CHAPTER VI

CONCLUSION AND SUGGESTIONS
CONCLUSION AND SUGGESTIONS

The concluding chapter has been devoted to draw the conclusion of the study on the Export Potentialities of Brassware Industry of U.P. and to give the suggestions for the betterment and future development of the industry. The basic finding of the study is that being labour intensive in nature, the Brassware industry not only provides the employment to thousands of people but has vast potentialities for fetching the much needed foreign exchange earnings for the economic development of the country.

The Brassware industry, being export oriented and labour intensive is an old traditional cottage industry of U.P. famous all over the world for the beauty of its decorative as well as utility items. Although, the brasswares of the state were exported to foreign countries even during the Mughul period in India, the real breakthrough in exports is attributed to a series of exhibitions and fairs popularising the brasswares in the world.

The production processes are usually carried out in the residential premises. The enterprises engage in the manufacture of brasswares throughout the year except the
rainy season. The labour force comprises family workers and hired workers who are paid wages on piece meal basis.

A wide range of brasswares are being produced in various shapes and designs. A number of processes involved in the manufacturing of brasswares are undertaken by individual establishments specializing in each of them. No scientific process is adopted by the industry in respect of the development of new product. The main source of product development appears to be the foreign buyers and local artisans. Moreover, the production techniques adopted by the industry are very old and time consuming. Few efforts have been made in this direction by the governmental agencies, manufacturers and exporters.

Regular and adequate supplies of raw material continue to be an important problem for the industry despite certain efforts which have been made by the government to mitigate this problem given the credit facilities a large portion of small Karkhanedars and artisans continue to purchase raw materials from local dealers at exhorbitant prices. While the merchant exporters usually do not face any problem in procuring finance from the banks and other financial institutions in time of need, but due to the credit worthiness and lack
of education, small karkhanedars and artisans usually suffer for lack of finance.

The socio-economic conditions of the workers are unsatisfactory. Most of the artisans family members are illiterate. The institution of child labour is inflicting illiteracy upon the children as also their exploitation by karkhanedars. Health and medical facilities available to the artisans also appear to be utterly inadequate. Depending upon the specific condition of work and unhygienic living conditions, the incidence of T.B., Asthama, Malaria are high among the brassware workers.

With regard to exports of brasswares, the industry has been successful in making a sizeable dent in foreign markets over the years. The industry has registered a tremendous growth over the years since independence. By far the U.S.A. is the main market for U.P.'s brasswares followed by Saudi Arabia, U.K., Canada, U.S.S.R., West Germany, France, Italy, Netherland and Kuwait etc. Regional trends in the exports of brasswares reveal that the American region registered the highest share of our export consignment followed by the European region, Asian and oceanic region and African region. In the Asian and oceanic region, Gulf and Middle East countries registered
the highest share of our export consignment. However, African region appears to have remained fairly unattempted by our exporters as this ranks the last in imports of our brasswares. Substantial potentialities for our brasswares exist in Mexico, Cuba, Brazil among American region. Similarly, Norway, Austria, Portugal have considerable potentialities for our brasswares. Like wise, Bahrain, Dubai, Jordan, Iraq, Oman, Syria etc. also possess vast potentialities to absorb our brasswares. Great Potentialities for exports of our brasswares also exist in African countries including Kenya, Tanzania, Libya, Mauritius, Nigeria, Sudan, Ethiopia in the African region.

The main competitors in the field of export trade of brasswares are South Korea, Hong Kong, Taiwan, Japan and Pakistan. The articles made by them are produced in mass by modern machines. Moreover, raw material in these countries is made available at international prices, which reduces their cost of production. Further, the quality of products offered by these countries is also superior to Indian brasswares. Given the adequate facilities like skilled craftsmen and raw material at reasonable prices, the exporters appear to be able to boost up the exports of brasswares.
Considering the vast export potentialities of Brassware industry of U.P. the government of India has developed a fairly strong institutional structure for the export promotion in the country. A series of service organisations like export promotion council for Handicrafts, All India Handicrafts Board, Indian Institute of foreign trade, Trade Fair Authority of India, Trade Development Authority, Central Cottage Industries Corporation, have been quite instrumental in boosting up the exports of brasswares. Like wise, many export marketing organisations such as Handicrafts and Handloom Export Corporation, Minerals and Metals Trading corporation, U.P. Export Corporation, Kanpur, U.P. State Brassware corporation have also contributed a lot in stepping up the exports of brassware in the international market.

