



INTERNATIONAL JOURNAL OF ADVANCE RESEARCH, IDEAS AND INNOVATIONS IN TECHNOLOGY

ISSN: 2454-132X

Impact factor: 4.295

(Volume 3, Issue 6)

Available online at www.ijariit.com

The 'Communication's Way from BIFR to Prosperity (A Brief Study of Role of Strategies and Methods of Communication Theories in Bringing out M/S Singareni Collieries Company Ltd a Government Company From Red to Blue)

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Abstract: Singareni Collieries Company Ltd (SCCL/ the company) is the only coal company in public sector in the Southern India. It has a history of more than 100 years. In the earlier, it has also first referred to Board of Industrial and Financial Reconstructions (BIFR), during the periods 1989-90 to 1992-93. Singareni has come out by following the terms and conditions of the BIFR. In the year 1996-97, the accumulated losses reached a peak of Rs.1219 crore. But for the second time, it has referred to BIFR. In the industry parlance, second time reference to BIFR does mean its closure of the industry. But the company management with actively identified various problems for the loss of the company. The company decided to face the challenge. The innovation that adopted by this company is communication strategy. All the types of communication i.e. upward, downward communications, direct and indirect communications, formal and informal communications, communication with opinion leaders and parallel communication have been strategically used for communicating the workers about the status of the company. Even grape wine communication have been adopted is a powerful tool to inform and educate the employees. This has created and awareness about the financial position of the company and created a sense of motivation/belongingness among all the employees. This has dramatically resulted in regular attendance, increased production, improvement of the quality of coal, control of wasteful expenditure and inventory, unaccounted consumption of free power and fuel. All these have resulted in the turn-around of the company which has become out of clutches of BIFR. The same company has subsequently declared dividends.

Keywords: Communication, Strategies, Board of Industrial and Financial Reconstructions, Coal Industry, Upward, Downward, Parallel and Grape Wine Communications, Formal and Informal Communications.

1. INTRODUCTION AND STATE OF AFFAIRS

The following are the some of the reasons for the declining financial position of the company:

1. A number of trade unions there are about 98 trade unions in the company all most all every day there will be a strike in one area or other. The industrial piece has been severally effected this has resulted in the linking of the production, effecting financial inflow. There are 475 strikes during 1991-92 which is an all-time record in the history of the company.
2. The machinery has not been utilized completely. The working skills are at their low.
3. The price of the product i.e. coal is determined by the government of India control. This has resulted in the mismatch of the cost of production and cost of sale. Even in case of loss the company has to bare it.
4. The power consumption is crossly mis-utilized. It is purchased at industrial tariff rate and given to free of cost to the employees. This has affected the financial position of the company adversely. Rather become the last straw on the camel's back.
5. The literacy rate of the employees is very low. They do not have any idea about the company or its financial capability and the current trends in the coal sectors and fuel markets.
6. The workers have to perform their duties in the adverse atmosphere under the ground. This has increased the production cost yielding low or negative profits.

7. The atmosphere is not conducive to opening and running opencast mines.
8. Coal is a heterogeneous compound and the Singareni coal contains much of sail and stone. It is not easy to separate of production stage. This has resulted in the low quality of coal.
9. The coal production is done under traditional methods, there are lot of apprehensions about modern techniques and methods
10. Due to the above reasons, the families are more than one lack employees are directly affected. The economy of this part of geography is widely dependent upon these families. It is another problem of a million families which is in doll drums.

To come out of all these problems the Singareni management has taken several measures to tackle the situation.

I. Measures for Financial Reconstruction

1. To differ payment of interest for a period of 10 years. The company owes an amount of Rs.663 crores to Government India in the shape of interests. The company also sought a relief of interest for the differed period.
2. To right off Rs.66 crores.
3. To bring an additional inflow in the shape of capital both by state and central government to the tune of Rs.268 crores and Rs.257 crores during the period 1997-98 to 1999-2000.
4. To liquidate tradable bonds of worth Rs.1164 crores in a period of 3 years at the rate of interest income of 15 to 12.5%.
5. To reschedule the high interest loans of Rs.17%, 16% with 13%, and to get a loan at the rate of 11.75% keeping the above bonds as security. This has yielded an amount of Rs.61 crores in the shape of interests payable.

II. Industrial peace and elections to trade unions

1. The main aim of this is to reduce the number of trade unions which are about 98 and used to go on strike frequently for petty and frivolous matters. It is not known which of these unions has got a majority of workers. It is equally not known about the acceptance of the workers for the actions of trade unions.
2. For the first time in the Indian Coal Industry elections through secret ballot in the year September 1998. This is a historical event. Subsequently, elections, in the same manner, were conducted in the years February 2001 and May 2003. Due to these elections, all the stake holders that are to workers the government and the company have got belief in each other. The numbers of strikes have been reduced to 35 in 2002-03.

III. Reduction in Wasteful Expenditure and Encouragement of Government Private Partnership

1. To reduce unnecessary and wasteful expenditure the company has taken several steps. The removal of over burden in opencast mines has been handed over to private parties.
2. In addition to this fuel and power consumption has been reduced.
3. Over time/play day has been reduced drastically.
4. Inventory management and control over expenditure or considered.

IV. Special Action to Save Electricity

1. About 88,000 illegal power connections have been removed.
2. In the process of saving power use of CFL bulbs and fluorescent tube, lights have been encouraged.
3. Pole mounted transformers and protection devices for transformers have been established in offices as well as employees colonies.
4. Rs.31.54 crores have been saved on electric power alone.

