



**GOVERNMENT OF INDIA
TARIFF COMMISSION**

**REPORT ON
The Continuance of Protection to
the Oil Pressure Lamps Industry**

BOMBAY, 1957

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सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY

New Delhi, the 1st November 1957.

RESOLUTION

Tariffs

No. 46(1)-T.R./57.—The Tariff Commission has submitted its Report on the continuance of protection to the Oil Pressure Lamps Industry on the basis of an inquiry undertaken by it under Sections 11(e) and 13 of the Tariff Commission Act, 1951. Its recommendations are as follows :—

- (1) Protection granted to the industry may be discontinued when the present period of protection expires on 31st December, 1957 ;
 - (2) The Export Promotion Council should take necessary steps to enable the industry to export its products ;
 - (3) Those manufacturers who import brass rods and tubes and finished components like pressure gauge, mantle holders, nipples and pump valves with head washers should take immediate steps to meet their requirements of those articles from indigenous sources ;
 - (4) Manufacturers of Oil Pressure Lamps who do not have candle power testing equipment should take steps to instal such equipment without delay.
2. Government accept recommendation (1) and will take suitable steps to implement it in due course.
3. Government have taken note of recommendation (2) and steps will be taken to implement it as far as possible.
4. The attention of the industry is invited to recommendations (3) and (4).

ORDER

ORDERED that a copy of the Resolution be communicated to all concerned and it be published in the *Gazette of India*.

S. RANGANATHAN,
Secretary to the Government of India.

REPORT ON THE OIL PRESSURE LAMPS INDUSTRY

1. The claim of the oil pressure lamps industry to protection was first referred to the Tariff Board in 1949. **Origin of the case.** The Board in its report to Government recommended protection to the industry up to 31st December, 1953 by converting the then existing revenue duty of 30 per cent. *ad valorem* into a protective duty at the same rate. The scope of the proposed protection covered oil pressure lamps of 100 to 400 candle power only. Government accepted the Board's recommendation in January 1951; but warned the industry that if no satisfactory improvement in the quality of its products was made during the first year of protection, Government would seriously consider withdrawing all concessions or assistance granted to the industry. The Board reviewed the progress made by the industry after a year and on its recommendation, protection to the industry was continued up to 31st December, 1953. In consultation with the Tariff Commission, the period of protection was later extended upto 31st December, 1954. The second inquiry into the industry was held by the Commission in 1954 when it recommended continuance of protection for a period of three years at the same rate of duty. The Commission also recommended that the protective duty should apply to hurricane and hanging types of oil pressure lamps irrespective of their illumination capacity. Government accepted these recommendations. Under the Finance (No. 2) Bill, 1957 the rate of duty has been raised to 35 per cent. *ad valorem*. As the protection granted to the industry is due to expire on 31st December, 1957, the present inquiry was undertaken under Section 11(e) read with Section 13 of the Tariff Commission Act, 1951 by which the Commission is empowered to inquire into and report on any further action required in relation to the protection granted to an industry with a view to its increase, decrease, modification or abolition according to the circumstances of the case.

2.1. A press-note was issued on 18th March, 1957 inviting those interested in the industry to obtain copies of the questionnaire from the Secretary to the Commission and submit their replies to them. On 20th March, 1957 the Commission issued separate questionnaires to the known producers, importers, consumers and associations of manufacturers and importers. The Development Wing in the Ministry of Commerce and Industry was requested to forward a memorandum indicating the progress made by the industry since the Commission's last inquiry. Similar requests were made to the Directors of Industries, Bombay, West Bengal and Bihar where factories for the manufacture of oil pressure lamps are located. The Indian Standards Institution was requested to inform the Commission about the progress made by it in formulating standard specifications for oil pressure lamps. Steps were taken to obtain data in regard to c.i.f. prices of imported oil pressure lamps from the Collectors of Customs in Bombay, Calcutta and Madras. The Director General of Supplies and Disposals was requested for information in regard to the quality of the indigenous product and the policy followed by Government

for the purchase of oil pressure lamps. A list of persons or bodies to whom letters and questionnaires were issued and from whom replies or memoranda were received is given in Appendix I.

2.2. Shri A. K. Gopalan, Assistant Cost Accounts Officer visited the factories of Prabhat (Stove and Lamp) Products Private Ltd., Bombay and Dazzle Products Ltd., Calcutta in April, 1957 and examined the costs of production of oil pressure lamps produced by them.

2.3. Dr. S. K. Muranjan, Member visited the factories of Dazzle Products Ltd., and Krudd Industries Ltd., Calcutta on 11th and 12th June, 1957 respectively. Shri C. Ramasubban, Dr. S. K. Muranjan and Shri R. S. Bhatt, Members visited the factory of Prabhat (Stove and Lamp) Products Private Ltd., on 24th June, 1957.

2.4. A public inquiry into the industry was held on 25th June, 1957. A list of persons who attended the public inquiry is given in Appendix II.

3. We set out below the recommendations made by the Commission on matters other than tariffs in its Report of 1954 and the extent to which they have been implemented.

Implementation of the Commission's recommendations on matters other than tariffs.

