REPORT

OF

THE COMMITTEE

OF THE

MUSLIM CHAMBER OF COMMERCE

FOR THE YEAR 1940.

Published by
NUR-UR RAHMAN,
SECRETARY, MUSLIM CHAMBER OF COMMERCE,
6, CLIVE ROW, CALCUTTA.

1941.

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Interviews and Meetings—

MUSLIM CHAMBER OF COMMERCE.

NINTH ANNUAL GENERAL MEETING.

The Ninth Annual General Meeting of the Muslim Chamber of Commerce, Calcutta, being that for the year, 1940, was held at the Registered Office of the Chamber, at 6, Clive Row , Calcutta, on Friday, the 28th February, 1941, at 3 P.M. to transact the following business :—

(i) To receive and adopt the Annual Report and Accounts of the Chamber.

(ii) To confirm the election of the Committee for 1941.

(iii) To confirm the election of new members.

(iv) To elect Auditors for the year 1941.

(v) To transact such other business as may be brought forward with the permission of the President.

Mr. M. A. Ispahani, President of the Chamber presided.

The following members of the Chamber were present :—

Mr. M. A. Ispahani	...	Messrs.	M. M. Ispahani, Ltd.
,, M. A. Azizkhan	...	,,	E. Y. Zainal Alireza.
,, Mohamed Rafique	...	,,	Dost Mohamed & Co., Ltd.
,, Abdur Rahman Siddiqi	...	,,	The Eastern Federal. Union Insurance Co., Ltd.
,, F. A. Sachee	...	,,	F. E. Sachee & Co.
,, Omer A. Suttar	...	,,	Abdool Razak Hajee Abdool Suttar.
,, A. S. Essabhoy	...	,,	Solar Paint and Varnish Manufacturing Co.
,, Kassim A. Mohomed	...	,,	Kassim and Ismael.
,, E. S. Abdulkader	...	,,	C. A. Mohammad.
,, S. A. Afzal	...	,,	Afzal Banerji & Co.
,, S. Gulab Abdul Rahim	...	,,	Dilaverkhan Rahimkhan .Co.
Sir A. H. Ghuznavi	...	,,	A. H. Ghuznavi & Co.

Mr. S. M. Sulaiman ...	Messrs.	M. Jameel Ahmad & Sons.
Khan Bahadur G. A. Dossani	,,	Dossani Film Corporation.
Hon'ble Hajee Abdool Razak Hajee Abdool Suttar	,,	Abdool Razak Hajee Abdool Suttar.
Mr. M. K. Khaleeli ...	,,	M. Khaleel Shirazi & Sons.
,, A. Khoonjee ...	,,	Hajee Selim Khoonjee.
,, M. H. Lada ...	,,	Adam Hajee Peermohamed Essack.
,, T. Noormohamed ...	,,	Mohamed Hajee Gani.
,, M. Siddiq ...	,,	Hoosen Kassam Dada.
,, Mohamed Oomer ...	,,	Ahmed Abdul Karim Bros., Ltd.
,, Mohamed Sidick Jamall	,,	Sidick Jamall & Co.
,, M. S. Vawda ...	,,	Dawjee Dadabhoy & Co.

After the Notice convening the Meeting was read out by the Secretary, the President delivered his Presidential Address :—

Presidential Speech.

The President moved :—

That the Report and the Audited Statement of Accounts for the year 1940 be adopted.

Sir A. H. Ghuznavi seconded the resolution which was put to the meeting and declared carried unanimously.

Mr. S. A. Afzal of Messrs. Afzal Banerji & Co. moved :—

That the following persons be declared duly elected as members of the Committee of the Chamber for the year 1941, in accordance with the provisions of the Articles of Association and bye-laws made thereunder.

President.

Mr. Abdur Rahman Siddiqi ... Messrs. The Eastern Federal Union Insurance Co., Ltd.

Vice-Presidents.

Mr. S. M. Nauman	...	Messrs. M. Jameel Ahmed & Sons.
,, M. A. Azizkhan	...	,, E. Y. Zainal Alireza.
,, Mohamed Rafique	...	,, Dost Mohamed & Co., Ltd.
Khan Bahadur G. A. Dossani		,, Dossani Film Corporation.

Ordinary Members.

