The present study was envisaged in a situation where there were utter confusions and controversies as to the reasons for turnaround in Indian Railways. Though there were many study reports on this topic, there was no specific study which called for a probe into the strategies is SR to improve the financial performance during the turnaround period. A period of five years prior to turnaround and five years after turnaround is considered for the study. Performance evaluation is complete only when it focuses on customer satisfaction and employee satisfaction as customers are the real beneficiaries of service and employees are the providers of service. The researcher relied upon both primary and secondary data.

The study reveals that the financial performance of Southern Railway improved during the period and the operating ratio was more than 100 even during that period. Since SR is a terminal railway, terminal expenses are very high compared to other Railways. With increasing working expenses, SR has been finding it extremely difficult to generate enough revenue to finance their already sanctioned and ongoing capital projects, replace and renew existing capital assets and to take up projects for technology upgradation. Adequate terminal facility, both for coaching as well as freight traffic is highly required for carrying traffic and also for quick release of rolling stock.

About service quality, the study reveals that passengers are satisfied only with the fare and other charges and ticketing and facilities at the counter. The passengers are found to be dissatisfied with the essential amenities and security provisions in stations. Similarly, passengers are found to be dissatisfied with the
facilities provided in trains such as maintenance of coaches, water facility, catering and medical assistance during emergencies.

The study on employees’ behaviour analysed division-wise, department-wise and period of service-wise reveals that employees are highly dissatisfied with the turnaround related factors. According to them, turnaround was occurred in Railway by overburdening employees with the strategies. However, they opined that passenger amenities of SR have improved considerably.

**Key words:** Turnaround, Turnaround strategy, Operational Crisis, Pre and Post turnaround, Wagon turnaround, Outsourcing.