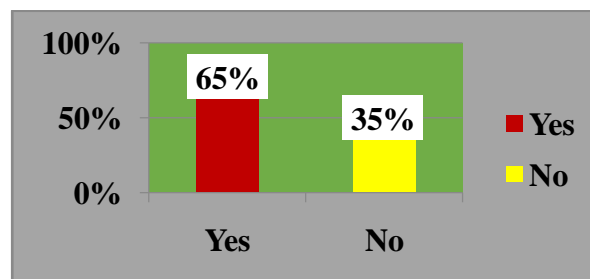


(Sources-Annual Report of irctc)

The above figure clearly depicts the overall performance of gross margin of irctc. from the year 2003-04 to 2005-06 there is increase in gross margin but in the 2006-07 and 2006-07 there was nearly equality in gross margin except some difference in fraction or points. But between 2006-2007 to 2010-2011 there is sharp increase in its margin with good performance in the year 2010-2011 with 144 Crores with is considered so healthy so its future prospect with a slight decling in the year 2011-2012 with 53 Crore but it was of no importance as it regain it in the year 2012-2013 with expecting to continue in the future.

Data Analysis and Interpretation

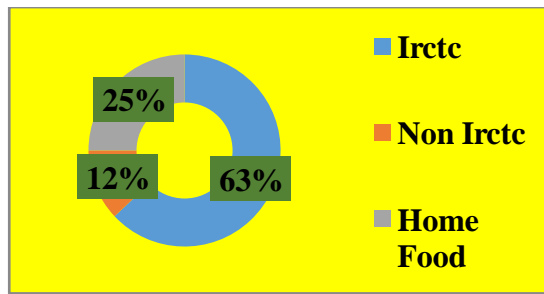
*Q. Do you buy food while on journey?



No. of respondent (in%)

Comments- 65% of the passenger buy meals from catering services while other 35% don't prefer to buy from irctc and the reason for not buying was doubt of quality, price and hygienic as they also prefer home made foods than irctc' food

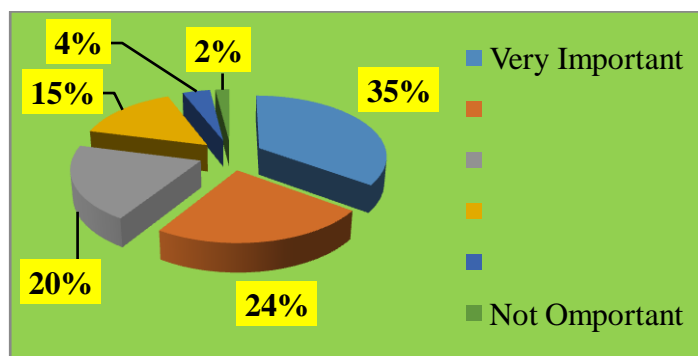
*Q. How do you get the food on train?



No. of Respondent (in%)

Comments- Most of the passenger (65%) Prefer to buy their foods from irctc, as most of them narrated their threat involved when they buy from non irctc vendor, and 25% of them feels no threat when they buy from non irctc vendor while 12% of have them believe only in home foods for their health and safety

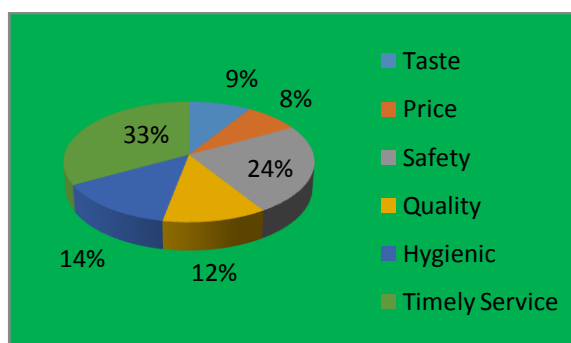
***Q. How important are catering and hospitality services in your travel?**



No. of Respondent (in%)

Comments – Most of the people realise that there is a great need of the catering and hospitality Services in their travel from whatever Income class they belong to. The above figure clarify that 35% passengers are in favour of very important, 24% say it is important while 15 % emphasis on average need of catering and hospitality service. So way understand majority of passengers favour a appropriate facility of catering while they are on service.