Sir Adamjee Hajee Dawood	...	Messrs. Adamjee Hajee Dawood & Co., Ltd.
Mr. Omer A. Suttar	...	,, Abdool Razak Hajee Abdool Suttar.
,, Hajee Valimohamed Kasam Dada.		,, Hoosen Kasam Dada.
,, M. K. Khaleeli	...	,, M. Khaleel Shirazi & Sons.
,, Mohamed Shariff	...	,, Mohamed Amin Bros. Ltd.
,, Ferozuddin	...	,, Jewan Buksh Md. Jan.
,, M. A. Ispahani	...	,, M. M. Ispahani, Ltd.
Sir A. H. Ghuznavi	...	,, A. H. Ghuznavi & Co.
Mr. E. S. Abdulkader	...	,, C. A. Mohamed.
,, Kassim A. Mohomed	...	,, Kassim & Ismael.
,, Adam Oosman	...	,, Adam Oosman.
,, Noormohamed Elias	...	,, Noormohamed Elias.

Mr. Gulab Abdul Rahim of Messrs. Dilaverkhan Rahimkhan Co. seconded the resolution which, on being put to the meeting was declared carried unanimously.

Mr. M. A. Azizkhan of Messrs. E. Y. Zainal Alireza moved the following resolution :—

> That the provisional election of the following members made by the Committee of the Chamber under provisions of Article 9 of the Articles of Association of the Chamber be confirmed.

1. Messrs. Modern India Press.
2. ,, Adam Oosman.

3. Messrs. Abdulla J. Gangjee.
4. ,, Oriental Import Agency Ltd.
5. ,, United Rubber Works Ltd.
6. ,, Sidick Jamall & Co.
7. ,, Ahmed A. Fazelbhoy.
8. ,, Solar Paint and Varnish Manufacturing Co.
9. ,, Haji Hasan Dada
10. ,, Taiyoob Alimohamed Ebrahim.
11. ,, Abdul Ghani Zainul Abedin.

Mr. Kassim A. Mohomed of Messrs. Kassim and Ismael seconded the resolution which was put to the meeting and was declared carried unanimously.

Khan Bahadur G. A. Dossani of Messrs. Dossani Film Corporation moved :—

> That Messrs. Afzal Banerji & Co. be appointed Honorary Auditors of the Chamber for the year 1941.

Mr. Omer A. Suttar of Messrs. Abdool Razak Hajee Abdool Suttar seconded the resolution which on being put to the meeting was declared carried unanimously.

Mr. Abdur Rahman Siddiqi of Messrs. The Eastern Federal Union Insurance Co., Ltd. moved :—

> That a cordial vote of thanks be accorded to the President and the members of the out-going Committee for the successful management of the affairs of the Chamber during the past year.

The meeting was then declared closed.

N. RAHMAN,
Secretary.

M. A. ISPAHANI,
President.

Presidential Speech.

DELIVERED BY

Mr. M. A. Ispahani, President, Muslim Chamber of Commerce, Calcutta, at the Ninth Annual General Meeting, held on Friday, the 28th February, 1941.

GENTLEMEN,

It has been my privilege to welcome you to the Annual General Meeting of the Chamber on more than one occasion. But in doing so to-day I am conscious of the great honour done me when you again entrusted me with the responsibilities attached to the office of the President of this Chamber, for 1940, and I sincerely believe that if it were not for the co-operation I received from the Committee and members of the Chamber, I would not have been able to discharge the onerous duties to any degree of satisfaction. The Report and the Audited Statement of Accounts and the Balance Sheet which have been in your hands for some time clearly indicate the measure of success we have achieved in the working of this institution.

The year which has just closed has seen changes which would have been hard to believe if they had not happened in our own life time. The fate of countries and peoples is hanging in the balance and besides the enormous destruction that has been going on in countries engaged in the war, there are other factors which have changed the complexion and the nature of problems in almost all spheres of human activity. It is not, therefore, possible to speak of trade and commerce on the basis of theories and principles which we all had learnt to cherish as fundamentals governing the economic relationship of countries and peoples. We can, at best, try to grasp the present difficulties and devise means to tackle them.

Events have moved in Europe with such dramatic suddeness in the year under review that it was not possible to apply remedies to keep pace with them. The reverses experienced in Europe, coming one after the other, culminated in the fall of France in May-June. This was a signal for disruption, prices fell and markets crashed which resulted in the dislocation of the entire export trade. India lost most of her European markets and trading with the few remaining countries has become extremely difficult. The loss of these markets has cost India Rs. 32 crores per annum. The gap which has been thus created is hard to fill up.

India being an agricultural country she must find markets for her exports and if the produce of the land cannot be exported its repercussions are felt on the entire economic fabric of the country.