Recommendation 3—

“Standard specifications should be formulated as soon as possible by the Indian Standards Institution.”

We are informed that the standard specifications for oil pressure lamps prepared by the Oil Burning Domestic Appliances Sectional Committee of the Indian Standards Institution have been finalised and are expected to be published in about 3 months.

Recommendation 4—

“Effective steps should be taken to stop the practice of marking indigenous oil pressure lamps and mantles in such a way as to create an impression that they are of foreign origin and thereby mislead consumers.”

Government stated in its Resolution on the Report that it took a serious view of this matter and issued a Notification under the Indian Merchandise Marks Act, 1889 requiring manufacturers to mark “Made in India” on the oil pressure lamps themselves and to put a similar mark on the containers or coverings of mantles. It was found, however, that it is not possible to take action against infringement of this Notification under the Indian Merchandise Marks Act, 1889 and we understand that Government is taking steps to amend the Act shortly to make misleading trade descriptions of the kind alleged an offence for the purposes of the Act.

Recommendation 5—

“The industry should diversify its production by producing lamps of over 400 candle power of both hurricane and hanging types.”

The demand for lamps of over 400 candle power does not appear to be more than 10 per cent. of the total demand and only two units are at present engaged in the production of lamps of over 400 candle power.

4. As at the last inquiry, the present inquiry covers all hurricane and hanging types of oil pressure lamps irrespective of their illumination capacity.

5.1. There were eleven units in production during the last inquiry in 1954. One of them, namely, Jivraj Shah & Co., Bombay, has stopped production since 1956. Of the remaining ten units, three are located in Calcutta, five in Bombay and one each at Navsari in Bombay State and at Ghatsila in Bihar. The total capacity of the ten units on single shift basis as approved by the Development Wing is 159,600 lamps. It shows an increase of about 8 per cent. over the capacity of these ten units in 1954. Production has been increasing steadily since 1954 and the industry has been able to utilise a larger proportion of its capacity. In 1954, the industry was able to utilise only 26 per cent. of its capacity, while in 1956 it was utilising a little more than 50 per cent. of its capacity. The bulk of the production continues to be of hurricane type lamps of 300 candle power and only two units produce lamps of over 400 candle power of hanging type.

5.2. The Director of Industries, West Bengal, has informed us that there are three more units, namely, Bengal Scientific and Technical Works Ltd., Calcutta, Esbee Engineering Co., Calcutta, and Mateari Engineering Co., Mateari, West Bengal interested in the manufacture of oil pressure lamps. It appears from the memorandum received from the Oil Pressure Lamp Industries Association that there is another unit, namely, Micanite Manufacturing Company in Calcutta. We have not received sufficient information about the above four units either from the Director of Industries, West Bengal or from the units themselves. They are evidently small units which have not come to the notice of the Development Wing.

6.1. In its 1954 report, the Commission estimated the annual demand for oil pressure lamps of all types at 100,000.

6. Domestic demand. The Development Wing is of the view that no noticeable change has taken place in the demand since then. The oil Pressure Lamp Industries Association, Calcutta, has however, submitted that the demand for oil pressure lamps is only about 87,000 a year and it is likely to remain static during the next three years. One of the manufacturers in Calcutta places the current demand at about 85,000 lamps which, he expects, may decline to 70,000 by 1960. Another manufacturer in Calcutta estimates the current demand at 75,000 lamps a year and expects it to remain at that level for the next three years. A Bombay manufacturer, on the other hand, places the current demand at 100,000 lamps and expects it to increase to 115,000 by 1960. An indication

of the demand can be obtained from the quantity available for consumption during the last three years. The following statement gives the annual production and imports of oil pressure lamps since 1954:—

Year	Production Nos.	Imports Nos.	Total Nos.
1954	38,589	70,674	108,663
1955	61,682	5,218	66,300
1956	86,918	3,997	90,915
TOTAL	186,589	79,289	265,878
AVERAGE OF THREE YEARS	62,196	26,430	88,626

As there has been hardly any export of lamps, the total of production and imports may be taken as the quantity available for consumption. It will be seen from the above statement that the average quantity available for consumption during the last three years was only 88,626 lamps. Even if we adopt the total of production and imports for 1956, as nearer to current consumption, the figure will be only 90,915. It may be suggested that to this should be added the production of assemblers of lamps who are not recognised manufacturers. We have no information about the number of lamps produced by such assemblers. The indications are that it could not be more than 10,000 lamps a year. On this basis we assess the current demand at about one lakh of lamps a year.

6.2. Opinion about the course of demand for the next three years differs—influenced, as it may be, perhaps, by the experience of the organised sector during the last three years. Of the three leading producers, one expects the demand to improve in a small way, another expects it to decline to an extent and the third to remain stable. The Development Wing estimates the improvement over the next three years at no more than 10 per cent., largely because the expected expansion of electrification during the Second Five Year Plan would tend to reduce the demand for pressure lamps. Considering the vastness of the area, however, which must remain outside the orbit of electrification for a long time to come, we feel that the higher income levels accruing from the Plan and the growing variety of uses will probably balance the limiting effects of electrification. During the discussions at the public inquiry, the general consensus was that a ten per cent. expansion of demand over the next three years may be adopted as a conservative estimate.

