

Paint and Pigment

TODAY, colour still bring warmth and cheer into our lives—but gone are the crude primitive methods used to obtain it. In their place are huge paint-making factories, up-to-date production techniques, scientific methods of analysis. Thus the paint manufacturer tells us the story of his ware.

Though not yet a major industry, paint, no doubt, has a very definite place as much in our domestic as in the national economy. Some years ago under our Prime Minister's lead, the Planning Advisory Committee considered the subject. The panel on paint and varnishes made several suggestions in its report. One was that a Central Association of all paint manufactured should be formed to advise Government periodically on the development of the industry and the controls to be exercised. Another was that membership should be made compulsory.

Not much progress has been achieved since then in these directions. A reference was made to the subject at the Fourth Annual General Meeting of the Paint Federation held in Calcutta in February last. Negotiations began in 1949 to amalgamate the two existing associations of paint manufacturers in India, but although agreement was reached on virtually all other matters, it was not possible to reconcile the opposing views held by the; Indian Paint Manufacturers Association, Bombay and the Paint Federation, Calcutta on the question of the voting strength of members. Further progress became impossible and the negotiations broke off. It is, however, hoped that amalgamation may be effected at a later date.

The proceedings of the Federation referred to the difficult position of supply and the rising cost of raw materials and the apathy of the Government. The Government are entitled to say, however, that industry, in trying to promote joint effort for its own good, was unable to agree on so small a matter as that of voting strength. The inference is warranted that when it comes to a question of sacrifice of power in the interest of co-operative control of industry, industry is unequal to the task.

Similar emphasis on the need for co-operative action on the part of business was no doubt made at the

annual meeting of the Indian Paint Manufacturers Association, Bombay, two years ago. That Association said that the consumption of paints and varnishes in this country was at a low level, and that a national paint front was necessary. The President of the Association admitted that they had learnt the folly of depending on Government demands and added, " We should now come out and take joint action for popularising and selling our product to the wide public." It was also admitted that as regards quality, there was much to be desired. " The products of the paint industry are not officially or organisationally standardised and the result is that there is a dump of multi-coloured clay in the market going by the name of paints."

Excellent precedent both as regards amalgamation and unified action in marketing and export is, however, available in England where the manufacturers realised fully the significance of the slogan " Export or Perish." Some years ago, the part that small paint firms could play in a co-operative export plan and the methods for its accomplishment were described by Mr R. B. S. Jackson in his Presidential address to the Paint Manufacturers and Allied Trade Associations in London. About 136 firms joined the co-operative scheme to sell their goods abroad. Although in one instance a firm's identity went back 300 years, they all sank their individuality, adopted common formula, colours and packing and began to market their products under one name. That, indeed, is a lesson for our captains of the paint industry.

Coming to the users, the consumer does not know, for instance, how far the Standards Institution or other appropriate authority has taken action about the quality of Indian manufactured paint. Nor does he know the efforts made by the Government to implement the recommendations of the Panel.

As regards the target of production, in relation to paints and varnishes, the Advisory Panel had fixed it at 100,000 tons as against the current (1947) production of 50,000 tons, 50 per cent of the proposed increase being intended to meet the increased demand of the internal market and the balance for

varnish 3,000 tons of Titanium Whites, (Titanium is largely available in mineral deposits in Travancore), 8,000 tons of White Lead, Red Lead, Litharge and Lead Chrome. 6,000 tons of Zinc Oxide normally and 8,000 tons if lithophone manufacture is not developed, were the other targets fixed among pigments. No target was fixed as regards barytes whiting, gypsum, bauxite, etc.

The Panel desired that for achieving the extra production, the capacity of the existing plant should be increased by 25,000 tons and new plants should make up the deficiency of the remaining 25,000 tons, Bengal, Punjab and Bombay were banned from installing new plants, as the industry was already concentrated there too heavily. It is some consolation, therefore, for people in the south to note that a factory has been started in Madras and it is now working.

Regarding the other recommendations of the Panel, it is not known what has been done. They relate, for instance, to the setting up of a central laboratory, sending technicians (fifteen was the suggested number) abroad annually for specialised studies and the import of German technicians on a three year minimum contract.

The complaint of this, as with all industries, taken by and large, has been want of adequate attention on the part of the Government. A point to remember in these things is that promotion of industry is one thing and that of the individual industrialist or businessmen is another. The Government cannot afford therefore to waste their time or energy in looking to the needs of the latter. Should Government, therefore, find that the requisites of this industry have not been met, they will do well to act with minimum delay,

For instance, it is admitted that the supply position of raw materials was somewhat easier for the first half of 1950. But the Government are making a mistake in thinking that once licences are issued, it is all smooth sailing. It is pointed out, for instance, that although licences for the import of red oxide from the Persian Gulf had been issued, it has not been possible to obtain direct supplies for some years. Why is it so? Again the industry's request is that the Government should Assist by imposing a lower

rate of duty on raw material, Railway rates on wagon loads, the programme and Junctions of the Development Committee (the allegation is that it has not met at all) and similar other things pertaining to the progress of paint and pigment call for attention.