The Hon'ble the Commerce Member has also made a pointed reference to the exportable surplus and the Government of India in their vain quest for alternative markets sent a deputation to the United States of America but the problem remains still unsolved. In fact it is idle to explore possibilities of securing alternative markets in the present disturbed conditions of the world. Inspite of the great trade recoveries and expansion due to armament production in the United States of America, the official opinion expressed is that "it is not possible for India to look to the United States of America as an effective substitute market in the entirety of the lost European markets". The problem therefore of finding the means to dispose of the exportable surplus of the country remains as disturbing as before. If the alternative markets are not feasible, the only other means open to us are expansion of industries within the country and curtailment of the acreage under cultivation.

Another method of dealing with the problem of unexportable surplus is that the Government should arrange financial help for the surplus produce of the land which cannot be exported at present to foreign countries. If the Government decided to adopt this policy it would not be anything new which they would be doing. It is a policy which has been adopted in other countries who have made arrangements for the purchase of surplus crop. We can cite the example of countries in North and South America where British finance has been employed for Government purchases. India is a unit of the British Empire and, as is generally known, she represents the weakest economic link in the Empire; it is therefore essential that Indian cultivator should receive financial protection during the War. The Government of India should introduce a scheme for the purchase of the present unexportable stock which they should hold till such time that the War is over and export markets are again thrown open.

The Report of the Committee dwells on the efforts this Chamber has made to safeguard the interests of international trade by emphasising the need of maintaining in tact the available channels for exports of goods. Subjects relating to export trade were placed before the Export Advisory Council at the instance of the Chamber and the Committee have been at pains to impress upon the Government the urgent need of finding a solution to such problems which affect directly the movement of goods, such as Rebates and Conference Line Agreements. I am inclined to the view that the Rebates allowed by steamer companies and the regulations of the Conference Lines which prevent chartering of vessels for merchant cargo are the main obstacles which should be done away with so long as the existing abnormal conditions prevail. Further, it is the considered view of the Chamber that the Government should abolish Conference Lines Agreements and the system of Rebates for at least the duration of the War because in the changed conditions of international trade, they are a hindrance in the way of free movement of goods.

Indo-Burma Trade negotiation is a matter in which members of this Chamber are vitally interested. It is generally known that the Government of Burma desire to increase their customs revenue by imposing duties on the entry of goods and commodities from India. It is however to the interest of Burma to see that in trying to gain the maximum out of Indian imports they should not strike at the very root of the sources from which they expect to derive their revenue. There are certain features connected with trade in commodities and perishable goods, which should not be lost sight of and it would be wise to make note of these features. The main items of export from Burma are rice and paddy and the exportable surplus of Burma rice finds a ready market in India. Again, the total imports of rice into India come from Burma which has no competitor in this country. The imports, however, amount to hardly 5 or 6 per cent. of the total Indian production while it comes to about 50% of the total exports from Burma and is valued at rupees 12 crores. Similarly, India exports articles of food-stuff which Burma will not find it easy to replace from other countries. The position can be viewed from another angle which brings into relief the nature of Indo-Burma trade. The export and import trade of India with Burma has shown a balance of trade in favour of Burma. It amounted to Rs. 19 crores in 1939-40. It should also be borne in mind that it would be difficult to impose a tax on the imports of commodities and food-stuff without imposing a proportionate burden on the consumer in Burma. It has been ascertained that the margin of profit on articles of food exported to Burma is so small that any additional impost by the Government of Burma will ultimately affect the consumer in that country. The Chamber is therefore anxious that the position of trade in perishable goods and food-stuffs should be examined carefully in the mutual interests of both the countries and, if possible, articles of this trade should not be subjected to an import duty.

The Eastern Group Conference which was held in Delhi has been regarded as an important step forward in mobilising the resources of the Empire and accelerating industrialisation for maintaining supplies essential for the prosecution of the War. Most of us were led to believe that the outcome of the deliberations of the Conference as well as the establishment of the Eastern Group Supply Council, which has since been established, would give a great impetus to Indian industries and would usher in an era of widespread industrialisation in this country. But the co-ordination of efforts which has now been planned for India and other Empire countries hardly lends support to such optimism. If the policy of the newly organised Supply Council is not directed towards industrialisation of this country on lines which would enable India to attain a measure of self-sufficiency in the matter of manufactures for her national needs, it would be another opportunity lost, which, in the changed circumstances of the world, will be a national calamity. The Government of India should not disregard the emphatic and unanimous demand of the commercial community and the industrial interests of this country by confining the activities of the Supply Council to schemes for the co-ordination of Empire resources and ignore the need for the development of Indian industries.