7.1. The following statement gives the rated capacities of the various units and the extent to which each unit was able to utilise its capacity in 1954 and in 1956.

Name of the unit	Capacity in 1954	Capacity in 1956	Percentage increase in capa- city	Percentage utili- sation of capacity	
				1954	1956
	Nos.	Nos.			
1. Krudd Industries Ltd.	60,000	60,000	..	18.63	64.09
2. Dazzle Products Ltd.	24,000	27,000	12.5	38.95	70.81
3. Prabhat (Stove & Lamp) Products Private Ltd.	12,000	24,000	100	70.63	69.65
4. New Bombay Mechanical Works	6,600	6,600	..	61.26	81.56
5. C. S. Pochee & Son	6,000	6,000	..	40.17	44.10
6. Metro Engineering Works	6,000	6,000	..	30.05	37.75
7. Dhalbhum Trades & Industries Ltd.	7,200	3,600	(--)50	..	..
8. Shilpa-Peeth Ltd.	2,400	2,400	..	22.92	5.29
9. Naran Lala Metal Works	12,000	12,000	..	1.97	11.54
10. New Royal Co.	12,000	12,000	..	3.53	3.99
	148,200	159,600	8	25.96	54.46

NOTE.—Dhalbhum Trades and Industries did not produce any lamps in 1954 and 1956.

7.2. It will be seen from the above statement that the three major units, namely, Krudd Industries Ltd., Dazzle Products Ltd., and Prabhat (Stove & Lamp) Products Private Ltd. share among themselves about 70 per cent. of the total installed capacity for the production of oil pressure lamps in the country. Of these, Krudd Industries Ltd. the largest of the 3 units, was able to utilise 64.09 per cent. of its capacity in 1956 as against 18.63 per cent. in 1954. Similarly, Dazzle Products Ltd. also was able to increase its utilisation of capacity from 38.95 per cent. in 1954 to 70.81 per cent. in 1956. The third unit, Prabhat (Stove & Lamp) Products Private Ltd. was utilising 70.63 per cent. of its capacity in 1954. It was able to maintain almost the same rate of utilisation of its capacity in 1956 though its capacity was doubled in that year. Among the smaller units, New Bombay Mechanical Works was able to increase its utilisation of capacity from 61.26 per cent. in 1954 to 81.56 per cent in 1956. The other units have not done so well.

8. The following statement gives the actual production of the various units and the percentage share of each unit in the total production during the last three years.

Production.

Name of the unit	Actual production (in Nos.)				Percentage share of production of each unit in the total production during			
	1954	1955	1956	1957 (Jan.-Mar.)	1954	1955	1956	1957 (Jan.-Mar.)
1. Krudd Industries Ltd., Calcutta	11,177	26,116	38,455	9,842	29.05	46.01	44.24	38.71
2. Dazzle Products Ltd., Calcutta	9,346	11,021	19,120	6,011	24.30	18.05	22.00	23.65
3. Prabhat (Stove & Lamp) Products Private Ltd., Bombay	8,476	9,786	16,715	5,896	22.03	16.03	19.23	23.19
4. New Bombay Mechanical Works, Bombay	4,043	4,780	5,723	834	10.51	7.83	6.59	3.28
5. C. S. Pochec & Sons, Bombay	2,415	2,852	2,646	961	6.28	4.67	3.04	3.78
6. Metro Engineering Works, Bombay	1,803	2,081	2,265	689	4.69	3.41	2.61	2.70
7. Dhalbhum Trades & Industries Ltd., Ghatsila	Nil	866	Nil	109	..	1.41	..	0.43
8. Shilpa Peeth Ltd., Calcutta	550	276	127	155	1.43	0.45	0.15	0.61
9. Naran Lala Metal Works, Navsari	236	1,933	1,385	439	0.61	1.69	1.59	1.73
10. New Royal Co., Bombay	423	255	479	488	1.10	0.42	0.55	1.92
TOTAL	38,471	61,066	86,915	25,427	100	100	100	100

NOTE.—Nos. 1 to 8 above are borne on the Development Wing's list.

It will be seen from the above statement that the total production of the ten units increased from 38,471 lamps in 1954 to 86,915 in 1956. It works out to an increase of 123.3 per cent. The share in the total production of the 3 major units, namely, Krudd Industries Ltd., Dazzle Products Ltd., and Prabhat (Stove & Lamp) Products Private Ltd., increased from 75.38 per cent. in 1954 to 85.47 per cent. in 1957. The production of Krudd Industries Ltd. increased by 244 per cent. over its 1954 production; that of Dazzle Products Ltd. by 105 per cent. and that of Prabhat (Stove and Lamp) Products Private Ltd. by 97 per cent. It is significant to note that when the total production of the above three units increased by 156 per cent. between 1954 and 1956, the increase in production of the smaller units was only 33.3 per cent. In other words, it is the larger units which have increased their production. We would like to draw the attention of the Development Commissioner, Small Scale Industries to this position.

