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Title: Need to review the decision to increase excise duty on clay bricks.

SHRI E.G. SUGAVANAM (KRISHNAGIRI): Brick industry in our country is next to agriculture particularly in rural India. It is unique in nature as it provides employment opportunities to skilled as well as unskilled labourers from villages and it is highly labour intensive. It is a small-scale/cottage industry. The people associated with the industry are facing lot of difficulties in view of the nature of industry and their inability to maintain proper accounting due to lack of awareness and knowledge. They have appealed for a compounding system based on number of kilns used for manufacturing bricks. Many times, they are facing problems due to inadequate availability of raw materials particularly in the monsoon season and stop the production. But during this period also they have to pay wages to the workers and to meet other recurring expenditure.

Adding fuel to the fire, Union Government in the Budget 2012-2013 hiked the excise duty on bricks made of clay from 1% to 2%. It will have direct impact on the construction industry besides increase in cost of construction. The poor and middle class people will become more vulnerable with the implementation of this decision.

Keeping in view of above, I urge upon Union Government to remove the excise duty on bricks made of clay and save the industry from ruin.