



Performance Report - 2008

Department of Sri Lanka Railway

Vision

To provide a quality Rail Transport service with an environment of multi mode transport for passenger and freight traffic within an independent financial arrangement.

Mission

Provision of a safe, reliable and punctual Rail Transport service for both passenger and freight traffic economically and efficiently.

Objectives

- Making improvement in the service and Time table to provide an efficient service to meet the passenger needs.
- Rehabilitation and improvements to sustain efficiency of declining assets. (eg. Rail line, Signalling system, Train fleet).
- Strengthening the assets base on investments for new assets.(Diesel Multiple Units, Engines, Passenger Carriages).
- Strengthening revenue sources.
- Restructuring the establishment framework of the organization to meet the present day demands.(challenges).
- Human resource development.

Performance 2008

The short term strategies, laid foundation in 2008 have been further implemented during the year 2008.

New assets have been utilized to raise the quality of the service.

- 100 new passenger carriages and 15 diesel multiple units have been put in to service.
- Action has been taken to obtain 15 new engines targeting promotion of freight transportation and the up country services.
- Implementation of the procurement procedure of introducing a new telecommunication system.

Revision of passenger fares and concessionary fares for season tickets.

Establishment of a methodology to solve problems related to payment of overtime in order to control expenditure after discussions with relevant institutions.

Taking action to establish a more efficient organizational structure after discussions regarding institutional and administrative issues.

Preparation of financial management procurement procedure to meet the present day needs.

Preparation of policies on property management and obtaining necessary approval.

Several problems had to be encountered in achieving the projected targets in the year 2008.

During the year 2008, 100 passenger carriages and 15 diesel multiple units which were needed urgently for use could be obtained through procurement procedure. This has resulted in raising the quality of the passenger service.

However, due to some technical problems, the aim of upgrading up country services by deploying passenger carriages on up country railway line was not successful as anticipated. But diesel multiple units were able to strengthen the suburban service as well as to make the daily office train service more efficient. Long distance services could be improved by adding new passenger carriages.

The anticipated engines could not be obtained as the procurement procedure could not be completed within the year as it took a longer period in obtaining advice and information for purchasing 15 new engines.

Due to rapid fluctuations in the price of steel in the world market , obtaining 15 oil transporting tankers under Pakistan aid was hindered.

The open procurement procedure for purchasing a new communication system had to be rejected due to non-receipt of feasibility proposals.

Annual rehabilitation process has been followed as usual and it was possible to maintain the average speed of railways up to 40 kms p/h. adequately removing speed limits and to rehabilitate a sufficient number of engines, passenger carriages, and wagons.

Due to increase in fares, train passengers have opted to seek alternatives of travelling and hence an increased passenger revenue could not be obtained.

Property Committee was established and the land policy was drafted and submitted for government approval.

Final results of the discussions held with the respective divisions to formulate the institutional and administrative framework could not be achieved during the year. This will be continued .

The progress relating to each division for the year 2008 is given below.

Performance - Administration Division

Personal Management Activities

- Action taken to fill 2455 of the long outstanding vacancies.
- Preparation of 10 schemes of recruitment which were hitherto inactive and submission them to P.S.C. for approval.
- Action taken to fill vacancies after updating procedures for promotions and holding interviews and examinations.
- Recruiting retired army officers with experience for security service.

Employee Relations

Building a common platform for regular discussions with trade unions and it helped immensely to minimize stoppage of urgent work, strikes and sabotage. (The services could be maintained without any break in 03 such occasions.)

The Employees Board was set-up to get the employee participation in taking production and management decisions in the Ratmalana workshop.

Steps to solve administrative and institutional issues.

Discussions to be held with relevant institutions on institutional administration issues connected to public service.

Submission of a proposal to restructure the Department and to establish a Legal Unit creating the post of Legal Officer.

Public Relations

Conducting press conferences every three months relating to issues , progress and new trends on railway service.

Awareness creation of divisional and relevant sections on management of railway crossings and security affairs.

Organizing the Wednesday programme more systematically for the general public to submit their problems.

Taken action to construct a home called “Colomba Gedara” at the Fort Railway premises for the comfort of passengers reaching Colombo from far away places for night accommodation.

Human Resource Management

German Railway Technical Training Centre

The intake of students for full time courses conducted by Sri Lanka German Railway Technical Training Centre in 2008 is given below.

