



ECO CARBON PVT LTD.

**COLLABORATION SIGNED BETWEEN
BESSER GmbH, GERMANY & ECO CARBON PVT. LTD., INDIA**

**FOR PROMOTING HIGH CAPACITY AUTOMATION PLANTS (HCAPs)
FOR THE PRODUCTION OF FaL-G BRICKS & BLOCKS**

Construction industry in India is booming with massive demand for construction materials. Bricks and blocks are one of the vital materials and, the boom in construction segment has given lead to two vital developments:

- ❑ Labour availability is the biggest challenge that the construction industry faces today.
- ❑ Scarcity and high costs of labour pushed the industry to optimum mechanization.

Construction markets have been penetrated with more corporate players/buyers, bidding for the projects on turnkey basis. Development of group housing and townships has become order of the day. All these developments have given way for large volumes in procurement of brick.

Adherence to ‘schedules of supply’ ‘quantity of supply’ and ‘quality of supply’ have become pivotal points in procurement point of view against which cost of the brick has become secondary issue, more so with the entry of overseas agencies to execute construction. This has created conducive environment in India for setting up large scale brick plants of 1 to 2 lakhs bricks per day.

[Besser](#) is the US based Company with long stint of services for over a century and thus became the World leaders in the production of plant and machinery for construction elements. The elements include precast products such as bricks, blocks, hollow blocks, kerb stones, pavers, ornamental stones for facia etc. So far [Besser](#)’s licensees are operating the plants based on cement mortar and cement concrete. In course of market evaluation studies to prevail upon Asian countries with largest market presence, [Besser](#) learnt that fly ash blended cements, mortar and concretes make more economic sense for easy penetration in to markets. Consequently they learned about the outstanding research done by Dr Bhanumathidas and N Kalidas, and opted to work together for the synergy of activities.



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This has culminated in signing a collaboration agreement this month between [Besser](#) GmbH and Eco Carbon Pvt. Ltd. (ECPL). Under this collaboration both companies work together in assisting Indian clients for setting up High Capacity Automation Plants (HCAPs) for the production of fly ash bricks and concrete elements. [Besser](#) gives plant performance guarantees and ECPL gives process performance guarantee, ultimately insuring the total plant for successful performance.

ECPL is going one more step forward for registering these HCAPs as CDM projects in order to get about Rs. 5 to 7 millions every year per each plant of 2 lakhs bricks per day capacity. ECPL is also trying to organize some upfront payment to each HCAP, against carbon revenue, which can be used as part of equity or working capital.

State Bank of India, who has set up an exclusive department in order to enlarge their portfolio in CDM projects, is considering to extend funding to all these HCAPs at National level. Such funding covers FCNR loan, Term loan and working capital loan.

ECPL itself is setting up a plant at Visakhapatnam with a capacity of 2 lakh bricks per day. Commenting on the feasibility, the founder director, Kalidas says:

“At one point of time in the past we were against promoting large scale plants in view of economic logistics. But after working out the feasibility, it is realized that the product of large scale project is no where costlier as long as threshold production levels are achieved. For example, when compared with small scale plants, the percapita power consumption comes down to 25% and production-wages comes down to 30%. Ultimately a qualitative product in large volumes would be made available with out extra cost than small scale unit, but for the duties and taxes.”

ECPL has developed Accelerated Curing System (ACS) based on solar energy, which would impart 21 day strength in 24-hours, thus minimizing the inventory cost during curing. This helps to impart uniform strength to fly ash bricks, which is weather-dependant under natural curing with varied ambience. This is a phillip for promoting large scale plants.

“We have a target of promoting over 500 HCAPs and, surely over 100 HCAPs in the next three to four years. We are confident of developing entrepreneurs and corporates for achieving this target because of carbon revenue support. But, please mind, this has no effect on SSI segment as long as they manufacture qualitative product because, despite all these efforts, all 100 HCAPs put together, at an aggregate output of 4 billion bricks can penetrate in to clay brick market only by 1-2%.” says Kalidas.

Visakhapatnam
March 31, 2008.

ECPL Press Release.