Chapter - 1

Introduction

1.1 Introduction:

India has made significant progress in all the spheres since independence. There have been revolutions in the major areas such as agriculture and industries, which has resulted in enormous economic growth. Electricity has played noteworthy contribution in these revolutions. Now electricity is not only the basic commodity but the whole development process also revolves around it. In the present era nobody can imagine of progress without electricity. Since the beginning, both the Central and the State Governments have been endeavoring to increase the generation of power to accelerate the progress of the country and to uplift the living standards of the people. In the present day from homes to industries and agriculture to businesses, electricity is the essential requirement and nobody can even imagine of life without electricity. The power sector in India has gone through many changes over the years. There has been a time when the policy of the various Governments, both at Union as well as State level had been socialist [1]. The successive governments brought various schemes to appease the voting classes. The schemes ranged from providing electricity free to at concessional rates. These people friendly schemes led to losses to the electricity suppliers. Apart from these schemes, poor infrastructure and rampant theft were the major cause of losses in the power sector. Though there have been many legislations to regulate the sector but
due to the lethargic approach of the authorities; the losses of the power sector bodies continued to be increased. As the cumulative losses in the sector were in lakhs of crores and the Government both at the Centre as well as various States were finding it difficult to carry on the system. The enormous losses in the power sector made the policy makers think about to take initiatives to minimize the losses and maximize the efficiency. It has been seen that the growth in the electricity sector has not been as it should have been. The slow growth in generation and the losses in transmission and distribution sector were also somehow responsible for the slow growth in industrialization [3].

It was prevailing view of the policy makers that the losses in the power sector must be minimized so that the saved amount could be utilized for the other purposes mainly for the social sector viz. education, health, welfare, roads and other areas. To infuse efficiency in the sector, the government brought out legislation in 2003 to streamline the functioning of the Electricity Boards and other bodies. Through this legislation the reforms were initiated into the sector. However, some of the State Governments had taken initiatives to bring in reforms at their end before the Central legislation came into effect. Orissa and Delhi were one of the few States to lead in implement the power sector reforms. Since electricity is a subject which comes under both the centre and state governments, therefore both Orissa and Delhi were given full support by the Centre. Even the states which were contemplating reforms like Goa were given full support. There was a general acceptance that the major problems of power sector’s inability to live up to the expectations of the people, lies in its organizational weakness which stems from its monolithic structure [4].

The condition of Delhi’s power sector was no way better than the other states. Delhi Vidyut Board which had taken over erstwhile Delhi Electricity Supply Undertaking,
was the sole utility in Delhi for generation, transmission and distribution of power. It was incurring heavy losses and had become synonyms of inefficiency, poor network, long power cuts, high theft and huge technical and commercial losses. Delhi Vidyut Board was incurring heavy losses and the total aggregate commercial and technical losses were more than sixty percent per annum and the government of Delhi was forced to bail it out by infusing the grant of around 1300 crores every year. It was very difficult for the government to continue with the system hence it was decided to restructure the sector. Both Delhi Vidyut Board and prior to it Delhi Electricity Supply Undertaking totally failed to win the confidence of public and create a good image for them.

The political leadership of Delhi decided that the power was a very vital sector and needed major reforms. Delhi Vidyut Board was restructured and its operations, assets, liabilities and employees were taken over by the five new entities. One company each was created for generation and transmission and government decided to keep them under its control. Three companies were created for distribution of power and government sold its 51% stake in these companies to the private parties [2].

The success of any business depends upon the maximum utilization of its resources including human resource. The human resource is more important and significant than capital and other assets. The image of the organization plays an important role in creating goodwill that leads to success of the organization [5]. The goodwill is created by the constant and dedicated efforts of the human resources. The Public Relations Department is a vital arm of an organization to project and improve its image. The Public Relations Department connects the management with its public and makes constant effort to create and maintain mutual understanding and to
lessen tension between organization and its relevant public. The public consists of all the stakeholders from common people to the employees of the organization and from the executive to the legislative whosoever has any stake in the affairs of the organization.

These days all the organizations small or big all have their Public Relations teams. The size, name and the functional activities may vary from organization to organization. The public relations department plays very significant role in dissemination of information about the development and happenings in the organization and to make the public aware about the functions and policies of the organization. A general public relations department normally looks after multiple activities, which include publication, information dissemination, event management, advertising, outdoor publicity, printing etc. Its main objective is to create positive image of the organization and defend it in media or at any other forum where ever required [5]. All the Public Relations activities need to be carried out in a systematic, professional and efficient way so that the ultimate goal of creating good image of the organization and information dissemination may be achieved. The Public Relations department in any power sector organization has to perform multiple functions. The role of public relations professional is very challenging in the power sector.

The power sector in India is going through a very turbulence phase. There are still thousands of villages where electricity is still a distant dream. Most of the power sector companies are striving hard to improve their efficiency and maintain their image. A number of the companies, mainly the power distribution companies; are facing difficulties in arranging finances and even paying the dues of the generation and transmission companies. Around sixty seven percent of electricity in India is generated using the non-renewable natural resources. These natural resources are
depleting day by day and are putting high financial burden on the generating companies. The power sector is trying to come out of ever increasing losses and going towards a self-sustainable position. The power sector companies needs more financial strength, therefore, these companies are pressing hard for rational power tariffs. The increasing tariffs may create unrest and dissatisfaction among the consumers which may lead to outcry among general public and can also spoil the image of the organization.