9.1. All the raw materials required for this industry are produced in the country. We have not received any complaints in regard to the availability of raw materials except in regard to mild steel sheets.

9. Raw materials and components. Some of the manufacturers, however, do not appear to be satisfied with the quality of domestic brass rods and tubes and they continue to import those articles. In those cases, the value of imported raw materials constitutes only about 10 per cent. of the total cost of the lamp. We are of the opinion that there is hardly any need to import brass rods and tubes as some of the major producers are already using domestic rods and tubes without detriment to the quality of their products.

9.2. Some manufacturers still continue to import a few components like pressure gauges, mantle holders, nipples and pump valves with head washers. It has been proved that these articles are successfully produced in the country and some manufacturers are actually using them. We, therefore, recommend that those manufacturers who import brass rods and tubes and finished components mentioned above should take immediate steps to meet their requirements of those articles from indigenous sources.

10.1. The Commission in its last report observed that though the quality of the indigenous oil pressure lamps had improved, it required further improvement. Some of the specific defects pointed out by the Commission were the use of cheap mica chimneys which affected the candle power of the lamps, defects in pressure gauge and disparity between actual candle power of lamps and the candle power marked on them. The manufacturers have claimed now that they have taken steps to improve the design and finish of the lamps. They have made improvements in air pumps and changes in inner casing, mixing tube and upper part of the vaporiser. The quality of mantles has improved. Some of the manufacturers have replaced hand presses by automatic punching presses and they have also installed screw cutting machines. These changes have helped the manufacturers to improve

the quality of their lamps. The industry has, by an large, solved its technical problems and further progress depends on research and its application.

10.2. Railways which are important users of oil pressure lamps have, with one exception, reported the quality as satisfactory. The complaints from other sources related to the quality of pressure gauges and the disparity between marked and actual candle power of the lamps. These defects could be removed easily if manufacturers paid greater attention to the quality of the lamps which they produced. It is particularly desirable that those manufacturers who do not have candle power testing equipment, should take steps to instal such equipment without delay.

11.1. Imports are licensed under a joint quota for metal lamps and parts of lamps. For the first half of 1955 the joint quota was 33 1/3 per cent. of which not more than 5 per cent. was allowed to be used for import of incandescent oil pressure lamps of hurricane type. Though the joint quota remained the same during the next half year the face value for the import of oil pressure lamps was limited to Rs. 500 or 5 per cent. whichever was higher. The same policy was continued in the next two licensing periods. The joint quota was reduced to 15 per cent. for the first half of 1957 and the limit permissible in respect of hurricane type of oil pressure lamps continued to be 5 per cent. or Rs. 500 whichever was higher. The import control policy in regard to spare parts of oil pressure lamps is given in Appendix III.

11.2. One point that emerged during the course of our discussions with the representatives of the industry and also from the written evidence received by us was that the import control policy in regard to spare parts has been so liberal as to enable unregistered producers to assemble lamps with locally purchased reservoirs and reflectors and with other imported components. We were told that these lamps are marked in such a way as to create the impression that they are of foreign origin ; they are therefore sold in the market at a premium. This practice was prevalent at the time of the last inquiry and the Commission had, therefore, recommended that Government should take effective steps to stop this practice. The steps taken in this regard have proved ineffective so far. We have given careful consideration to this situation and have come to the conclusion that imports of parts can be drastically curtailed. We are satisfied that since 54.46 per cent. capacity of the industry is sufficient to meet 85-90 per cent. of our requirements, there is sufficient excess-capacity in the industry to supply both the spare parts and the additional lamps which may be required. The fact that foreign components are being assembled with domestically produced parts is sufficient proof that foreign and domestic parts are freely interchangeable and owners of purely foreign lamps, if any, will be put to no inconvenience if imported parts are not available.

12. The following statement shows the quantity and value of imports of oil pressure lamps since 1953-54 as given in the Accounts relating to the Foreign Trade and Navigation of India.

Imports.

Year	Quantity		Value
	Nos.	Rs.	
1953-54	117,975	47,24,502	
1954-55	47,134	19,82,535	
1955-56	4,090	1,39,338	
1956-57 (9 months)	3,364	1,76,758	

The source of original of imports of oil pressure lamps has been shown separately in the published accounts of trade only from January 1957. The imports of spare parts have been also shown separately from January 1957. The following statement shows the imports of oil pressure lamps and parts since January 1957 according to country of origin.

