

PROSPECTS AND PROBLEMS OF SMALL SCALE BRICK UNITS IN THENI DISTRICT

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Abstract

Brick is a common building material and it is considered as an indispensable material in the building industry. Brick manufacturing, being complementary to the building industry, plays a significant role in the process of urbanisation and economic development. Rapid growth of population and expansion of cities have resulted in increasing demand for better housing. This has led to the development of industries, manufacturing modern building materials such as; burnt bricks, tiles, cement, iron and steel, plumbing materials, mosaic chips and the like.

Despite the growth prospects, the small scale brick unit in India is not free from constraints. At present, brick units are prone to a number of problems such as; dearth of raw materials, scarcity of finance, under-utilisation of technology, migration and management of labourers and inapt climatic conditions - particularly rainy seasons. Hence, an attempt is made to study the problems and prospects of small scale brick units in Theni district is the need of this hour.

Key words: Bricks, Building Industry, Technology.

Introduction

Brick is essentially a small unit used for the construction of walls, piers, buttresses and arches. However, brick is a common building material; it is considered a remarkable one in the building industry. Brick manufacturing, being complementary to the building industry, plays a significant role in the process of urbanisation and economic development. Rapid growth of population and expansion of cities have resulted in increasing demand for better housing. This has led to the development of industries manufacturing modern building materials such as, burnt bricks, tiles, cement, iron and steel, plumbing materials, mosaic chips and the like.

Prospects and Problems

Fired clay brick remains one of the most important building materials in India. It is a traditional industry in India, generally confined to rural areas. Notably, the Indian brick industry, with more than 1,00,000 production units producing 200 billion bricks annually. It is the second largest brick producer in the world after China. The industry has an annual turn-over of Rs.10,000 crores, and very importantly, it is one of the largest employment generating industries, employing millions of workers.

Bricks are produced at the cottage, village and rural enterprise levels with production technologies that vary with the size and scale of the producer. At the cottage and village levels, the technology, in general, is simple; bricks are hand-moulded, sun dried and then fired in a pit or clamp kiln.

Moreover, it is found that the brick industry is energy and labour intensive and it creates a large number of jobs, particularly during the slack agricultural season. Compared with the production of other materials such as metal, aluminum, and the like, investments required in the brick industry are relatively low and the industry relies on local raw materials rather than imported ones. It is roughly estimated that about 200 billion bricks are manufactured annually in India and the production will have to be doubled to meet the future requirements.

Despite the growth prospects, the brick industry in India is not free from constraints. At present, brick industry is subject to a number of problems such as, increasing costs and shortages of fuel, firewood, increasing cost of alternative fuels which includes husk and coal, and finding problems in arranging adequate labourers. Apart from these, lack of extension services to assist manufacturers of bricks to develop production technologies, lack of cooperation among brick makers, lack of formal training, heavy competition in the market, are the difficulties owners face and they find it run their industry profitably. Hence, the brick units in India face the constraints both at the level of production and marketing. An action plan, to address such constraints and encourage the industry to revive their production and marketing activities, is the need of the hour.

Brick industry is a small-scale industry, which locates in rural, semi-urban and urban in Tamil Nadu. But the raw material and labour are drawn from rural area. At present, the demand for brick is very high due to the fast growth of construction work.

India is a nation of agriculture. In rural area, people depend on agriculture alone. Earlier, agricultural sector provided work to all people in rural areas. In fact, due to failure of monsoon, their employability is restricted to few months only in agriculture. For the remaining periods, they automatically become unemployed. At this juncture, the brick industry provides job opportunities to all unemployed rural people. On one side, it is boon to get the unemployed youth and on the other side, it faces difficulties due to price hike on fuel, firewood, labour and the like.

Though modern manufacturing practices are adopted, manufacturers feel that a state of uncertainty still prevails. Dearth of raw materials (clay and fuel) increasing manufacturing cost, non-availability of organised marketing structure, fluctuating prices, demand and supply imbalances, requirement of large capital, low returns and the like are the factors that pose challenges to the present brick manufacturing venture.

