

REPORT

OF THE

Indian Tariff Board

ON THE

GLASS INDUSTRY



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Technical Adviser	Mr. F. W. Hodkin, B.Sc., F.I.C.

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PRELIMINARY.

The enquiry into the glass industry was referred to the Board in the Government of India, Commerce Department's Resolution No. 458-T. (2), dated 20th October, 1931. The terms of the Resolution are as follows:—

“ The Government of India have received representations from certain glass manufacturers requesting that protection may be extended to the glass industry in India. In pursuance of paragraph 3 of the Resolution of the Government of India, Department of Commerce, No. 3748, dated the 10th July, 1923, they have decided to refer to the Tariff Board for examination these representations along with any others of a similar nature which may be brought to its notice.

2. In making its enquiry, the Tariff Board will be guided by the principles laid down in the Resolution adopted by the Legislative Assembly on February 16th, 1923, and will consider—

- (1) whether the conditions laid down in the Report of the Indian Fiscal Commission are satisfied in the case of the industry, and to what extent, if any, and in respect of what articles, or class or description of articles, protection should be afforded;
- (2) in what form and for what period protection, if any, should be given; and
- (3) how its recommendations, if any, will affect other industries.

3. Firms and persons interested who desire that their views should be considered by the Tariff Board should address their representations to the Secretary to the Board.”

The Board issued a Press Communiqué, dated 20th October, 1931, calling upon all firms and persons interested in the enquiry to make written representations not later than 20th November, 1931. Mr. F. W. Hodkin, B.Sc., F.I.C., who was appointed by the Government of India, Technical Adviser to the Board, for the purpose of this enquiry, arrived on November 13th. On November 21st, the Board issued questionnaires for manufacturers and importers. Replies were received from factories and from manufacturing associations. Representations were also received from a large number of firms interested in the use of glass bottles and containers. We made a tour of inspection of glass factories beginning at the end of November, the programme being as follows:—

Nov. 23rd.—Visited Kandivli Glass Bangle Factory.

Nov. 25th.—Visited Paisa Fund Glass Works, Talegaon.

Nov. 26th.—Visited Ogale Glass Works, Ltd., Ogalewadi.

Dec. 1st.—Left Bombay.

Dec. 2nd—5th.—Arrived Agra. Visited Firozabad, bangle factories.

Dec. 6th.—Visited Upper India Glass Works, Ambala.

Dec. 7th.—Visited United Provinces Glass Works, Ltd., Bahjoi.

Dec. 8th—10th.—Visited Allahabad Glass Works, Naini.

Dec. 11th.—Arrived Calcutta.

Dec. 14th.—Visited Bengal Glass Works, Ltd., and Mr. P. M. N. Mehta's Bangle Factory.

Dec. 15th.—Visited Calcutta Glass and Silicate Works, Ltd.

Dec. 22nd.—Visited Kumardhubi Fireclay and Silica Works (Messrs. Bird and Company, Ltd.).

Jan. 2nd.—Visited the Potteries, Jubbulpore (Messrs. Burn and Company, Ltd.).

While at Allahabad we invited Mr. J. L. Sathe, I.C.S., Director of Industries, United Provinces, and Dr. H. D. H. Drane, D.Sc., Principal of the Harcourt Butler Technological Institute, Cawnpore, to meet us, and we had the advantage of a discussion with them on matters affecting the industry. In Calcutta we took oral evidence from the Bengal Glass Works, the Calcutta Glass and Silicate Works and Mr. P. M. N. Mehta on the 17th and 19th December. The Board's office opened in Bombay on January 2nd, 1932, after the Christmas holidays. The following oral evidence was taken in Bombay:—

Jan 11th.—United Provinces Glass Works, Bahjoi.

Jan. 12th.—Allahabad Glass Works, Naini.

Jan. 13th.—Upper India Glass Works, Ambala.

Jan. 13th.—Mr. Meyer Nissim, Bombay.

