CHAPTER V

WAYS AND MEANS TO ATTAIN THE POTENTIALS
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The inevitability of export promotion for the country, the government of India has established an elaborate institutional structure for the same. A number of organisations have been set up by the government to augment exports from India and to fetch the increasing foreign exchange resources for the accelerated pace of our economic development. It is more important in case of a cottage industry like brassware. The Brassware industry of the state has been getting satisfactory encouragement from the government of India as well as the government of Uttar Pradesh. The state government has been trying to encourage this industry in several ways and means for the last few decades to attain the potentials.

Export Promotion Council

Export Promotion Council plays a very important role in the development of Brassware industry. At present there are 19 councils in India handling wide range of products, of these, handloom and handicrafts export promotion council is looking after the export promotion of brasswares. This council was set up with the objectives to creating export counsellors in the country,
promotional activities abroad, general publicity, participation in exhibitions and trade fairs, establishment of offices abroad, implementation of export assistance schemes, etc. The council also conducts market surveys either independently or through specialised agencies on commodities of their interest. A very important activity of the council is to receive delegates from abroad. These visits help in projecting an image of the country's industry in the minds of the delegates. It also makes available to the exporters the latest government rules and procedures about the various aspects of exports.

**Handicrafts and Handloom Export Corporation of India Ltd.**

The Handicrafts and Handloom Export Corporation of India Ltd. is a fully owned subsidiary of the state trading corporation of India Ltd. It undertakes, among the other things, the exports of brasswares of U.P., which have large export potentialities abroad. In order to project a good image of India's craftsmanship in foreign countries, the corporation has set up show rooms at New York, Japan, Nairobi and Paris. The corporation's office in India are equipped to handle a vast range of merchandise of exportable qualities produced anywhere in the country. Abroad, the network of offices, show rooms,
shops and warehouses that have been developed in France, West Germany, U.S.A., Japan etc. are in touch with the leading importers, departmental stores, wholesalers etc. and hence contributing towards the ever increasing exports of brasswares from Uttar Pradesh.

All India Handicrafts Board

The All India Handicrafts Board, which was set up in 1952, undertakes a number of measures for the export promotion of Indian handicrafts including brasswares. Such as participation in trade fairs, exhibitions, publicity through documentary films, calendar, special illustrated catalogues on different crafts. It also publishes posters at the time of exhibition and other important occasions. It also gives national awards to exporters of handicrafts for outstanding performance in exports on the occasion of the Annual National Awards ceremony to honour outstanding master craftsmen.

Central Cottage Industries Corporations

The government of India set up central cottage industries corporations in 1948 with the following objects:

(a) To give advice to the central as well as the state government for the development of cottage and small scale industries.
(b) To coordinate all the plans for their development in the country.

(c) To suggest ways and means for the marketing of the products of these industries.

(d) To protect the cottage and small scale industries from the competitions which they face with large scale industries. Since the Brassware industry is one of the main handicrafts industries, the corporation has been providing all the facilities for the development of this industry.

Minerals and Metals Trading Corporations

The Minerals and Metals Trading Corporation helps the Brassware industry in the supply of raw materials such as, copper, zinc, copper and brass scrap in favour of brassware exporters against their export entitlements.

Small Industries Service Institutes

On the basis of recommendations of the International Planning team, the Government of India has set up four small Industries service Institutes at Delhi, Bombay, Calcutta and Madras. These institutes help the small industries including Brassware in improving and
modemising the production processes, marketing, management etc. These institutes also help these industries in the supply of raw material, finance and machinery.

**Trade Development Authority**

Trade Development Authority of India is a promoter of India's exports. It gives help to individual exporters, especially to those in the small scale sector. It is the only national organisation which renders, under one roof, a complete package of service to an entrepreneur. It locates and contacts foreign departmental stores and import houses. The trade Development Authority also helps in arranging necessary foreign exchange for the clients for exports promotion trends and publicity purposes. It also disseminates information to exporters and other interested parties and publishers abroad about Indian products and their supply sources.

**Trade Fair Authority of India**

It organises Indian participation in exhibitions and trade fairs. The Trade Faire Authority of India itself buys exhibits on behalf of the government of India in the nature of handicrafts and decoratives. In respect of exports efforts through participation in fairs and
exhibitions abroad, are made. Trade Fair Authority of India is playing a dynamic role to accelerate the export.