Name of country from which imported	January 1957		February 1957		March 1957		Total for Jan.-March 1957	
	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
	Nos.	Rs.	Nos.	Rs.	Nos.	Rs.	Nos.	Rs.
<i>Oil Pressure Lamps of Metal</i>								
U. K.	140	18,429	..	..	95	11,070	..	29,499
Sweden	22	942	26	1,068	..	..	..	2,010
Germany W.	1,566	81,652	N.A.	34,138	N.A.	62,942	..	178,732
Belgium	..	..	6	300	..	..	..	300
Switzerland	..	..	..	..	12	483	..	483
Ceylon	..	..	..	..	1	40	..	40
TOTAL	1,722	101,023	..	35,506	..	74,535	..	211,064

Parts of Oil Pressure Lamps exclusive of Glass

U. K.	..	1,936	32,196	34,132
Sweden	231	144	2,506	2,881
Germany W.	53,097	16,473	18,127	87,697
Switzerland	..	4,583	..	4,583
Hong Kong	1,864	..	..	1,864
U.S.A.	5,944	..	..	5,944
TOTAL	61,136	23,136	52,829	137,101

13. For purposes of export, hurricane type of oil pressure lamps and parts thereof are placed on Open General Licence. Prabhat (Stove and Lamp) Products Private Ltd. reported exports of more than

1,000 lamps in 1954. The quantity exported thereafter barely touched 100. The decline in export is ascribed to competition from German lamps and from the much cheaper product of Hong Kong which has steel reservoirs in place of brass. As this industry is well established in the country, it is time for the manufacturers to explore possibilities of export. The Export Promotion Council should also take necessary steps to enable the industry to export its products. If the Council is satisfied that the cheapness of Hong Kong lamps is due to steel reservoirs which the manufacturers there are using domestic manufacturers should also be encouraged to use steel reservoirs instead of brass ones. However, that by itself will not be sufficient to develop the export market. Steps will have to be taken to ensure quality of the product also and, if necessary, the Council should insist on the industry obtaining I.S.I. certification marks on the lamps for export.

14. Oil pressure lamps are assessed to customs duty under Item No. 71(11) of the First Schedule of the Indian Customs Tariff (Forty Second Issue), the relevant extract from which is reproduced below:—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rate of duty
				The United Kingdom	A British Colony	Burma	
71(11)	Oil pressure lamps, hurricane and hanging types irrespective of candle power.	Protective.	31½ per cent. <i>ad valorem</i>.	..	..	..	December 31, 1957.

NOTE. —Under Finance (No. 2) Bill, 1957, the duty has been raised to 35 per cent. *ad valorem*.

- 15.1. Our Assistant Cost Accounts Officer examined the costs of production of oil pressure lamps produced by Prabhat (Stove and Lamp) Products Private Ltd. in Bombay and Dazzle Products Ltd. in Calcutta. The period selected for costing was April to February 1956-57 in the case of Prabhat (Stove and Lamp) Products Private Ltd., and June to March 1956-57 in the case of Dazzle Products Ltd. On the basis of actual costs arrived at for the two units for the periods indicated above, we prepared estimates of the future costs for the two units. These estimates have been worked out on a production of 24,000 lamps in the case of both the units. Adjustments have also been made for variations in the cost of raw

15. Costs of production and fair ex-works prices.

materials. Interest on working capital has been calculated at 5½ per cent. on an amount equivalent to three months' cost of production and return at 10 per cent. on the original value of the fixed assets. As the manufacturers desired that the details of their costs should be kept confidential, the report of the Assistant Cost Accounts Officer giving the details of costs is sent as a confidential enclosure to this report.

15.2. As was done at the last inquiry, we have decided to take the average fair ex-works price of the two units for purposes of determining the quantum of protection. The following statement shows the Commission's estimate of fair ex-works price in 1954 and our present estimate:—

	Commis- sion's esti- mate in 1954	Commis- sion's esti- mate in 1957
	Rs.	Rs.
Total material cost	14.77	17.28
Less credit for materials	1.38	1.50
Net material cost	13.39	15.78
Labour	8.82	7.29
Other conversion charges	11.21	5.21
Packing materials	1.97	1.87
Total	35.39	30.15
Interest on working capital	0.39	0.42
Return on block	1.85	0.77
	37.63	31.34

It will be seen from the above statement that our estimate of fair ex-works price is lower than the Commission's estimate in 1954 by Rs. 6.29 per lamp. Though the net materials cost shows an increase of Rs. 2.39 per lamp, conversion charges and other overheads are lower due to the higher rates of production, which the companies are expected to achieve.

16. Appendix IV gives the recent c.i.f. prices and landed costs of oil pressure lamps as furnished by the Collectors of Customs and importers. The prices relate to hurricane (hand) type, hanging type and other types of lamps of 250 candle power and above. The main source of competition to the domestic industry is West Germany. Though the bulk of the domestic production is hurricane type of lamps of 300 candle power, we have not been able to obtain c.i.f.

prices of such types of lamps from West Germany. It was, however, agreed at the public inquiry that for purposes of determining the quantum of protection to the domestic industry, it is fair to take the c.i.f. price of West German lamp with 350 candle power. The lowest c.i.f. price and landed cost for a West German lamp with 350 candle power is given below:—

	Rs.
C. i. f. Price	41.37
Customs duty at 35%	14.48
Clearing charges	9.47
	<hr/>
LANDED COST	56.32

17. The following statement shows the comparison of fair ex-works price of the domestic product with the landed cost ex-duty of the imported product.