With regard to marketing of brassware the industry does not appear to follow a uniform pricing policy. Margins changed by dealers and exporters remain more or less the same for wholesalers and retailers irrespective of the quantities purchased. With view to popularise the wares and facilitate the customers, exporters and dealers in brasswares maintain catalogues with pictures and selected items as well as price lists.
The industry follows the usual channels of wholesalers and retailers for marketing the brasswares in different parts of the country and the world. Among the wholesalers, individual export houses, manufacturers-exporters, U.P. State Brassware Corporations, U.P. Export Corporation are prominent, while commission agents and local dealers comprise retailers. This system of marketing of brasswares is popular at Moradabad and Mirzapur. Besides these, the cooperative marketing societies have been set up to market the different types of products. The individual export houses play a dynamic role in boosting up the sales of brasswares. These houses have frequent contacts with foreign buyers. All India Handicrafts Board, Handicrafts and Handloom export corporation and U.P. Export corporation have been set up with the object of promoting the exports of Indian Handicrafts including the brasswares of U.P. which have large export potentialities.

It appears from the study that the majority of industrial community suffers from the lack of finance. So, the credit facilities on instalment should be extended to the artisans to facilitate buying of raw material and marketing of finished goods on his own. This
would go a long way in eliminating the dealer, financer and middlemen who dominate the industry. The state government as well as the local banking institutions should relax conditions of issuing of credit to the artisans. The lead bank of the district should be entrusted with the responsibility to survey industry and the artisans engaged there in with a view to assist their entrepreneurial attitude. Those willing to set up their independent enterprises should be provided with adequate loans at easy and cheap terms.

Inadequate supply of raw material needs to be organised so as to ensure adequate and timely availability at reasonable prices. In order to overcome the problem of raw material supply to small Karshnanedars and artisans, the state government should either set up a separate organisation exclusively responsible for procurement and regular supply of raw material to the industry or empower the U.P. State Brassware corporations to discharge this function efficiently.

With a view to increase the production, it is desirable to upgrade the traditional production techniques and process which would not only strengthen the competitive position of the industry abroad but would also
help in improving the existing living conditions of the artisans in the state. The State government should set up a process development and training centre at Moradabad, which would experiment and develop new production techniques and process and train the artisans in new processes and techniques so developed.

For the sizable export of brasswares and the ability of industry to withstand competition in foreign markets, it is highly desirable to accelerate the design development activities by establishing a well equipped design extension centre. New designs suiting the method of production should be evolved and released to the craftsmen at normal rates. Demonstration of designs would be most useful, and arrangements should be made in this direction. It may be useful to open a design extension centre under some eminent designer who is given opportunities to study foreign tastes in designing.

Taking into consideration the significance of quality control for maintaining the existing foreign markets as well as for capturing the new ones, it is very much necessary on the part of the state government to cover the industry under the Quality Marking Scheme. Quality marking of the brasswares is essential to ensure
that export of defective products does not limit our market abroad and endanger foreign exchange earnings as well as to meet the growing competitions abroad. So, the Quality Marking Centre of the U.P. Government should be upgraded with additional staff and testing facilities for controlling the quality of brasswares manufactured for exports.

It is observed that the unhealthy and unsound conditions in which the workers live mostly the artisans, affect their working and expose them to many tensions including hazard to health, and absence of social security. It is suggested that the government should adopt suitable social security and health measures in work houses which do not come under the purview of factories Act. Merchant-Exporters should take a lead in all the matters and persuade the artisans working with them to shift to the new colony from their residential houses. The new labour welfare centres should be located at a place where the artisans are centred, and should have dispensary, maternity and child welfare section, and adult education facilities and also young children should rather be encouraged to get education at the welfare centre.

For enabling the exporters and manufacturers of brasswares in the state to offer their quality goods at
Despite the long experience the industry and trade have not realised the significance of attractive packaging and packing. While most of the brasswares produced are sold as gift-wares, they should be packed in suitably designed boxes of card-board. Considering the existing deficiencies in the standard of packaging, the Indian Institute of Packaging should hold training Programmes at different centres in the state in order to keep the exporters aware about the latest development in this direction. Since packing of consignments for despatch especially to foreign markets is an important aspect which needs special attention, problems pertaining to packaging as well as packing materials should be dealt with by demonstration of packing techniques and training facilities extended by starting a training centre.
There is a little publicity for brasswares abroad, excepting through official channels. The brassware Manufacturers Association should be enabled to launch an advertising-cum-exhibition campaign outside the country on a collective basis. The all India Handicrafts Board may subsidize the programme by granting a suitable subsidy. Officers of the board may be deputed to these exhibitions to ensure that the interests of the individual members are looked after impartially.

Most of the exporters are not aware of modern business the innovations in the Brassware industry. It is therefore, suggested that a short terms course in business management and export-import trade be organised at different centres in the state with the help of universities. It is further suggested that an export information centre, equipped with commercial directories, magazines, and periodicals denoted to the gift ware and export business be opened in the state for ready and continuous reference of the trade.

It is also suggested that the Indian Tourism Development Corporation or Tourist Department of Uttar Pradesh should consider construction of a modern hotel at Moradabad near about the Peetal Nagri (industrial estate)
being developed by the U.P. State Brassware Corporation to provide staying facilities for foreign customers.

If it is done, a new enthusiastic force of entrepreneurs will develop, which will flourish the Brassware industry on sound lines.