V. Customer Service

1. In the olden days, the coal industry is producers dominated business. But due to changing government policies the quality consciousness among the customers have been increased. Due to the low quality of coal, there has been a compulsion on the company to produce only quality coal.
2. Novel methods in the marketing of coal. In addition to the production of quality coal, necessary marketing efforts are necessary for the profit earning. Therefore the company has taken care of transportation of coal and sales development. It has selected customers for the states of two AP, Karnataka, Tamil Nadu, Maharashtra there by the company is able to have around 4000 customers in small, medium and heavy industrial users.
3. Out of the total production of the coal 90% has been earmarked for power generation and cement companies.
4. The change in the Government policy has also helped the company in determining the east rate for its product.

VI. Fuel Supply Agreements

1. The company has entered in to fuel supply contracts with the main consumers of power and cement manufactures. Under this scheme, the company has to sell quality coal to the consumers. Both of will them the company and the consumer will test the quality of the coal jointly.
2. If the coal is not as per the agreed quality or if the coal cannot be supplied at the due time or quantity the company will pay penalty to the consumer.
3. If the company is able to supply quality coal in time then the company will get a bonus from the consumer.
4. The company is able to get a bonus on this count also.

THE VARIOUS COMMUNICATION STRATAGIES ADOPTED BY THE SINGARENI COLLIERIES COMPANY LIMITED IN ACHIEVING THIS SPETCULAT VICTORY IS BY ADOPTING VARIOUS COMMUNICATION STRATAGIES

1. The Company has adopted to rejuvenate the morale of the workers and to have a better management – worker relationship the following methods were adopted.
2. **Direct Communication:** The then Hon'ble Chief Minister Mr. Nara Chandrababu Naidu has addressed direct letters in Telugu language. This has had an impact on the thinking pattern of the workers. These letters have greater impact when they were addressed the work men.
3. Likewise, the Chairman and Managing Director of the Company has addressed letters to the workmen at their home addresses on eve of Telugu New Year's day, Ugadi, Dasara, and on Deepavali.
4. On certain special occasions, such letters are also addressed to members of Parliament and Assembly constituencies of the respective areas. The same pattern is also followed in addressing letters to the best workmen leaders.
5. The contents of these letters are about the position of the company, the responsibilities of the company as well as the workers in meeting the demands of the industry in a transparent way.
6. Suggestions and opinions on various matters were asked from the workmen in these letters.

The communication techniques followed in these methods are direct communication and communication from opinion leaders such as MLA, MP, and Trade Union leaders. The result is that the workmen have got an in-depth understanding of the company's management policies. This also made the workmen understand that the betterment of the company is their betterment in-turn.

The Literacy Mission

Most of the workmen are illiterates. To get the information to reach the workmen the company management has planned literacy campaign on a war footing, on its own and with the help of NGOs. In the year 2001, the company has made 28000 of its employees as literates. And to encourage their habit of reading several magazines and newspapers were made available in specially formed reading rooms. Now the employees are able to write their leave letters and able to read newspapers. This has made the workmen to encourage reading habit in their homes.

7. Several Communication strategies have adopted. New methods of communications about the market position of the coal, necessity to improve workmanship and quality of the coal, and production have been clearly explained to them by parallel communication and top down method and through opinion leaders. The necessity of savings and reduction of company resources as well as their own resources have been clearly explained to them.
8. A separate communication cell has been established with an aim to bring social awareness and understanding among the workmen.
9. The magazine '*Singareni Varthalu*' which is being published since 1965 has been made available to workmen.
10. A multicolored poster with a name '*Singareni Prabha*' has been informed to all the workmen. This poster contains the ongoing programs and the achievements made during the month.
11. Cultural activities like a street play about, safety, savings, health, sanitation, environment, greenery were written and played at street level and on various auditoriums. The themes also contain about bad about consumption of liquor, AIDS is also brought before the workmen by way of Harikatha, Burrakatha, and Oggu katha in their colonies.
12. **Communication through Radio Television:** A new radio program in the name of 'Singareni Sravanthi' has been made in house on broadcasted through All India Radio Kothagudem station in 'Karmikula Karyakramam' every Sunday.
13. **Communication through local TV:** Channels all the developments and day to day information of all the areas have been especially video graphed and broadcasted through local TV cable City cable under the caption 'Singareni Taramgaalu'

14. Cross Communications

1. The officers of various departments have formed a multi department team and undertaken visits to various departments and gave audio visual plays. These plays are about the organic, inorganic development of the company and also about productivity, production quality and safety.
2. Meetings at work places: Several periodical meetings were conducted at each department and pit heads involving the most of the workmen and resolving their problems then and there which has increased the confidence level of the workmen.
3. Padayatras were conducted to workers colonies, mines to resolve their problems there and then, under the name 'management to the doorstep of workers'.
4. Dial your GM: a dial in the program has been conducted every month in each and every area to increase the morale of the workmen.

All these communication strategies well utilized in an organist and planned manner. This has resulted in the worker's morale and sense of belonging among the workmen about the company. And the company is about to turn around and advancing to more and more heights.

ACKNOWLEDGMENTS

My sincere thanks to the corporate communication cell of M/s Singareni Collieries Company Limited, Kothagudem both at Kothagudem and its Hyderabad office.

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