Prior to enforcement of Electricity Act 2003, the entire affairs of the power in states were being taken care of by a single body, mainly the electricity boards. After coming of this Act, most of the states have unbundled these entities and have created separate bodies for generation, transmission and distribution of power. Barring two or three states where private parties have been involved in distribution; in most of the states the entire restructured system is with the government. Though these efforts have brought in more efficiency and accountability, however, there are lot of areas where more focus need to be given.

In this transition phase the public relations department has to play a never before important role. The public relations professionals have to create bridge between the company and its public which include consumers, government, employees, regulators etc.

Delhi power sector has already gone through the reform phase when it was restructured in 2002. Delhi Vidyut Board was restructured and its operations were taken over by five newly created companies. One company each was created for generation and transmission respectively. Three companies were formed for the distribution of power. The government kept generation and transmission in its fold
and the majority stake of fifty one percent in the distribution companies was handed over to the private partners [2].

At present the power sector of Delhi comprises of the following:

a) Department of Power, Government of NCT of Delhi

b) Generation Companies (viz. Indraprastha Power Generation Company Limited and Pragati Power Corporation Limited)

c) Delhi Transco Limited (for transmission)


e) Delhi Power Company Limited (Holding Company)

In the present research the public relations and communication management in Delhi power sector has been studied. The role and responsibilities of public relations professionals in the power sector are very challenging and have gone through sea changes over the years. All the power sector utilities in Delhi have their own public relations set up. In the most competitive and challenging period; the public relations professionals have not only to prove their competence but also demonstrate excellence in achieving the targets. The functioning of public relations department, practices adopted and challenges they face; are the subject matter of this study.
1.2 Need, Rationale and Scope of Study:

India is a developing country. The country has gone through rapid urbanization and industrialization since it got independence in 1947. During the last sixty years the methods of farming have also changed. Even the agriculture is also heavily depending upon electricity for irrigation, harvesting and other purposes. Now whether it is industry, business or agriculture; the whole development revolves around electricity. The introduction of Electricity Act 2003 has been a milestone in the reformation of the power sector. Delhi is among the few pioneer states in bringing reforms in the power sector, even before arrival of the Electricity Act 2003. Delhi reorganized its power sector in 2002 and it is considered one of the successful models in the country. Delhi power sector was plagued with inefficiency, high debts, corruption, poor network, accumulated losses in thousands of crores, and so on. The power sector was reorganized into various entities and it has been a successful initiative. The reforms have been made successful with the sound principals of management. Moreover, Delhi the national capital and a centre of unlimited opportunities; is a dream destination for many people. Thousands of people drove to here every year and settle permanently. This is one of the densely populated cities in country. Providing electricity to all the inhabitants is a challenge and failure of any degree in fulfilling the aspirations can dent the image of the organization. Therefore, for the success of an organization, it is equally important to maintain a good image among its public. All the entities need to communicate with the stake holders effectively. The correct, timely and updated information dissemination is essential for creating positive image and crisis resolution. The public relations and communication management in an organization is a very important and challenging management function. The public relations and communication management help organization
deliver correct message and information to the stake holders. The field of public relations and communication management is growing day by day and there are lots of opportunities. The professionals associated with this field also face a number of challenges in their day to day functioning. Though a number of studies and research have been conducted on public relations and its various spheres but there is scope and need for further studies keeping in view the sector strategic studies. We are not aware of any research conducted earlier specifically targeted to the Public Relations and Communication Management in a power sector organization. With the present research, an attempt has been made to fill the void.

1.3 Objectives of the Study:

The main objectives of the present study are as follows:

a) To study the overall power scenario of India.

b) To study the structure of Delhi Power Sector and changes it has gone through.

c) To study the mechanism available for Public Relations and Communication Management in Delhi power sector.

d) To study the duties, functions, obligations and practices associated with the management of public relations and communication.

e) To study the challenges the public relations and communication professionals face in achieving the desired goals.
1.4 Hypothesis:

The Public Relations and Communication Management is an important function of the management and needs to be executed in a systematic and professional way to achieve the ultimate goal of creating positive image of the organization. Besides it plays an important role in perception and reputation management and conflict resolution.

1.5 Organization of the Study:

To present the research problem in an elaborated manner and with comprehensive outlook the present study has been divided into nine chapters. The chapter wise details are as given below:

Chapter 1 introduces and discusses the conceptual framework in detail such as the problem, need, rational and scope of the study and the objectives of the study.

In Chapter 2 literature related to the study has been reviewed.

Chapter 3 is related to Research Methodology. In this chapter the design of study, tools of data collection, limitations of the study etc. have been given.

In chapter 4 detailed study about Delhi has been carried out. The chapter has been divided into various sections where its history, its geography, other components related to governance, urban development and law and order has been studied in details.

Chapter 5 is based on Indian Power Sector. The entire power scenario of the country has been studied and explained. The status of various components of power sector
such as generation, transmission, distribution and regulatory frame work etc. has been explained.

Chapter 6 is devoted to the power sector of Delhi which has been discussed in detail since its inception a century before. Its beginning, growth, status and its various components have been studied and explained in detail.

Chapter 7 deals in details with Public Relations and Communication management has been carried out. The origin of the profession of public relations, various tactics associated with it, and the origin, growth and its status in India has also been discussed.

Chapter 8 analysis and discusses the public relations and communication management in Delhi Power Sector. The organizational setup, functions, activities, policies, practices and the challenges in the sector have been discussed and interpreted.

In the final Chapter 9 Summary, Findings, Suggestions, along with the Conclusion and Scope for further studies have been presented.
References:


3. Ministry of Power (2003). Reports on India’s Power Sector; New Delhi, Govt. of India [Pages – 424]
