

Assamese pin hopes on Bongaigaon

By SLEKHAR GUPTA

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It is a depressing 100-kilometre drive from Gauhati to Bongaigaon in spite of the excellent condition of the national highway No. 31 and the greenery of the flat countryside. The road cuts through one of the more fertile paddy tracts in Assam but never does one see a tractor, a pump-set or any other evidence of even a semblance of farm mechanisation. Farmers are emaciated, children naked and there is nothing that can be described as small industry. Goalpara, bordering Bhutan and Bangladesh, is undoubtedly one of the most backward districts of this backward state, and that is what makes the Bongaigaon refinery such a prominent feature of the landscape, gleaming Silchar of which can be seen from miles.

Yet the common man in Assam does not feel terribly proud looking at the imposing structure. He is apt to believe that it does not function and may take another decade, or even more, before starting to produce what it should have been turning out for over a year.

There are good reasons for this sense of disappointment. For the refinery has run into all the obstacles that public sector units face and more. The Petroleum Ministry has been forgetful, starting work on the Rs 187-crore project (according to initial estimates) four years after its foundation was laid by Mrs Indira Gandhi in 1971. Then there were the usual controversies and wranglings regarding the selection of foreign collaborators. Even before the first crude distillation unit could be given a proper trial came the Assam agitation. The employees stayed off work and even when they returned the pipeline was not bringing any crude.

Things did not improve much even before the oil blockade was broken. Now the bureaucrats took over the management of the complex and some senior officers fought veritable gang wars. The managing director was out before long and the complex became another headless public sector unit.

It is no longer headless now, making a belated attempt under a new chairman and managing director to make up for the delays. But the jinx continues.

The kerosene treating unit, which was to go into production in April 1979, was finally put on trial run in September this year. Within a month the compressors blew. The British contractors who supplied the compressors have taken them to their workshop at Ahmedabad for repairs. So the unit is shut.

The third major unit of the refinery, the delayed coker unit too, is shut because of a similar problem with foreign equipment (it was supposed to start producing in October 79).

The fourth, the coke calcination unit will still take time getting ready. With the kerosene and coker unit shut, there is no way the crude distillation unit can function at its capacity of one million tonnes and utilise what it produces. So it functions at little over half its capacity.

No one can really say for certain when the units will go into production, and as time passes, with the obvious escalation in costs, people become increasingly sceptical about the project which, at one time, was hailed as the Bhakra-Nangal of Assam.

But this is the story of just the four refinery units. What made this project such a prestigious one was not the refinery (Assam has two more) but the downstream petrochemical units that were planned to use the refinery's output. Naptha obtained from Assam crude is one of the richest in the world in terms of aromatic content and a common Assamese lament has been that so far all of it has been going to other parts of the country for production of highly profitable materials like polyester staple fibre. Made from naptha at a rupee a kg polyester fibre fetches a neat Rs 40 a kg.

It was keeping this, and the pressure on rail transport, in view that the petrochemicals complex at Bongaigaon was planned.

The Bongaigaon refinery and Petrochemicals Ltd (BRPL) is to have the largest fibre-plant in the country with a peak output of 30,000 tonnes of polyester fibre a year. The economic implications of this kind of production are stupendous. According to a BRPL document, theoretically the value of extra foodgrain that can be grown per year in areas at present marked for the quantity of cotton that could be replaced by BRPL is equal to the total capital outlay of the project.

Economists acknowledge that a refinery by itself will have very little impact on the economy of the region. But the fibre from BRPL could set off a process of industrialisation, in small and medium sector, and Assam, till now, has no textile industry worth the name, barring handlooms. That is why the project generated so much enthusiasm among the local people. And that is why there has been so much disappointment at the pace with which the work on the project has progressed.

On current estimates, if things go all right, the plant should go into production by 1985. In spite of the cynicism people have about the target set, BRPL exercises have begun in various circles in Assam to see how best the fibre could be utilised. The most interesting is the formation of a polyester cooperative at Gauhati by some retired, top-level bureaucrats and technocrats, which intends to set up a major textile plant. It shows the extent of regional feeling and the feeling of ownership over the state's oil that even the enlightened founders of the cooperative have confined the membership to bona fide Assamese.

All eyes are thus on the BRPL and further delays in completion of the project will have serious implications.

But Mr R. R. Verma, the new chairman and managing director of the project, says that now the work is going at the right pace and he has a team of enthusiastic workers with him. The location of the complex, in a backward region with tenuous communication creates difficulties and the management has to keep its fingers crossed about the general law and order situation.

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