Course	No. of Student intake
Motor Mechanic	18
Diesel Engine Mechanic	23
Electrician	24
Welder	23
Mechanic(General)	19

The number of student's completed full time courses in 2008 is given in the following table.

Course	Group	No of Students
Diesel Engine Mechanic	2005	31
Electrician	2004	13
Welder	2004	12
Mechanic(General)	2004	09

The total number of students followed full time courses in 2008 was 309, and the number followed short time courses was 514 of which 41 were from outside institutions while the other 473 were from the department.

Internal Audit

Internal Auditing was done in the following Divisions during this year.

#	Place	No
01	Railway Stations	139
02	Sub Railway Stations	133
03	District Inspector's Offices	04
04	Running Sheds	09
05	Permanent Road Inspectors Offices	15
06	Building Supervises Offices	05
07	Workshops	03
08	Account Branches	06
09	Administration Branches	04
10	Railway Stores	09

Auditor General's Audit Queries

#	Audit Queries	No
01	Queries to be replied as at 01.01.2008	18
02	No of Queries received in 2008	67
03	Audit Queries to be finalized in 2008	85
04	Audit Queries replied in 2008	57
05	Audit Queries to be replied as at 31.12.2008	28

Performance - Operational Division

Following activities have been initiated for upgrading train services during 2008.

01. Following train services which had been cancelled for years were reintroduced.
 - Two trips morning and evening on Kelani Valley Rail Line.
 - Two trips –Nawalapitiya /Hatton.
 - Two Trips- Nawalapitiya/ Galaboda.
 - Two Trips -Colombo/ Veyangoda on the Main Line.
02. Introduction of new Intercity Train Colombo / Nanu-oya.
03. Introduction of direct train facilities from Nawalapitiya and Matale to Colombo.
04. Ensuring Confidence of the passengers on the suburban services by operating Diesel Multiple Units.
05. Quality upgrading of passenger facilities in 07 trains such as Yal Devi , Ruhunu Kumari, Mutu Kumari and Sagarika(14 Trips) by introducing new Chinese passenger carriages.
06. Introduction of a new train originating from Ratmalana for passengers travelling on main lines, Kelani Valley Line and Puttalam Line after 4.30 in the evening.
07. Revision of time table to suit the needs of passengers.
08. Providing facilities for disabled passengers at selected railway stations (eg. Batticaloa, Maradana).



The day electric lift for disabled passengers was dedicated to the public at Maradana Railway Station.



Nanu-Oya new Intercity Train on its maiden Trip to Nanu-Oya.

Derailments

Description	2007	2008
On Rail Tack	61	60
Yard	142	104
Total	203	164

In 2006 there were 228 train derailments and it was possible to reduce them to 203 and 164 in 2007 and 2008 respectively.

Train Accidents

Description	2007	2008
Train collisions	7	9
Other accidents	7	24
Motor vehicle collisions at railway crossings	65	43
Damages caused to crossings by motor vehicles	263	207
Fire Damage	-	1
Terrorist Attacks	1	6

It was possible to reduce other accidents including collisions at railway crossings from 343 in 2007 to 290 in 2008.

Time Based Operations

Description	Approved No of Trains	No of trains operating	No of trains operating on time	Late operations (Minutes)			
				6-10	11-30	31-60	Over 60
i. Passenger	27,876	27,625	3,518	3,341	9,535	6,045	5,186
Suburban	30,052	25,639	5,297	2,552	8,372	4,899	4,519
Long Distance/ Intercity	69,456	63,885	21,579	9,313	23,612	7,531	1,850
Division	127,384	117,149	30,394	15,206	41,519	18,475	11,555
ii. Goods	8,071	5,756	683	76	452	637	3,908
Total	135,455	122,905	31,077	15,282	41,971	19,112	15,463

The operating of trains on time could be maintained at 30 % level due to security precautions taken even amidst terrorist attacks during the year.

The number of trains operated during the year 2008 was 122905. The number operated on time was 31077. Late operations amounted to 91828.