**Directorate of Industries**

The Directorate of Industries in the state of Uttar Pradesh has been set up under the state Ministry of Industries. The Director of Industries is its Administrative Head, who is assisted by the Joint Director of Industries in every region and one District Industries Officer and many industrial Inspectors in every district, who look after the promotion and development of Industries. Industries Department of the state has been helping the Brassware industry in the following manner:

(a) The Department of Industries ensures the equitable allocation of the raw material to the actual users. In this regard quota system to the artisans and producers is being used by them properly.

(b) At Moradabad the officers of the industries Department also try to combine the artisans into viable units and to organise clusters such as, the products of one process under a viable unit are transferred to the viable units of the next process and so on and so forth till the products are given finished shape.
(c) The District Industries Officers and inspectors also find suitable solution for the problem of labour and also to improve the working and living conditions of the labour engaged in the industry.

(d) The Department studies the problems which hinder the development of the industry and find out suitable ways and means to overcome such problems. Besides, the Department of industries recommends to the state government various types of facilities to be given to this industry.

(e) The State Government gives the guarantee of the quality of brassware products under its quality marking scheme.

(f) Besides, the planning and Market Research section of the state Directorate of Industries carries on survey of the potentialities of the Brassware industry in different areas and makes projects for further expansion. So far the department has conducted surveys of the Brassware industry at Moradabad, Varanasi and Mirzapur.
State government has also set up the U.P. State Brassware corporation Ltd., at Moradabad for the development of the Brassware industry. Besides, the U.P. Export Corporation, Kanpur has also been helping the industry in the marketing of its products.

**U.P. Export Corporation Kanpur**

The government of Uttar Pradesh has set up the U.P. Export corporation at Kanpur for promoting the exports of the State handicrafts. The Corporation has been working as the handicrafts organisation and promotes the internal and external sales of handicrafts including brasswares. The corporation has adopted a system of procuring brasswares either directly from the manufacturers of Moradabad and other important centres of the state or through the U.P. State Brassware Corporation Ltd.

Besides, the marketing of brassware in India and abroad, the corporation has also been assisting the Brassware industry in the state in following ways:

(a) It tries to book its own orders of brassware from the buyers in India and abroad against samples, prices list and catalogue supplied by the U.P. State Brassware Corporation Ltd. Moradabad. It supplies new designs and patterns
of brassware items to the manufacturers according to the demand and taste of foreign buyers.

(b) In order to give wide publicity of Indian handicrafts including brasswares, the U.P. Export corporation has set up its show rooms at places important for tourism and sight seeing purposes in the state as well as in other parts of the country. It has so far set up its show rooms at Taj Mahal, Agra, Hazrat Ganj, Aminabad, Lucknow, New Delhi, Nagpur, Bombay and Hyderabad.

(c) This corporation also participates in fairs and exhibitions and makes a wide publicity of Indian brasswares in foreign markets.

U.P. State Brassware Corporation Ltd. Moradabad

U.P. State Brassware corporation Ltd. plays a very important role. It was established in 1974 under the Company's Act 1956 at Moradabad. The main objects for which the Company is established are:

(i) To aid, counsel, assist, finance, protect and promote brassware and E.N.S. small industries in the state of Uttar Pradesh whether owned or run by company, firm or individual and to
provide them with capital credit, means, resources, raw materials and technical and marginal assistance.

(ii) To enter into contact with government of India and the state government in all their departments and corporations and other subsidiaries and branches and from agency and offices there having the necessary powers for fabrications, manufacture, assembly and supply of brass and E.P.N.S. goods, materials and article and to arrange for the performance of such contract.

(iii) To take all the necessary and requisite steps to utilise the potential productive capacity of plants operated by small industrial concerns in brassware, moulding, shaping, engraving, finishing and electroplating.

(iv) To certify the appropriate government officers with respect to the competence as to capacity and credit of any small industrial concern or group of such concern to perform in specific government contract.

(v) To obtain from any government Ministry departmental establishment or agency such
reports concerning the giving of contracts and sub-contracts marking of loans to business concerns.

(vi) To promote and operate schemes for development of small industries of brassware in the state of U.P. for that purpose to prepare or get prepared reports, blue prints, statistics and other informations.