It must be admitted that the foreign exchange controlled by the Reserve Bank has been of immense help to trade inasmuch as it has prevented abnormal fluctuations in the exchange market. If the principle is also applied to other exchanges which are not at present so controlled by the Reserve Bank, it would also be a great help to trade. In this connection special reference has to be made of the Yen Exchange. The transactions in the exchange both for imports and exports are controlled by a Japanese Bank and the difference in the rates forms the Bank's profits. It is estimated that on an average Indian business with Japan amounts to about 14 crores of rupees annually; the profit of the Bank on this business at the present rate should amount to nearly 45 to 50 lakhs of rupees. If the Yen Exchange transactions in India were controlled by the Reserve Bank, a sum of Rs. 45 lakhs could be made available for the Indian Exchange Control Fund even if the rates remain as at present.

This Chamber has repeatedly invited the attention of the Government of India to the acute situation which has arisen due to the absence of freight, particularly on Indian Registered tonnage. The Government of India always expressed their anxiety to keep the trade routes open and the merchants concluded that the channels for export of goods would not be closed. Further, the British Exchange Control assured the shippers through steamer agents that steamers would be available for North and South America because the British Exchange Control wanted foreign exchange. These assurances provided sufficient grounds for Indian shippers to make commitments for shipments on the other side, but since the last one month every steamer flying British or Allied flag has been, one after the other, requisitioned by the Government. This has put all Indian merchants to great difficulty. In an emergency such as the present one we are facing to-day it is of paramount importance that the Government of the country should guide their merchants regarding the commitments they make with foreign countries. But the Government of India have not been able to give warning to merchants regarding the situation which is now being developed in this port and the steamer agents and the Government of India still give out hopes that they would provide necessary freight for the clearance of the port. It would be advisable for the Government of India to issue a communique on the present freight situation and, if necessary, warn merchants to suspend dealings with foreign countries till such time the freight situation may improve.

Gentlemen, It is difficult to discuss problems of Jute and Jute manufactures on familiar grounds for the changes that have been affected during the last year are many and most unforeseen which have cast their shadow on all sections of trade. The reduction of working hours which was enforced in July 1939 could not be continued after the outbreak of war. Further as a result of the increased demand for jute goods, most of the restrictions imposed on the working hours were removed in September, 1939 when all looms were put in use and the hours of work also increased. Orders for sand-bags followed one after another and the industry was working at maximum capacity up to 60 hours per week. This brought in speculative elements into play in all directions and the prices attained unforeseen heights. It appears as if the war had come to the rescue of the Jute trade and industry. But the feeling did not last long and from January 1940 the situation gradually drifted to the other side and recovery in the Jute Mill Industry which reached a high level in 1939 could not be maintained in 1940. The postponement of the date of delivery of a large portion of the sand-bags order was an indication that the rise in prices could not last as there was little demand from private sources and the main hope of the industry centred on Government orders. The postponement of deliveries was followed by the announcement of the Excess Porfits Tax Bill. All these factors combined to depress the prices of jute manufactures to a very large extent and the backward swing then set in. The loss of the European markets and the absence of Government orders resulted in a precipitate fall in the prices of Jute as well as manufactured jute. The fall in the prices of Jute was still more serious because the area under cultivation in the year 1939 was much larger and the restriction of the crop which was the object of the Government could not be enforced in time. The Indian Jute Mills Association decided to curtail the working hours again and the set-back became so pronounced that it caused grave concern to the trade and Government alike. The Government of Bengal decided to convene a Conference at Darjeeling on the 4th and 5th May, 1940. The object of the Conference was to devise ways and means for ensuring a reasonable and economic price to the ryot for his jute and also to consider measures to ensure the stability of the jute industry. During the discussions in the Conference it appeared that the main problem had resolved itself into the form of a controversy whether the Government was justified or was not justified in interfering with normal operations of trade by fixing minimum and maximum prices for the raw produce of the country with a view to ensuring an economic price to the cutlivator. As you are no doubt aware this Chamber has been watching the interest of the cultivator since its inception and has advocated the policy of crop regulation and stabilisation of prices with the object of giving to the cultivator the benefit of his labour and to safeguard his interest against undue exploitation. The views expressed by your representatives in the Conference were based on these principles and they supported the proposal of Government for fixing minimum and maximum prices, both for jute and hessians.

The efforts made by the Government of Bengal did not bring any tangible results and the situation deteriorated progressively. The Indian Central Jute Committee appointed a Special Sub-Committee to formulate a scheme of Government purchases of the surplus crop of jute which they discussed with the Hon'ble the Commerce Member who was then in Calcutta. It was explained to the Hon'ble Member that the Jute Crop for the year was far in excess of the requirements of the local mills and restricted export trade. As the policy of curtailment of the coming crop was to be enforced by legislation by the Government of Bengal, it was suggested that the Government of India should come to the rescue of the Provincial Government by financing the surplus crop which could then be carried over and liquidated within a reasonable period after the restriction of the crop was enforced. It was also pointed out that similar arrangements for the purchase of the surplus crops of linseed, wheat, maize and cotton were made in South America and the United States in which the British Government as well as the Government of the United States were financially interested. They have financed the surpluses for the duration of the war as it was not possible to export them in the existing conditions. Such a scheme, if supported by the Government of India, will also act as a factor for stabilising prices of essential commodities after the war. Jute was naturally one of these commodities and there was no risk in financing such a scheme particularly so when it was also a measure to ameliorate the unenviable condition of the peasants in Bengal.