A happy augury is the Indo-Pak trade agreement which ensures a greater offtake of Indian paint by Pakistan. Should her railways expand, still greater demand is likely, and the market for paints is bound to expand. For, of the 42 lakhs

worth of paint and painters material imported by that country in 1948, imports from India were worth Rs. 16.5 lakhs. The Home Government have a further responsibility in this matter for the Union Government's demand forms an important percentage of the total demand for paints and varnishes. Annually, the Government of India's purchases amount to about 40,000 gallons of synthetic enamel and Rs. 125 lakhs worth of other paint material. Authorities must also see that quality is ensured.

ad out in these columns that unscrupulous shippers were mixing groundnut oil, because of its relatively low price, in exports of kardi oil. The Government have now thought wise to control the export of kardi seed, also known as sunflower seed, and have notified that in future, its exports will not be allowed except under a licence. All outstanding sales concluded before March 28 are to be reported to the Export Controller's office on or before April 4 for registration along with complete documentary evidence. This curb on exports has brought down kardiseeds to Rs. 30-10 from the highest level of Rs. 36 touched some weeks back.

In the face of crop movement and heavy arrivals, linseed continued to sag and the announcement of restriction on exports of linseed oil accentuated the downward swing. Prices of linseed have dropped by about Rs. 3 per cwt., those of linseed oil by over a rupee and a half, over the fortnight. The Government have decided to stop further registration of linseed oil sales for export from Bombay. Sales already registered would be subject to availability of licence at the time of shipment. Transfer of port of shipment would not be allowed against registration of sales of linseed oils.

Groundnuts have kept remarkably steady in the face of a debacle in other sections. Hopes are entertained by a section of the trade that fresh export quota for groundnut oil may be announced. Crushers and vegetable interests have been the main buyers.

The bungling in the matter of export policy in oilseeds and oils provides a lesson and moral. This is not for the first time that the export control authorities have failed to judge the situation correctly and failed to act at the right moment. The export control department of the Commerce Ministry has now been functioning for more than eight years but the unfortunate part of it is that it has not grown wiser from experience.

For the nine months ending 1950, exports of oilseeds and oil from India fetched about Rs. 20.40 crores as against Rs. 12.87 crores for the corresponding period of 1949 and Rs. 22.80 crores for the year 1949-51. It is estimated that total exports for the year to end on March 31 will amount to Rs. 35 crores. Exports of principal oilseeds and oil for the nine months ending December 31, 1950 are given below for comparison.

Oilseeds

Export Muddle

Thursday, Morning

IN their enthusiasm to earn more and more foreign exchange, the Export Control authorities under the Commerce Ministry either do not observe vigilance or they neglect the interests of the domestic consumers. This is the general impression in cloth export trade and castor oil exports. Despite heavy exports of cotton piecegoods in the past few months, which almost exhausted the quotas fixed for the current half year, the situation was not scrutinised closely enough and hence the export policy had to be changed twice during the last one month. Likewise, the Commerce Ministry should have known that the foreign countries have been voracious buyers of Indian castor seeds and oils at any price since the Korean war.

When exports of castor were regulated some months ago, foreign buyers turned their eyes on castor oil the export of which had remained free and export sales took place on a large scale. On March 10, fresh sales of castor oil exports were prohibited but shipments against previous commitments were allowed. By March 15, all shipments, except immediate cargoes, were suspended. This created a jittery state in the castor seeds market and prices slumped to Rs. 232 on March 15 from the overnight kerb prices of Rs. 249. Prices rallied to Rs. 246 on March 17 but slumped back to Rs. 229-4 on March 19. Thereafter, technical adjustments steadied the price to Rs. 245-8 on March 27 but there was a fresh break again on March 28 when prices dropped to Rs. 229 to finish at Rs. 232. Castor oil, commercial quality, which was booked up to Rs. 36 in January has

come down to Rs. 30-8 and castor seeds, Madras quality, to Rs. 49 from the peak level of Rs. 59-8.

Thus sudden changes in export policy have undermined confidence and encouraged speculation to the detriment of the trade. It should be noted here that only a few lucky operators who had the inside dopes have alone been the gainers. Moreover, it is also unfortunate that foreign buyers are losing confidence as our export policy has never been stable and this is not likely to promote our export trade in the long run. The Commerce Ministry, it is to be expected should keep in touch with world trade development from day to day and also bear in mind the country's internal needs for the commodity which also enters the export trade. The export policy should be so framed so as to remain stable at least for the season and to minimise the upward pressure in domestic markets.

The official policy has not met any of these tests. It has been lethargic as well as highly unstable; otherwise no extreme action either way would have been forced upon the authorities. The Government is still examining the overall position before defining its export policy for castor oil for the next period. It is estimated that outstanding export sales amount to about 15,000 tons but it is likely that a minimum of exports will be allowed on quota basis from the month of May. The new policy is keenly awaited in business circles who complain that official action is taken only at the last minute when the situation gets out of hand.

Exports of kardiseeds and kardi oil were free till now. It was point-