Train Kilo Meterage

Description	DMUU Operations	DMUU Cancellations	Diesel Train Operations	Diesel Train Cancellations	Total Operations	Total Cancellations
i Passenger	2,647,669	95,966	5,752,163	263,934	8,399,832	359,900
Long distance and Intercity	0	0	3,216,567	32,796	3,216,657	32,796
District	75,123	13,814	1,445,958	164,612	1,521,081	178,426
Suburban	2,572,546	82,152	1,089,548	66,526	3,662,094	148,678
ii Goods	0	0	310,892	156,694	310,892	156,694
iii Empty Trains	19,837	0	80,495	0	100,332	0
iv Light Engines	0	0	56,714	0	56,714	0
Total	2,667,506	95,966	6,200,264	420,628	8,867,770	516,594

Special Train Km

Description	Diesel Trains with Passengers/ Goods	Diesel Trains without Passengers/ Goods	Stream Trains with Passengers/ Goods	Steam Trains without Passengers/ Goods	Total
Special passenger Trains	85,455	0	0	0	85,455
Special Goods Trains	17,578	1,779	0	0	19,357
Service Trains	81,164	2,679	0	0	83,843
Hitachi	14,757	1,776	0	0	16,533
Tourist Car	2,842	0	0	0	2,842
Diesel Deluxe	928	0	0	0	928
Viceroy	4,055	279	1,805	157	6,296
Ballast	4,512	0	0	0	4,512
Motor Trolley	18,493	2,731	0	0	21,224
Limestone	55,295	55,275	0	0	110,550
Rail Bus	59,496	1,120	0	0	60,610
Break Down	857	31	0	0	888
Total	346,018	65,670	1,805	157	413,650

Train Fleet

Passenger Carriages

In order to provide a better quality service, 100 passenger carriages have been attached to Sagarika, Yal Devi, Ruhunu Kumari, Mutu Kumari and Maho, Polgahawela and Puttalam trains. 80% of these carriages have been deployed. 15 damaged carriages which were removed from service have been rehabilitated and put into service.



A damaged passenger carriage before and after rehabilitation.

Diesel Multiple Units (DMUU)

Within this year 15 DMUU were imported to improve suburban and Colombo services. 07 of them are operating at present. It was expected to use them for long distance passenger trains and goods trains replacing several railway engines. Further, 06 trips including 02 trips on Kelani Valley line which were cancelled earlier have been reintroduced. 15 carriages have been rehabilitated. A new workshop for reconstruction of carriages was constructed. Of the machinery ordered, shearing machine has been received. By this, it is expected to provide a better and quality passenger service.



A S 10 Diesel Multiple Unit imported from China is in operation.

Railway Engines

The present engine fleet owned by the Department of Railways is 98 and only 59 engines could be used. 75% of them have exceeded their life span. Several steps have now been taken to strengthen the engine fleet. 02 M5 engines have been rehabilitated and now operating on up country line. Rehabilitation of M6 and M7 engines is now in progress. Due to delay in getting the decision on technical matters that cropped up when taken action to purchase 15 engines, the recommendations of the Board of Procurement was not received till end of the year. M2-591 engine which was damaged due to tsunami tidal waves was rehabilitated and added to the service.



One of the M5 engines rehabilitated.



M2 engine damaged by tsunami after rehabilitation.

Purchasing Oil Tankers from Pakistan

These items could not be imported as the number to be supplied changed due to fluctuations in the price of steel in the World Market.

Maintenance of Engines /Wagons/ Carriages

Description	Target	Achievement
Engine and DMUU repairs		
Scheduled repairs	58	45
Minor repairs	460	541
Carriage repairs		
Scheduled repairs	295	207
Minor repairs	60	53
Wagon Repairs		
Scheduled repairs	160	145
Minor repairs	940	575

Motive Power Supply

Motive Power infrastructure Facilities

Improvements to Colombo Running Sheds are underway at a cost of Rs. 120 million.



Renovations to Colombo Running Sheds are underway.

There were 707 engine failures in 2007 and it was possible to reduce them to 590 in 2008.

