

**Address By Smt. D. Purandeswari MoS-HRD(He)
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in Printing In New Delhi.**

I am glad to be present here today at this Second North Indian Awards for Excellence in Printing organized by Delhi Printers Association.

I understand Delhi Printers Association has a long history of its existence which was originally constituted for providing a common forum for discussing the problems of the printing industry in so far as they relate printing companies in Delhi. The Association was formally registered in 1959 under the Registration of Societies Act of 1860 and since then it has not looked back. Being the largest association of the Printing Industry in India Delhi Printers' Association has been holding seminars, workshops, conferences, excellence in printing contests etc. to achieve its objectives. I learn that in 1993, Competition for Excellence in printing was organized where a panel of eminent judges selected entries from small, medium and large printers for first, second and third prizes in various categories. To celebrate the 50th Year of India's Independence, the association held a felicitation function on 9th August 1998 wherein short one-act plays on the lones of Shaheed Bhagat Singh, Sukhdev, Rajguru and Subhash Chandra Bose were enacted, which created a patriotic impact among the people.

The printing industry is one of the important sector that serves all sectors of the economy.

It is an important medium for education, entertainment and information, serving all parts of the economy – central and local government, financial services, retailing, distribution, travel and tourism and manufacturing industry. Demand for its products is largely derived from the level of activity in the economy at large and as such the industry is regarded by many as a bellwether for the economy.

In this context, I would like to state that the printing industry is bound to face significant competitive challenges, arising not only from global competition but also from media substitution resulting from the spread of internet-based technologies. Facing a frontal assault by the electronic media and the Internet communication and smarting under a debilitating tax structure, the domestic printing industry is likely to be confronted by a slew of pressing problems.

As a book lover and as one who has got more than moderate interest in reading, I am aware of some of the problems faced by the printing industry and presented to me by the representation of the industry. One of the major problems being faced by the printers, according to the industry, is short supply of high quality paper at reasonable costs. "Paper constitutes the most important raw material for printing, accounting for almost 70 per cent of the cost of print jobs. Although the domestic paper manufacturers produce an average of about 10,500 tonnes per annum, the quality is only modest, with the industry not imbibing the latest technology to the required level. On the other hand the duty on import of paper and paper board has been

hiked from 44.2 per cent in 1997-98 to 67.3 per cent in 2000-01, which was marginally slashed to 57.3 per cent in the 2001-2002. The industry has been seeking a cut in duty on all imported paper, other than newsprint and LWC (lightweight coated paper), to 25 per cent, which, it feels, could fuel the domestic printing industry and harden the competitiveness of the local paper manufacturers.

Another problem is production of printing machinery. An estimated 90 per cent of offset printing machinery is manufactured either in Germany or Japan, with India having only a few major units in the organised sector, which can be competitive only for small newspaper printing or for one colour sheet-fed offset. "In the light of this, the current duty of 50.8 per cent on import of printing machinery is unwarranted, especially as there are no local manufacturers.

Industry representatives have also pointed out that along with printing machinery, other consumables in the printing process like rubber blankets, inks, plates, adhesives and graphic art film are burdened with duties ranging from 50 per cent to 70 per cent. They feel that due to complicated tax structure, the flow of investment into the printing sector has been low.

"Printing demand over the last few years has not grown and in certain regions like western India it is, in fact, contracting. Supply of printing far exceeds demand, while price levels have plummeted to an all-time low. Analysis of the sector has shown that the advertising sector account for nearly 45 per cent of the domestic printing demand, the other sectors contributing to the demand being

wholesale trade (9.30 per cent), non-profit organisations (9.20 per cent), periodical publishers (3.50 per cent), insurance carriers (two per cent) and book publishers (two per cent).

Having said that, I must point out there is nevertheless a good scope increased demand for printing in India. As he points out the per capita print output in India is a measly \$10, as compared to \$583 in Northern Europe, \$479 in Japan, \$317 in the US and \$34 in South America. India, with an estimated educated population of 20 per cent, does need more reading material at affordable rates.

Apart from undertaking mammoth printing assignment for domestic use, hundreds of leading Indian printers are engaged in printing for clients in the US, Europe and South Africa. The printing industry is also poised for the second round growth as the government of India forecast has put per capita paper consumption at 12 kgs in the next four years as compared to 6 kg per capita currently. While the US and Europe are sourcing packaging and commercial printing, South Africa is even getting its text books printed at Indian printing facilities. Though Indian printers have made an entry into the US, we are yet to flood their market. Now they have understood that India has the capability to deliver and this is a good beginning. The printing market in the US is valued at \$200 billion and we have a long way to go. But unfortunately India has been unable to compete with China in this arena. This is due to the Chinese advantage of low interest cost, excellent workforce, global scale and last but not the least, political printing. The Indian printing industry-

comprising 2,50,000 big, small and medium printers generate a turnover of more than \$12 billion. Though some sections of printing is growing at a rate of 30 percent, the average printing industry is growing at 12 per cent per annum and more than 20 percent of all print work done in India is for the exports market. This trend has to be sustained and improved upon.

The printing industry needs a strong collective voice that is able to articulate the industry's concerns effectively, in order to persuade government and other organizations whose decisions and policies affect and further the interests of the printing sector.

With these words I have great pleasure in inaugurating this Second North Indian Awards for Excellence in Printing. Such awards would in my view stimulate creativity and competition among the printers who strive hard to bring out the best possible results in the printing sector.

Jai Hind.

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