

LEST WE FORGET: BAMBOO FLOWERING AND NGT RESTRICTIONS ON COAL MINING IN MEGHALAYA

Bamboo plantations in the Northeast India witnessed bamboo flowering in the years 2006 to 2008.

Bamboo plants do not flower every year, but only after an interval of many decades (40 to 120 years) depending on the bamboo species. The bamboo plants flower species-wise, and bamboo flowering is intensive in a region with all plants of the cohort flowering over a few year time-span. Bamboo plants become hung with seeds (“bamboo rice”). Bamboo seeds are nutritious food for the rats. Since rats can reproduce very fast, with two rats becoming one million rats within two years, the abundant availability of food in the form of bamboo seeds leads to a rapid growth in the rodent population. Such massive growth in rodent population means that the harvests growing in the farms are eaten up by the army of rats. Thus, farming does not yield good harvest despite good rains and bumper crop, as the produce is eaten up by the rats. It leads to a severe famine-like situation. So far as the bamboo plants are concerned, they die out within months, or a few years, of the flowering. New bamboo plants grow from the seeds of the asexual reproduction. (If bamboo plants were not to flower and die out on a mass scale, then dense growth of bamboo plants would cause enormous forest fire leading to no chance of long term survival of bamboo as plant species. So, bamboo flowering is part of the long-term survival of the bamboo species.)

Bamboo flowering puts bamboo growers in dire straits. The growers must harvest the entire bamboo plantation. Since they cannot allow the harvested bamboo to rot, they have to make distress sale of the bamboo. So, huge stocks of bamboo enter the market, and glut the market. This way, in the initial few years, bamboo flowering helps the pulp and paper industry and other industries dependent on bamboos.

Thereafter, it takes a few years before newly grown bamboo plants will be ready for harvest. This is the lull period. However, the pulp and paper industry gets some years of advance notice for this. The advance notice is not just a few months, but some years! The paper mills get enough advance notice to rejig their procurement strategy. Paper mills may switch over to a different species of bamboo, adjust the mix of raw materials, source bamboo from another region etc. (Compared to this, banks got no advance notice on the demonetization drive in November 2016, but handled the challenge much more professionally.)

The newly generated bamboo plants, after the bamboo flowering of 2006-08 in the Northeast, was ready for harvest for the pulp and paper industry by the year 2011. So, the crisis period was 2007 to 2010.

Incidentally, the excuse of bamboo flowering was sparingly used in HPC between 2007 and 2010 when the impact of bamboo flowering could have been for the real. The excuse of bamboo flowering for the woes of HPC was used mainly after 2011, by which time the impact of bamboo flowering should have receded.

In any case, bamboo flowering was a relatively minor crisis with a sufficiently long response time. Professional managers should be capable of handling much bigger crises.

Now, let us consider the National Green Tribunal (NGT) restrictions on coal mining in Meghalaya. It was and continues to be restriction, not an outright ban, with intermittent relaxations. However, the coal from North Eastern Coalfields (NEC) of Coal India Limited (outside Meghalaya) is cheaper and more suitable for HPC boilers. In fact, there may be no strong ground to prefer coal from Meghalaya over the coal from NEC.

HPC's solution of the NGT ban is intriguing. India is not a coal-deficient country, and Coal India Limited is struggling to find customers for its coal. Nagaland coal is transported and sold all the way to central India and beyond. Coal reserves in Meghalaya is meagre 0.2% of India's coal reserves. But HPC ended up buying coal all the way from faraway Indonesia! (And transportation of coal was not an issue.) Indonesian coal was not very suitable for the boilers of the HPC mills. Those who had to run boilers with Indonesian coals narrate horrific experiences of running the boilers with Indonesian coal. Transportation of the coal from Indonesia added to the cost. All these only added to the woes of HPC.

HPC lifted less coal from NEC than the Fuel Supply Agreement (FSA), leading to HPC paying penalty to Coal India Limited for the short lifting of coal. When there is short lifting of coal from NEC, there is all the less reason to go for sourcing of coal from other suppliers.