	Rs.
(i) C. i. f. price	41.37
(ii) Clearing charges	9.47
(iii) Landed cost without duty	<hr/> 41.84
(iv) Fair ex-works price	<hr/> 31.34
(v) Difference between fair ex-works price and landed cost ex-duty	(—) 10.50
(vi) Above difference as a percentage of c. i. f. price	(—) 25.4%

18. It will be seen from the above statement that the cost of the domestic product is lower than the landed cost without duty of similar imported product by Rs. 10.5 per lamp. In the matter of cost the industry has no disadvantage as compared with the imported product. Prejudice against the domestic product has also disappeared to a large extent. In the circumstances, we do not think that there is any need to continue protection to this industry. We, therefore, recommend that the protection granted to the industry may be discontinued when the present period of protection expires on 31st December, 1957.

19. Our conclusions and recommendations are given below:—

Summary of conclusions and recommendations. (1) Those manufacturers who import brass rods and tubes and finished components like pressure gauge, mantle holders, nipples and pump valves with head washers should take immediate steps to meet their requirements of those articles from indigenous sources.

[Paragraph 9.1]

(2) Manufacturers of oil pressure lamps who do not have candle power testing equipment should take steps to instal such equipment without delay.

[Paragraph 10]

(3) The Export Promotion Council should take necessary steps to enable the industry to export its products.

[Paragraph 13]

(4) Protection granted to the industry may be discontinued when the present period of protection expires on 31st December, 1957.

[Paragraph 13]

20. We wish to express our thanks to the manufacturers, importers and consumers who furnished us with valuable informing and to their representatives who gave evidence before us.

Acknowledgements.



C. RAMASUBBAN,
Member.

S. K. MURANJAN,
Member.

R. S. BHATT,
Member.

RAMA VARMA,
Secretary.

BOMBAY ;

Dated 31st August, 1957.

APPENDIX I

[Vide paragraph 2.1]

List of persons or bodies to whom the Commission's questionnaires were issued and from whom replies or memoranda were received

*Those who did not submit replies or memoranda.

†Since ceased production.

‡Not interested.

A. PRODUCERS :

1. Dazzle Productions Ltd., 138, Canning Street, Calcutta-1.
2. Krudd Industries Ltd., 20-21, Stephen House, Dalhousie Square, Calcutta-1.
3. Shilpa-peeth Ltd., 111/1, Gopal Lal Thakur Road, Alambazar, Calcutta-35.
- *4. Dhalbhum Trades and Industries Ltd., P.O. Ghatsila, Singhbhum (Bihar).
5. Prabhat (Stove and Lamp) Products Co. Private Ltd., Noble Chambers, Parsi Bazar Street, Fort, Bombay.
6. C. S. Pochee and Son, 586, Chira Bazar, Girgaum Road, Bombay-2.
7. New Bombay Mechanical Works, 10th Khetwadi Lane, Bombay-4.
8. New Royal Co., Shahru Castle, Md. Ali Road, Bombay-3.
9. Metro Engineering Works, Sabu Siddick Street, Palton Road, Bombay-1.
- †10. Jivraj Shah & Co., Annesly Road, Bombay-7.
11. Naran Lala Metal Works, Near Railway Station, Navsari.
- *12. Esbee Engineering Works, 25-B, Benictolla Lane, P.O. Amherst Street, Calcutta.
- *13. Star Light Industries, 1032, Suiwalan, Delhi.
14. Racek Industries (Private) Ltd., P.O. Box 2006, Bombay.

B. CONSUMERS :

- *1. The Associated Agencies & Distributors, 33-B, Ezre Street, Calcutta.
- ‡2. Britannia Stores, 2, Portuguese Church Street, Calcutta.
3. Controller of Stores, Western Railway, Bombay.
4. Controller of Stores, Central Railway, V.T., Bombay.
5. Controller of Stores, North-Eastern Railway, Gorakhpur.
- *6. Controller of Stores, Southern Railway, Perambur, Madras.
7. Controller of Stores, Bombay Port Trust, Mazagaon, Bombay-10.
8. Controller of Stores, Bombay Municipal Corporation, 566, Delisle Road, Bombay-11.
9. A. R. Khaleel & Sons, 743, Chickpet, Bangalore-2.
10. I. B. Misra & Company, Sadar Bazar, Delhi.
11. New India Trading Company, 46, Veer Nariman Road, Bombay-1.

C. IMPORTERS :

1. Abbas & Company, 313, Abdul Rehman Street, Bombay-3.
- *2. Asian Importers, 6-A, Surendra Nath Banerjee Road, Calcutta-13.
3. Hugo Wachsmann (India) Ltd., Fern House, Colaba Causeway, Bombay-1.
4. Roberts McLean & Co., Ltd., 31, Netaji Subhas Road, Calcutta.
- *5. G. Melnikoff, Vitahal Sayane Building, P.O. Box 77, Lohar Street, Bombay.
- *6. Mohammed Jaffer Massur & Co., 31/43, Chakla Street, Bombay.
7. F. Racek & Company (Private) Ltd., P.B. No. 2096, Bombay.
8. Vulcan Trading Co. Ltd., Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay-1.
- *9. H. T. Shah & Co., Ahmed Building, Golpitha, Bombay-4.
- *10. Jayantilal & Brothers, 29, Abdul Rehman Street, Bombay-3.