***Q. you buy from the IRCTC vendor's because of**

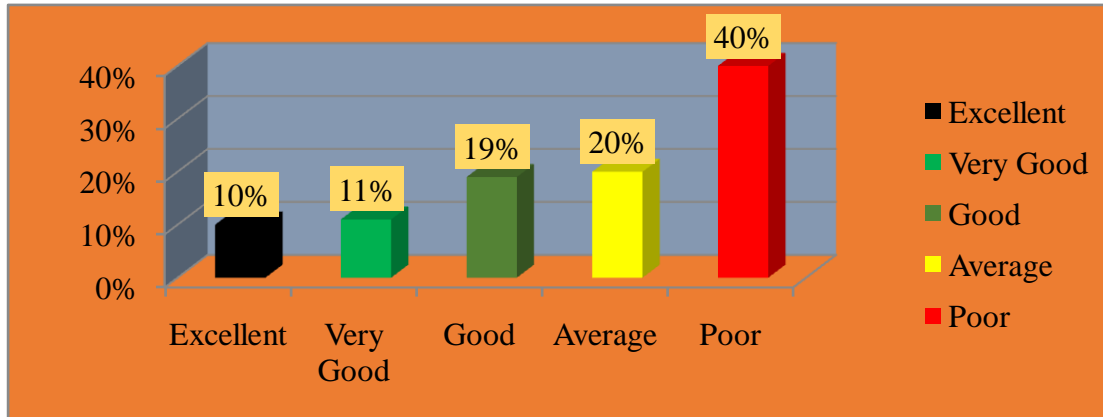


No. of Respondent (in%)

Comments - Out of 100 respondent 33% of the passengers are satisfied by the timely services followed by safety which is 24%, followed by hygienic which is 14% followed by taste 9% and last is price which is 8%, as the study is conducted on very

common people most of them think price of the irctc's food is more as compare to normal price prevailing in the market.

***Q. Are you satisfied by the assistant provided by irctc staff members (in terms of Courtesy, behavior, Customer services etc.)?**



No. of Respondent (in%)

Comments- the above figure clearly depict passenger are not satisfied with the assistant provided by staff who rank highest 40%, followed by average 20% and only 20% passenger feels good assistant, followed by very good 11% last is excellent only 10%, Hence there is need of improvement in this areas.

As explaining all the question one by one takes more space so we are limiting only by few question and comment as above but all of them is used in deriving conclusion.

Conclusion

As from above discussion it is revealed that after a slight decline in growth in 2012, India's travel and tourism industry is rebounding with strong results for 2013 and it is expected to continue in the near future. As irctc is the only railway service provider in a country it enjoys 100% monopoly in the railway travel market and de to this reason the quality of the catering services are not up to the appropriate standard, which need to make tremendous improvement not only in its customer service but also in the quality of food it provides to its travellers. Moreover it has developed and follows good quality check system to maintain the same and also train its staff member properly. As we know that today more than 10 million passenger travels by train everyday and almost all of them are from middle class and lower class family who cannot afford to travel by the AC coach. So the food and beverages as well as other services offered in the normal train also need to be improved.

Suggestions

*As irctc provide its services through Indian Railway it has good number of chance to make collaboration with local vender where they can get quality product for foods and beverages at best possible cost. Thus by doing this they can provide quality product at low cost for the upliftment of low and middle income group people which is real development of nation.

*A strict rule and regulation must be followed by government to avoid local unauthorised vender selling their goods not only in train but also on the platform especially in the remote area. It can also be achieved by making people aware about danger while using local vendor's product and services.

*Till today irctc provides services without a well printed menu which create a wrong intention of passenger regarding overcharging of prices among middle and low income group people, to avoid this good printed menu must be used.

*Complain management unit should be started by irctc where customer can file their complain either online or offline while on their journey which must be solved immediately within a fixed span of time.

*Many tourist are not satisfied with the behaviour of caterer, therefore representative of irctc must be given professional training so that they can interact with customer in decent manner.

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