Average Daily Motive Power Supply

Diesel Hydroelectric Rail Engines

Description	W1	W2	W3	Y	S5
No. Under Maintenance	2	2	10	24	3
No. Required for operation	4	0	8	20	2
No. Received for operation	1	1	7	20	1

Diesel Electric Engines

Description	M2	M4	M5	MPA	M5B	M5C	M6	M7	M8	M8A	M9
No. under maintenance	13	14	0	0	4	5	14	15	8	2	10
No. required for operation	10	10	0	0	3	4	11	11	6	1	4
No. received for operation	9	9	0	0	2	3	8	10	5	1	3

Diesel Multiple Units

Description	S3	S6	S7	S8	S9	S10
No. under maintenance	0	4	6	20	15	4
No. required for operation	0	2	4	17	13	4
No. received for operation	0	1	1	15	12	4

Infrastructure Facilities

Railway Track Improvements

Rehabilitation work had been done to remove speed limits under improvements to rail tracks. 1874 90x66 rails 1406 45' S/H rails, 97882 wooden sleepers, 48003 concrete sleepers and 21719 ballast cubes have been laid during this year.

Material utilized for track maintenance

Material Utilized	No
Rails (90 x66)	1,874
Rails (45' SH)	1,406
Wooden Sleepers	95,752
Concrete sleepers	48,003
Ballast (Cubes)	21,719
Service Trains	397

Following actions have been taken during this period with the object of promoting the quality of rail network.

- Average train speed has been accelerated from 53 Km per hour up to 59Km per hour.
- Track has been improved for Anuradhapura /Colombo train to complete the trip in 3 ½ hours.
- The operation time for Batticaloa-Colombo reduced by ½ an hour.
- Completion of dual railway line upto Kaluthara South.
- Importing a tamping machine to be used for road maintenance in order to introduce semi-automation in the road maintenance work.
- Increasing the capacity of annual concrete sleepers production unit from 50,000 to 70,000.
- Reducing the operation time of Kandy-Colombo train by developing Kandy/Peradeniya/Kadugannawa railway triangle.



Construction of dual railway line up to Kaluthara South.



Tamping machine before using for maintenance work.

An agreement was signed on 8th September 2008 between the two parties to develop coastal railway line under Indian Aid and this will help reduce the travel time between Colombo-Galle upto 2 hours. The scheduled programme had to be revised since the loan was limited to 100mn dollars.

The railway line from Polgahawela to Mahawa has been developed under Polgahawela –Anuradhapura Railway Line Development Project which comes under Northern Railway Line Development Project.

Steel sleepers are laid to reconstruct weak places under Rambukkana-Badulla Railway Line Development Programme. 32811 wooden sleepers, 4910 concrete sleepers and 736 cubes of ballast have been laid. 5000 steel sleepers have been ordered and action has been taken to experiment them initially by laying 1500 on the railway line.

The section from Ragama to Ja-ela on the Ragama-Puttalam line has been developed as a dual railway line. Phased removal of speed limits will reduce the travel time of trains.

Colombo-Kandy travel time will be reduced by ½ an hour under the development of Kadugannawa/Peradeniya/Kandy railway triangle. The work of the loop line linking Peradeniya Railway Station and the new passenger platform has been completed. Construction work on the loop line from Pilimalawa to Geliya is underway.

Maintenance Work	Under 10Km P.H	Over 10Km P.H
Existed speed limits as at 1/1/2008	86	747
Removed speed limits during 2008	86	396
New additions of speed limits during 2008	85	376
Existed speed limits as at 1/1/2009	85	727

Bridges

Old bridges at Midigama Unawatuna and Bentota have been replaced by 3 new bridges. The construction work of Nilwala and Kathaluwa bridges has been temporarily suspended. Cabinet approval has been received, but it took time to get some matters cleared due to SEMA recommendations.

Further, following bridges have been developed during the year 2008.

- Fixing Polwathumodara, Midigama, Orugodawatta and Ja-ela bridges.
- Rehabilitation of Ambewela bridge.
- Strengthening the track on the bridges of the up country line and removing wooden sleepers which were laid on the surface of the bridge and replacing them with steel sleepers at the bends on the bridges for easy train travel.

- Construction of Nagollagama and Peradeniya overhead bridges.
- Reconstruction of Katugastota bridge damaged by terrorist attacks.
- Reconstruction of Hikkaduwa bridge damaged due to a road accident occurred on the bridge.



A view of the Ambewela bridge after rehabilitation.



A photograph taken while the Ja-ela bridge is being rehabilitated.



Peradeniya overhead bridge.



Matara Nilwala bridge.

Improvements to buildings.

Improvements were done to 40 Railway Station buildings, 56 quarters, 08 workshop buildings and 55 other buildings and structures during the year 2008.