D. ASSOCIATIONS :

1. The Secretary, Oil Pressure Lamp Industries Association (India), 138, Canning Street, Calcutta.
2. The Bombay Glassware Merchants' Association, 163, Sheriff Devji Street, Bombay-3.
3. The Secretary, Bombay Light Merchants' Association, T. G. Shah Building, Pydhonie, Bombay-3.

E. GOVERNMENT DEPARTMENTS :

1. The Chief of Industrial Adviser, Ministry of Commerce and Industry (Development Wing), Shahjahan Road, New Delhi.
2. The Director of Industries and Statistics Authority, Government of Bombay, Kalam Kutir, 211-219, Frere Road, Bombay.
3. The Director of Industries, Government of West Bengal, Calcutta.
4. The Director of Industries, Government of Bihar, Patna.
5. The Collector of Customs, Bombay.
6. The Collector of Customs, Madras.
7. The Collector of Customs, Calcutta.
8. The Director-General of Supplies and Disposals, Shahjahan Road, New Delhi.
9. The Director, Indian Standards Institution, 19, University Road, Delhi.

APPENDIX II

[Vide paragraph 2.4]

List of persons who attended the public inquiry

PRODUCERS :

- | | | |
|-----------------------------------|----------------|-----------------------------------------------------------|
| 1. Shri K. M. Sharma . . . | } Representing | Prabhat (Stove & Lamp) Products Co. Private Ltd., Bombay. |
| 2. Shri B. M. Desai . . . | | |
| 3. Shri G. N. Viswanathan . . . | | |
| 4. Shri Ballabhadas Agrawal . . . | } | ,, Krudd Industries Ltd., Calcutta. |
| 5. Shri Shyamlal Agrawal . . . | | |
| 6. Shri H. L. Chakraborty . . . | ,, | Dazzle Products Ltd., Calcutta. |
| 7. Shri D. S. Pochee . . . | } | ,, C. S. Pochee & Son, Bombay. |
| 8. Shri D. N. Panthaki . . . | | |
| 9. Shri S. B. Gunmaker . . . | ,, | New Royal Co., Bombay. |
| 10. Shri K. V. Dandekar . . . | } | ,, New Bombay Mechanical Works, Bombay |
| 11. Shri P. J. Pandya . . . | | |
| 12. Shri B. V. Malavia . . . | } | ,, Metro Engineering Works, Bombay. |
| 13. Shri T. G. Kachwalla . . . | | |

PRODUCERS' ASSOCIATION :

- | | | |
|-----------------------|----|-------------------------------------------------------------|
| Shri K. Ganguli . . . | ,, | Oil Pressure Lamp Industries Association (India), Calcutta. |
|-----------------------|----|-------------------------------------------------------------|

IMPORTERS :

- | | | |
|-------------------------------|----|----------------------------------------------|
| 1. Shri H. F. Dhondi . . . | ,, | Hugo-Wachsmann (India) Private Ltd. Bombay. |
| 2. Mr. V. Melnikoff . . . | } | ,, G. Melnikoff, Bombay. |
| 3. Shri J. N. Doshi . . . | | |
| 4. Shri W. L. Racek . . . | } | ,, F. Racek Co. (Private) Ltd., Bombay. |
| 5. Shri J. N. Gagrath . . . | | |
| 6. Shri T. N. Sen . . . | | |
| 7. Shri J. J. Nanavati . . . | } | ,, Vulcan Trading Co. (Private) Ltd., Bombay |
| 8. Shri T. G. Thakur . . . | | |
| 9. Shri M. S. Panthaki . . . | ,, | Western India Light Co., Bombay. |
| 10. Shri J. V. Dharmsey . . . | ,, | Somchand Brothers, Bombay. |
| 11. Shri Nagindas Shah . . . | } | ,, H. T. Shah & Co, Bombay. |
| 12. Shri Narotam Shah . . . | | |

IMPORTERS' ASSOCIATION :

- | | | |
|----------------------------------|----|-----------------------------------------------------|
| 1. Shri Ratilal Shah . . . | } | ,, Bombay Glassware Merchants' Association. Bombay. |
| 2. Shri S. R. Dossa . . . | | |
| 3. Shri Rajabaly Moloobhoy . . . | | |
| 4. Shri S. M. Shah . . . | ,, | Bombay Light Merchants' Association, Bombay. |

CONSUMERS :

- | | | |
|-------------------------|--------------|---------------------------------------|
| 1. Shri P. A. Collaco . | Representing | Bombay Port Trust, (Stores) Bombay. |
| 2. Shri K. A. Mehta . | „ | Bombay Municipal Corporation, Bombay. |

GOVERNMENT DEPARTMENTS :

- | | | | |
|-------------------------|---|--------------------------------------|---------------------------------|
| 1. Shri V. V. Divatia . | } | „ | Director of Industries, Bombay. |
| 2. Shri G. N. Naidu . | | | |
| 3. Shri A. B. Rao . | „ | Indian Standards Institution, Delhi. | |
| 4. Shri Allum . | „ | Collector of Customs, Bombay. | |