The manufacturers of brick units faced several problems regarding the production such as, raw material, clay, water, labour and fuel.

In the early stages the brick units had locational advantages of easy and abundant clay availability. But over the years, with the increasing use, the clay stock has now been depleted. Now, the brick units have to go far off places to get clay. The transporting of clay from longer distances involves higher transport cost. The tiny brick units face an acute shortage of clay. They can not afford to get supplies from longer distances due to the cost of transport. Moreover, rain affects the transport of clay from the source to the plant site. The roads become muddy and unsuitable for driving the Lorries to the interior areas of clay sources. During rainy season the brick units are forced to suspend production rendering all kinds of resources idle.

In order to speed up the manufacturing activities in time, the manufactures of brick units buy lorry water. It results that the cost of brick goes up; consequently, it reduces the profit of business.

Labourers like moulders are drawn from other districts by paying advances. Most of the labourers are engaged on contract basis. Moulders of brick units do not return to their native places for off-season. Unless the brick owners pay sufficient advances to these moulding families, they will not return to the plant promptly and an uncertainty prevails. When moulders do not turn up, the brick owners would stand to lose the advance paid to them.

Fuel cost accounts for 1/3 of the total cost of bricks. Fuel cost determines the price of bricks during the normal season of the year. The price of firewood is very high in recent days. It is due to the extensive use of this firewood by all brick units. Small units find it difficult to get adequate and prompt supply of firewood due to financial problems. Brick unit's owners also feel that the fuel supply agencies fix higher prices by influencing the supply through forming an association for themselves. The agricultural workers are frequently diverted to agricultural works like ploughing, and harvesting. During these seasons the work of firewood cutting is affected. This creates a short supply of fuel and as a result, the price of firewood increases steeply.

The owners of brick units did not fully appreciate the importance of marketing. Apart from the production problem, the manufacturers of brick units are facing a number of difficulties in marketing their bricks. The Small units, on account of their localized nature, limited sphere of activities and limited financial resources, do not adopt modern marketing techniques and are unable to employ the personnel having adequate experience and knowledge in the field of marketing. It has been found that the brick units, in general do not possess adequate and up-to-date marketing information. They also reported that absence of promotional measure affect the sale of bricks.

The brick units suffer a lot for want of financial assistance in requisite measure. They are compelled to meet their financial requirements from unorganized sector at a very high rate of interest. Often, banks do not consider brick units credit worthy and hesitate in extending loans and other financial facilities to them. They borrow from unorganized

money lenders at very high rates of interest. They are also not able to maintain a sufficient stock of bricks to meet the off-season demand. These problems are analysed with the help of Garrett Ranking Technique and presented in Table.

Problems in Production of Bricks

Particulars	Garrett Mean Score	Rank
Rain	66.54	I
Shortage of Labour	55.47	II
Scarcity of Raw Materials	50.63	III
Shortage of Fuel	40.03	IV
Shortage of Fund	37.34	V

Source: Primary data

The above table exhibits that rain is the major problem which affects the production of bricks with the mean score of 66.54. Shortage of labour is considered as the second problem in production of bricks with the mean score of 55.47. Scarcity of raw materials is considered as the third problem in production of bricks with the mean score of 50.63. Shortage of fuel and fund were the problem in the production of bricks ranked by fourth and fifth with the mean score of 40.03 and 37.34 respectively.

Conclusion

It is meaningfully appropriate and relevant to highlight the existing conditions, problems and prospects of the brick units as it is concerned with an interesting valuable sector for generating economy. It is also noted that these brick units are grouping enterprises, inviting large number of small entrepreneurs into this business. However, these units have wide scope to develop further, and it encounters several constraints. Protecting this business activity is not only needed for promoting enterprises, but also it is needed for the society to supply required bricks for construction of housing and other building.

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