Construction of New Lines

Under the construction of new lines, a distance of 2 Kms from Kalutara North to Kalutara South was constructed.

Signalling System

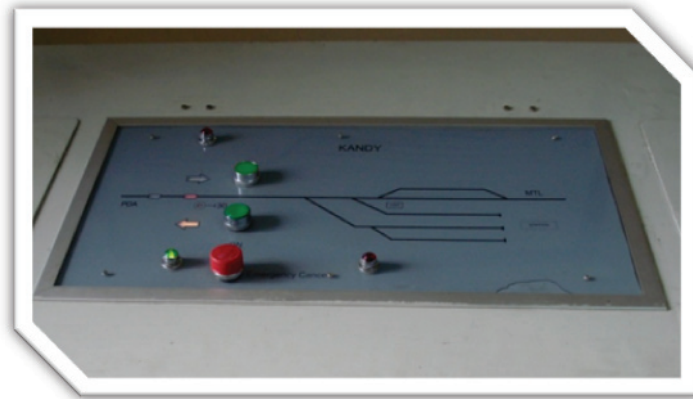
An increase in signal faults could be witnessed this year as the signalling system of the Railway Department is following obsolete methods. There were 06 such incidents in 2007 and this has increased to 08 in 2008. In this respect, two procurement committees have been set-up.

01. New system has been introduced in place of existing CTC system from Maradana to Wadduwa, Procurement committee decision is delayed.
02. Both proposals received in respect of telecommunication system were rejected.

No of signal faults

Division	2007	2008
Central Division	724	1177
Southern Division	553	682
Northern Division	334	299
Upper Division	521	648
Total	2,132	2,806
Average faults (per day)	6	8

Installation of signalling system (third line Kandy-Paradeniya). Providing colour signalling system at Peradeniya Railway Station and the installation of a colour signaling system between Kandy and Peradeniya.



The installed colour signalling system between Kandy-Paradeniya)

The installation of a new system replacing the 20 years old electric signalling system will be done under two methods.

- Repairing the old system which is inactive to be used in emergencies
- Installation of new system replacing the old system

Centralized signalling system extended up to Pallewela will be further extended up to Rambukkana. The ordering of necessary relay devices in this connection is in progress.

Promotion of Railway Stations

Action was taken to improve Kandy and Matara Railway Stations with the involvement of the Private Sector and the improvements to Kandy Railway station had been completed.

Punanai Railway Station has been newly constructed and improvements to Geli-Oya, Pilimalawa and Meegamma, Palletalawinna and Wewaldeniya Railway Stations are under way.



Newly Constructed Punanai Railway Station.



Geli- Oya Railway Station after improvement.

Gantalawa, Wandaranmulla, Aselapura and Riditanna Railway stations have been improved under “Negenahira Navodaya”.



Commercial and Marketing Performance

Estimated revenue and Expenditure

Real Revenue and Expenditure

Description	Original Estimate (Rs.Mn.)	Real Revenue / Expenditure (Rs.Mn.)
Revenue		
Passenger Transport	2,415	2,723.24
Goods	561	470.23
Miscellaneous	280	477.66
Expenditure		
Recurrent	8,404.60	8,224.50
Capital	16,964.20	9,717.10

Passenger Fare Revision

The Railway passenger fares have been increased by 70 % as a revision with effect from 1st June 2008. These revisions zonal wise are minimum Rs, 40 for 1st class, Rs. 20 for 2nd class and Rs. 10 for 3rd class .For season Ticket holders 60 % discount has been given to private sector, while public sector enjoys 85% discount. Railway employees are given 95% discount and the discount allowed to school children and university students is 90 %.

Passenger fares were revised effective from 1.12.2008 corresponding to a decrease in the price of diesel / petrol. Accordingly a minor reduction was made in the fares. However there was an increase in revenue in the year 2008 when compared to the year 2007. The increase of this in 2008 is 35 % when compared to 2007.

Freight Transportation

As the freight transportation charges needed a revision this was done to be effective from 1st November 2007. Freight revenue, freight ton and tons Km according to revised charges are given below.