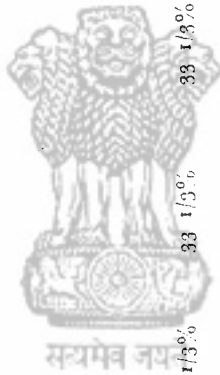


APPENDIX III

[Vide paragraph 11.1]

Statement showing import control policy of parts of oil pressure lamps from 1955 to 1957 (up to Sept. '57)

Part and Sl. No. Of I.T.C. Schedule	Description	1955		1956		Remarks
		Jan.-June	July-Dec.	Jan.-June	July-Sept.	
PART IV						
271	Metal lamps and parts of lamps made of aluminium.					
272	Metal lamps and parts of lamps not made of aluminium.					
	(A) Joint quota for Sl. Nos. 271 & 272.	33 1/3%	33 1/3%	33 1/3%	15%	Nil
	(B) Percentages of the face value of the licence that can be utilised for the import of					
	(i) Spare parts of lamps including clay mantle holders but excluding reservoirs and reflectors.	The spare parts mentioned in the Remarks column could be imported against the licence.		Not more than 25% or Rs. 500 whichever is higher.		(i) Pumps valves with head washers.
				Not more than 25% or Rs. 500 whichever is higher.		(ii) Brass nipples or injectors.
				Not more than 25% or Rs. 500 whichever is higher.		(iii) Clay mantle holders.



APPENDIX III—*contd.**Statement showing the licensing policy for incandescent mantles*

Licensing Period	Policy for Established Importers
January—June, 1955	20%
July—December, 1955	20%
January—June, 1956	20%
July—December, 1956	20%
January—June, 1957	Nil
July—September, 1957	Nil

NOTE.—Quotas for the licensing periods up to 1956 were calculated on the basis of imports of all types of mantles but were not valid for the import of art silk mantles.



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APPENDIX IV

[Vide paragraph 16]

Statement showing c.i.f. prices, customs duty, clearing charges and landed costs of imported oil pressure lamps

(Unit : Per oil pressure lamp)

Source of information	Country of import	Date of import	Type & Specification	C.i.f. prices	Customs duty at 3½%	Clearing charges	Landed cost	Selling prices	Remarks
1	2	3	4	5	6	7	8	9	10
(A) HURRICANE (HAND) TYPE									
1. Collector of Customs, Madras.	West Germany	5-4-57	(i) "Petromax" Hurricane type lantern No. 821/149/250 C.P.	37.00	11.65	0.35	49.00		
			(ii) "Petromax" Hurricane type lantern No. 826/149/350 C.P.	41.37	13.03	0.47	54.87		
2. Collector of Customs, Calcutta.	Do.	20-3-57	Hurricane type 826/350 C.P.	42.37	13.44	2.75	58.56		
3. Collector of Customs, Bombay.	Germany West	21-12-56	Petromax lantern of hurricane type 826/149/350.	41.50	13.67	0.83	56.00		
	Stockholm (Sweden)	6-12-56	Pressure lantern of hurricane type primus No. 1082.	42.00	13.41	0.84	56.25		
4. F.Racek & Co. (Private) Ltd., Bombay.	W. Germany	16-11-56	Petromax lantern No. 826/350 C.P.	41.37	13.00	1.38	55.75		95.00

5.	Abbas and Co., Bombay	West Germany	1-9-57	Supper lantern.	Petromax	42.73	13.45	2.97	59.15	95.00
6.	Vulcan Trading Co., Bombay.	Sweden	..	Primus Pressure Lamp type No. 1082-300 C.P.		42.00	13.23	0.84	56.07	98.00
7.	Hugo Wachsmann Ltd., Bombay.	West Germany	6-8-56	Pressure lantern 350 C. P. (Standard) spirit preheating pressure gauge.		39.69	12.50	1.15	53.34	55.94
	Do.	Do.	30-1-57	Pressure lantern 350 C. P. (Standard) with spirit preheating pressure gauge.		39.69	12.50	1.29	53.48	56.44
(B) HANGING TYPE										
8.	Collector of Customs, Madras.	West Germany	5-4-57	(i) "Petromax" No. 834/250 C.P.		66.25	20.87	0.76	87.88	
				(ii) "Petromax" No. 835/500 C.P.		96.25	30.32	1.18	127.75	
9.	Collector of Customs, Calcutta.	(i) Do.	22-2-57	Hanging type 834/250 C.P.		97.50	30.75	2.75	131.00	
		(ii) Do.	Do.	Hanging type 835/500 C.P.		66.94	21.00	2.75	90.69	
10.	Collector of Customs, Bombay.	Do.	21-12-56	Petromax lantern 834.		67.00	21.66	1.34	90.00	
11.	Hugo Wachsmann (India), Bombay.	Switzerland	12-7-56	"Standard" 450 C.P. with Manometer but without glass globes hanging lamps.		63.33	19.95	1.28	84.56	86.33
(C) OTHER TYPES										
12.	Roberts Mclean & Co. Ltd., Bombay.	U.K.	1956	Tilley Industrial Pressure Lamps F.L. 6-5000 C.P.		121.50	38.56	4.00	164.06	250.00



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