(vii) To manufacture, buy, sell, import, export, install work and generally deal in any plant, machinery, tools materials goods or things or any descriptions which in the opinion of the company, may be conveniently dealt with by the company in connection with any of its objects.

(viii) To enter into any partnership of arrangement for joint working in business, sharing of profits, pooling of any industrial undertaking, with any of the company, firm, a person carrying on or engaged in manufacture.

(ix) To sell, dispose of, hire, transfer the business property and undertaking of the company or any part thereof for cash, stocks or shares of any other company or for any other
considerations with the company may see fit to accept.

Following table shows the progress of U.P. State Brassware corporations:

The figure of raw material shows that the Brassware corporations Ltd. of Mordabad since 1985-86 has been achieving much more than its set targets. Its performance gradually picked up in 1985-86. The target was set at 200 lakhs but the achievement was 201 lakhs where as in 1989-90 the target was 800 lakhs and the achievement was more than double i.e. 1650.52 lakhs.

As far as export trade is concerned the performance of the corporation is not satisfactory. In 1985-86 the target of export was 50 lakhs while the achievement was 6.40 lakhs and since then the trend shows the declining targets as well as achievement came down sharply as the target was 2.00 lakhs and achievement was only 0.11 lakhs.

The performance of U.P. State Brassware corporation Ltd. regarding inland trade is also not satisfactory. Except the year 1985-86 the achievements are declining. During this year (1985-86) the target was 30 lakhs where as the achievement was 31.51 lakhs, where as during the
### TABLE NO. 4.1

**THE U.P. STATE BRASSWARE CORPORATION LTD. MORADABAD**

(Progress of last five years of the Corporation)

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</thead>
<tbody>
<tr>
<td>Raw Material</td>
<td>200.00</td>
<td>201.00</td>
<td>200.00</td>
<td>210.00</td>
<td>220.00</td>
<td>283.34</td>
<td>512.00</td>
<td>860.41</td>
</tr>
<tr>
<td>Export Trade</td>
<td>50.00</td>
<td>6.40</td>
<td>50.00</td>
<td>4.01</td>
<td>50.00</td>
<td>1.40</td>
<td>20.00</td>
<td>1.46</td>
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<tr>
<td>Inland Trade</td>
<td>30.00</td>
<td>31.51</td>
<td>40.00</td>
<td>24.51</td>
<td>60.00</td>
<td>11.05</td>
<td>24.00</td>
<td>9.52</td>
</tr>
<tr>
<td>Financial Assistance and Artisans</td>
<td>1.00</td>
<td>0.60</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Supply of Machinery under Hire Purchase Scheme</td>
<td>1.50</td>
<td>6.52</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>282.50</strong></td>
<td><strong>246.03</strong></td>
<td><strong>290.00</strong></td>
<td><strong>238.52</strong></td>
<td><strong>330.00</strong></td>
<td><strong>295.79</strong></td>
<td><strong>556.00</strong></td>
<td><strong>871.39</strong></td>
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</tbody>
</table>

Source: Data collected by the Research Scholar from U.P. State Brassware Corporation Ltd., Moradabad.

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year 1989-90 the target was 15 lakhs and the achievement was low at 9.50 lakhs.

As far as the financial assistance to the exporters and artisans is concerned, no conclusion can be drawn as the data is available for only one year (1985-86). The target was 1 lakh, where as the assistance provided was only 0.60 lakhs.

The same is the case with the supply of machinery on hire purchase scheme. Data is available only for the year 1985-86. In this particular year the target set was 1.50 lakhs and the achievement was Rs.6.52 lakhs, but as the data is available only for one year we can not generalise this trend.

Working of the U.P. State Brassware Corporation Ltd.

U.P. State Brassware Corporation of India with the assistance of government of U.P. is working on the following lines:
1. U.P. State Brassware corporation looks after the matters of providing basic raw material at international prices to the exporters.
2. To provide land free metal, it has put a non-ferrous roll-ing mill which nas started supplying brass and E.P.N.C. sheets from 14th April, 1983 to the
trade. The mill has been set up with an investment of Rs.3.73 cr. at Moradabad.

3. A design and development centre is being set up. This centre, in addition to evolving new designs would also make prototypes to be given to the trade at subsidised rates.

4. To boost exports and to give special attention to it government of U.P. has created an export promotion development department as a separate department to the government of U.P.