Description	2007	2008
Freight revenue(Rs. Mn.)	314.00	363.40
Freight Tons(Mn.)	1.70	1.69
Tons Km.(Mn.)	133.21	120.66

The statistics above indicate an increase of revenue by 15 % in 2008 when compared to 2007. But there seems a reduction of the amount of freight tons and the tons Km. This unfavourable situation can be contributed to the facts such as restriction of oil transportation to Galle which was earlier done from Colombo Fort to Matara and seeking alternative modes of transportation such as private lorries containers etc. Accordingly there seems to be a decrease in agricultural produce from 17 % to 14 % when compared to 2007.

Time is a major determinant in the case of loading and unloading goods from trains and hence other modes of transportation were preferred . The revision of transportation charges has also severely affected . The shortage of wagons and engines is yet another impediment.

Purchases

Projects and Procurement Activities Commenced.

Purchasing 15 rail engines (Rs. 3000 Mn.). Planned to purchase in 2010.

Renovation of Centralized Electric Signalling system (Rs. 130 Mn)

Planned to install in 2010.

Installation of Radio Communication Network (Rs. 700 Mn.) – Planned to install in 2010

Sapugaskanda Project

Preliminary survey is being done and the work will be commenced in 2010.

Reconstruction of Uтуру Mithuru –Jaffna Rail Line

Preliminary activities have begun and construction work was completed up to Thandikulam.

Annual Mission of Railway Protection Force

	2008
01 No taken in to custody under Railway Ordinance	1830
02 Surcharges and fines collected under Railway Ordinance	Rs.1,105,150.00
03 Court fines under Railway Ordinance	21,310.00
04 No of cases filed in court under Railway Ordinance	17
05 No taken to custody under Penal Code	62
06 Court fines under Penal Code	22,900.00
07 No of unauthorized constructions reported	323
No of unauthorized structures removed	85
Submissions to CEW for legal action	139
08 Files opened under miscellaneous subjects	938
09 Files action taken	319
10 Recovery of losses and tax arrears	Rs. 36,606.00

Protection of Railway Heritage

Establishment of Railway Museum which was a long felt need for the protection of antique possessions of the Department.

Construction of National Railway Museum is in progress.



Steps have been taken to declare the Dematagoda Railway Running Shed which is 100 years old as a national heritage and for its conservation .

Action has been taken for the conservation of railway property, photographs and places of historical value located in various parts of the island.

Private Sector Participation

Completion of development activities of a few selected Railway stations under social responsibility concept (Kandy, Gampaha)

Engaging in discussion for the installation of optical fibre cable network.

Eradication of Corruption and Waste

Creating opportunities for all employees to inform the higher management about corruption, fraud and waste.

Taking stern disciplinary action against wrongful use of railway property .

Taking action for fuel consumption efficiency to be raised. (there is a fuel saving of 1,100,000litres of diesel in 2008.relative to 2007)

Taking action to make utility more effective.

Conducting necessary discussions to commence productivity programmes.

Free holiday warrants issued to the staff of the railway department and other parties to be regularized.

Impediments and limitations that cripple the progress of the railway service.

- Administrative issues.
- Limitations on recruitment and promotion.
- Limitations to management in taking decisions (eg. Limitations in taking disciplinary actions and filling institutional vacancies).
- Non-receipt of benefits for maintenance of assets.
- Declining of department assets.
- Unauthorized settlement in Department reservations.

Impediments and limitations that hamper the development of the railway service could be summarized as above.

Financial policy of the department and the revisions of the passenger fares in June 2008 and the freight transportation in November 2007 had helped to improve the revenue slightly. The other approach was to minimize fluctuating costs. The loss incurred was Rs. 4553.2 Mn in 2008.

However, at a time the economic development should be accelerated, the General Treasury had to bear a huge cost on the Department of Railways. Formulation of policy should be speeded up targeting revenue oriented results by lessening financial burden that can meet fluctuating costs and minimizing recurrent expenditure including fixed costs.

Future Projects

Construction of internal container yard

Taking action to establish a proper organizational structure. This will be done on Cabinet decision.

Land Survey

Import of oil tankers from Pakistan.

As a result of price fluctuations caused in steel in the world Market, we had to discuss with the supplier about the number that can be supplied and finally it was agreed to supply 15 engines. Further discussions are underway with the supplier .

Importing 15 engines

Quotations have been received and evaluation is being done by evaluation committee and the procurement committee . The main objective is to revitalize the up country train service.

Coast line development Project

Improvement of Eastern Railway line

The project proposal was studied by the evaluation committee in November 2008.