



ON THE SPOT... Sanjay Somany

In an interview with *Glass Worldwide* (preferred AIGMF international journal in association with KANCH), Sanjay Somany, Vice Chairman and Managing Director of Hindusthan National Glass & Industries (HNG) and Chairman of HNG Float Glass Ltd, spoke about significant investments in the group's float glass facility, as well as the challenges/opportunities facing the Indian glass container sector.

GW: How will HNG be investing in its float glass operations in Halol?

We are launching a second line that will increase the current 660 tonnes/day capacity by a further 1000 tonnes/day. The investment with our partner Sisecam will further move us in line with the government thinking of wanting larger glass; it is more and more fashionable to have bigger glass in India and we will produce heavy pieces.

Even though the float glass sector in India is still at an embryonic stage, the market is growing and this extra capacity will increase our market share.

GW: How will the increased capacity assist with HNG meeting demand from different sectors?

When the new line opens, we will affirm our priorities in the architectural and automotive sectors. It's a dynamic market that moves month to month and we will satisfy demand, whatever it is.

Although we can make 2mm glass, solar is not really our focus at this stage because it's challenging to compete with imports.

GW: What plans are in place to increase the workforce at Halol to cope with expansion?

We have hired already and are in training; growing our employees and getting young people into the system early enough is the way we like to do business.

GW: Have you already identified your technology partners for the new investment at Halol?

Having already worked with such leading partners as Bottero, CNUD, LiSEC and TECO in Halol, glasspex INDIA in Delhi last February provided us with a great opportunity to meet... we resolved much and concluded a lot of deals that will greatly assist our plans for the next two years and beyond. We precisely marked out a lot of things we wanted to do, including a focus on process control and general technology upgrades.

glasspex INDIA 2017 was the best



Sanjay Somany addresses delegates at this year's AIGMF Conference 'What can glass do for you?'



Sanjay Somany with Mr K C Jain (left), President of HNG Float Glass Ltd.



The Halol float glass project was completed within 21 months, making it the fastest execution within Indian glassmaking history.



The HNG Float Glass Ltd plant occupies an area of 120 acres at Halol, Gujarat.



Sanjay Somany with the team from Fonderie Valdelsane SpA at glasspex INDIA 2017.

glass show yet in India for HNG and for our subsidiary company Glass Equipment (India) Ltd. On the second day, we had to draft in more employees to deal with an overwhelming number of enquiries on our stand.

GW: What are the prevailing market conditions in the glass container sector in India?

We had seen growth since September 2016 but then, ‘demonetisation’ caused a drop in our business at the beginning of 2017, due to liquor being a cash and carry industry in this country.

A further challenge was the Indian government’s decision that no liquor vendors can now be located within 500m of the highway. This ruling is aimed at discouraging drink driving. As a consequence, the amount of alcohol containers subsequently delivered to companies has fallen more than 50%.

The liquor industry was generally in a stable condition again before the dip caused by this new law. It is a temporary situation because people have not stopped drinking alcohol so when the pipeline dries up, it has to fill up again!

There are minor overcapacity issues in the container sector and there is gentle pressure. We are seeing a responsible approach adopted by leading container producers, with nobody doing anything foolish. The situation is slowly improving and forecasts for the next couple of years are steady... there will be significant movement but it won’t happen overnight.

GW: How has HNG adjusted its business in reaction to these factors?

While we wait for things to return to normal, we have optimised capacity but I expect this situation to pass



Sanjay Somany in detailed discussion with annealinglehr specialist Car-Met SpA at a previous glasspex INDIA.



€50 million was spent on the greenfield glass container production complex at Gardelegen, Germany, sold to BA Vidro in 2016.



On the second day of glasspex INDIA 2017, Glass Equipment (India) Ltd had to draft in more employees to deal with an overwhelming number of enquiries.

in the next couple of months. It’s a dynamic market and things change. Our activities in float and hollow are adapted as necessary to the prevailing conditions.

Our long-term ambitions remain the same and we are still producing a fair tonnage of glass. Temporary challenges do not change the perspective of an organisation like HNG with 60 years of experience behind it. It is a business and we have to run it like a business.

GW: Are any new opportunities expected in the container sector?

Non-returnable glass is making inroads for soft drinks and beer etc; this will change the market dynamics and provide new opportunities. There is steady pressure coming from consumer anti-plastic lobbying and AIGMF is working in this direction.

GW: What was the motivation to sell the HNG Global plant in Gardelegen, Germany to BA Vidro last year?

It was a win-win proposition for BA and HNG. After more than five years of hard work, we had peaked out performance at the plant and it made sense to capitalise when we reached the top. It was a good deal for both companies, freeing funds for us to invest in our Indian operations and providing a new North European

headquarters for BA’s operations.

BA is a first class company and I maintain close contact with the organisation. I respect their management principles – they are very open and very clear. I am impressed with the way the acquisition was handled. ■



Sanjay Somany with Dieter Widmann, Managing Director of D Widmann GmbH.

FURTHER INFORMATION:

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