Jan. 14th.—Ogale Glass Works, Ogalewadi.

Jan. 18th.—Kandivli Glass Bangle Factory.

Jan. 18th.—Paisa Fund Glass Works, Talegaon.

Jan. 19th.—Glass and Bangles Industrial Association, Firozabad.

We wish to express our appreciation of the courtesy and hospitality which was shewn us by the proprietors, managers and staff at all the factories we visited.

We desire also to acknowledge the services rendered by our Technical Adviser, Mr. F. W. Hodkin, whose co-operation has been of the greatest assistance to us in the elucidation of the technical and practical aspects of the glass industry in India. His accurate and detailed knowledge has greatly facilitated our investigation of the problems connected with this enquiry. In the inspection of factories, in the examination of witnesses and above all in the preparation of the materials on which our Report is based, his co-operation has proved invaluable. His close acquaintance with

the glass industry in other countries and his thorough grasp of the commercial as well as scientific questions involved in it have enabled us to appreciate the position of the Indian industry with greater accuracy and clearness than would have been possible otherwise.

While for the actual findings and proposals contained in this Report we hold ourselves entirely responsible, both in the manner in which they are stated and explained and in the marshalling and interpretation of the evidence on which they are based we have benefited greatly by his clear perception and expert criticism and judgment and by the untiring energy which he has devoted to his work.

APPENDIX.

Estimate of revenue likely to be yielded by the protective duties on glass.

In the following calculations it is assumed that:—

- (1) if there were no protection, the normal annual value of imports would be the average of the two years 1929-30 and 1930-31,
- (2) if there were no protection, the normal duties applicable would be 30 per cent. on bangles, beads and false pearls and 15 per cent. on every other kind of glassware,
- (3) the effect of the protective duties would be to reduce the imports by 50 per cent. at the end of the period of protection except in the case of "sheet and plate" and "other glassware" which include unprotected articles,
- (4) the price of imported glassware would remain constant during the period of protection,
- (5) there would be no growth of consumption during the period of protection.

TABLE I.

Normal amount of revenue without protection.

	Normal imports at average of 1929-30 and 1930-31.	Amount of revenue at normal rates.
	Rs. lakhs.	Rs. lakhs.
Bangles, beads and false pearls	90.72	27.22 @ 30 per cent.
Bottles and phials	34.71	5.21 @ 15 per cent.
Funnels, globes and glass parts of lamps	16.66	2.50 @ 15 per cent.
Sheet and plate	27.42	4.11 @ 15 per cent.
Tableware	11.36	1.70 @ 15 per cent.
Other glassware	26.04	3.91 @ 15 per cent.
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>
TOTAL	206.91	44.65
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TABLE II.

Amount of Revenue from protective duties at the end of the period of protection.

	Value.	Amount of Revenue at protective duties.
	Rs. lakhs.	Rs. lakhs.
Bangles, beads and false pearls @ 50 per cent. of normal	45.36	22.68
Bottles and phials @ 50 per cent. of normal	17.35	8.67
Funnels, globes and glass parts of lamps @ 50 per cent. of normal	8.33	4.16
Sheet and plate—		
(Plate at $\frac{1}{3}$ rd of total)	9.14 plate	2.28 @ 25 per cent.
(Sheet at $\frac{1}{3}$ rds reduced by 50 per cent.)	9.14 sheet	6.40 @ approximately 70 per cent.
Tableware @ 50 per cent. of normal	5.63	2.84
Other glassware @ $\frac{1}{3}$ rd of normal	17.36	3.47 @ average duty of 20 per cent.
TOTAL	112.36	50.50

N.B.—'Scientific Glassware' is excluded from both Tables. It is wholly unprotected and its inclusion would therefore not affect the result of the calculations. No account is taken of glass tiles which are now shown in the Trade Returns under 'Building Materials'. The quantity of imports is however small and will not materially affect the result.