5. Government of U.P. is considering a proposal to provide improved tools and plants to the artisans at the subsidised rates.

6. The U.P. State Brassware Corporation, in collaboration with All India Handicrafts Board, is putting up a metal handicraft Service Centre at Moradabad at an estimated cost of Rs.1.50 cr. This will have electroplating and polishing units, artisans can avail its service on reasonable payment. It will also have a section imparting the training to the artisans in these trades.

7. Technological improvements would be provided by the design development centre.
8. The industrial estate would be an ideal place for bonded proceeding complex where in the imported raw material at international price could be made available to exporters. Obviously it will result in some control over production and utilisation of imported raw material. This would again be an ideally suited place for the completion of formalities at a single point.

9. The problem of excise duty on handicraft goods is also taken up by the U.P. government with the government of India.

10. It is proposed to establish an export complex at Moradabad providing all the facilities to the exporters at one place.

11. Peetal Nagri

U.P. State Brassware Corporation has established a big industrial estate also known as Peetal Nagri for such artisans adjoining the city. This in fact is a new township for the artisans equipped with all modern facilities in healthy surroundings. The artisans have been provided with residence cum workshed in open area with parks, wide streets, all the infrastructure, such as electricity, water supply, etc. The industrial estate also has an electroplating plant and a lacquering plant, Banks,
administrative offices of the exporters have also come up. There is also a hospital and post office for the artisans and also educational facilities. The U.P. State Brassware Corporation intends to extend township to accommodate more and more artisans and thus in due course of time a model town for the brass artisans of Moradabad has came into existence. This will not only improve the lot of the artisans but will also result in preservation of the artistic tradition and bulk production of the required items.

Following table shows the achievements of U.P. State Brassware Corporation:

**TABLE No. 4.2**

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<tbody>
<tr>
<td>1</td>
<td>Construction of residential Complex</td>
<td>305</td>
<td>259</td>
<td>-</td>
<td>-</td>
<td>564</td>
</tr>
<tr>
<td>2</td>
<td>Construction of Workshop</td>
<td>88</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>98</td>
</tr>
<tr>
<td>3</td>
<td>Distribution</td>
<td>80</td>
<td>112</td>
<td>133</td>
<td>-</td>
<td>325</td>
</tr>
<tr>
<td>4</td>
<td>Possession</td>
<td>-</td>
<td>66</td>
<td>8</td>
<td>10</td>
<td>84</td>
</tr>
</tbody>
</table>

Source: Data collected by the Research Scholar for U.P. State Brassware Corporation LTD. Moradabad.
The above table reveals that the corporation constructed 564 residential complexes and 98 workshops for the artisans in which 305 residential complexes were constructed in 1986-87 and 259 in 1987-88, while the construction of 88 and 10 workshops has been completed in the same year (1986-87 and 1987-88). Among these, the corporation distributed 80 residential complexes and workshops in the year 1986-87, 112 in the year 1987-88 and 133 in the year 1988-89, while the artisans occupied only 66 complexes and workshops in 1986-87, 8 complexes and workshop in 1988-89 and 10 complexes and workshop in 1989-90. It shows that the artisans possessed the total 84 residential complexes as well as workshops as against the both distributed 325. It shows that the artisans are occupying the complexes gradually in the industrial estate or we can say not much interested to shift there, because the industrial estate is far from the city and in the isolated place.

From the foregoing discussion it can be concluded that the export promotion council plays a very important role for the development of handcrafts. Besides, handicrafts and Handloom export corporation, Minerals and metals trading corporation, small industries service
institute, Trade Development Authority, Directorate of Industries have played a prominent role in promoting the exports of brasswares.

The Trade Fair Authority and U.P. Export Corporation are also playing a dynamic role for promoting the exports of brassware. Trade Fair Authority organises exhibitions abroad to display handicrafts.

U.P. State Brassware Corporation Ltd. assists finances and protects these units and provides them capital credit, raw material, technical and managerial assistance for the development of Brassware industry in the State. The corporation has established a big industrial estate for such artisans at a place adjoining to the city. It is a new township. The artisans are provided with residence cum workshed in open area with all the infrastructure facilities. The corporation constructed 564 residential complex and 98 workshops for the artisans, where as corporation distributed 325 residential complex and workshops.