In the meantime on the arrival of the new crop the prices commenced declining sharply. The representatives of the Government of Bengal went to Delhi and in accord with the Government of India arrived at an agreement with the Indian Jute Mills Association to the effect that the Mills would make purchases periodically reaching a total figures of 37.5 lakhs of bales, by April 15, 1941. The Agreement was a welcome signed of mutual co-operation between the trade and industry and the Government. But it is a matter of regret that the mills on their part have not adhered strictly to the agreement. They have not purchased the agreed quantity themselves nor have they purchased for the Government on whose behalf they were to act as buying agents. It is to be regretted further that the Government too have not cared to see that stipulated purchases were made. It will be interesting to know if the Government have called for authentic figures of purchases made by the Mills since the Agreement was concluded. Most of the business done by the Mills was for European packing and their own agency purchases. The Indians who have bought jute are still holding it because it is unsaleable for the simple reason that the Mills are not buying Indian packed Jute in any large quantity. When the Government has come to an arrangement by giving an undertaking about the purchases of specified quantities, it is hard to appreciate why this agreement has not been carried out to the letter.

Another difficulty which has accentuated the situation is the absence of freight. A large quantity of Jute sold for export is lying in this market but cannot be cleared owing to lack of freight.

The Chamber has always considered the existing jute futures market a play-ground for speculators and therefore the appointment of Prof. John A. Todd, to examine the rules and regulations of the present futures market and to formulate proposals for organising a genuine Hedge market where cutcha bales could be hedged as well as purchased by the mills and other exporters is a step in the right direction. A futures market for jute and hessian organised on these lines would undoubtedly be a great improvement on the existing futures market. An interim Report has been issued and suggestions have been formulated for providing a futures market on sound lines. One of the proposals is to set up a Constituent Body on which this Chamber will also be represented. It is important that cultivators should have adequate representation on this Body for unless it is done there would always remain a danger that the new organisation would also work for the benefit of the consumers as it has been the case with the futures market that exists to-day.

The Government of Bengal have introduced a fresh measure of taxation known as the Bengal Finance (Sales Tax) Bill. The object of the Bill as stated by the Government is to provide funds for nation-building projects in the Province. The Bill was received with adverse criticism from all quarters and the Committee of this Chamber were also emphatic in their protest against it on grounds that it was a tax on sales and not on profits and the incidence of taxation covered even low priced articles and affected the producer and the agriculturist alike at a time when the general level of prices was low and trade has not only not recovered from its recent depression but also finds itself greatly embarrased on account of several new taxes, direct and indirect, without any mitigating circumstances, whatsoever. The uncertainly of the present day markets due to the international situation has introduced an element of nervousness and it could not be considered an appropriate time for the inflicting of fresh burdens on tràde.

The Railway estimates presented by Sir Andrew Clow for 1940-41 forecast a surplus of more than 14½ crores of rupees. The revised estimate is more than the actual surplus of last year by about 10¼ crores. Railways have not done so well for a long time in the past and the deficits associated with Railway Budgets have been such a depressing factor in the economic structure of the country that the surplus which now appears is a very welcome change, particularly in the difficult times through which we are passing. It may be recalled that the increase in the freight rates and fares which was enforced last year has been a factor which has contributed to the present prosperity of the Railways. The Railway Member while introducing the Railway Budget in the Assembly has referred to the decision to terminate during the financial year the contracts of two important Railways. The Bombay, Baroda and the Central India Railway and the Assam Bengal Railway. The Hon'ble Member stated that the Government of India never accepted the view that every contract for the working of the State-owned railway should be terminated at the time of its maturity irrespective of the merits of the case. It is a matter of principle which will no doubt be discussed in the Assembly as the demand for State management of Railways has been made for a long time and the policy is believed to be for the good of the tax-payer.

The tea trade has also experienced an abnormal situation during the last season. The export quota of tea rose to eleven annas per lb. whereas the actual price of tea was only four annas. This was entirely due to insufficient tea being released for export sales by the International Tea Committee. This state of affairs brought about heavy smuggling of Internal Tea to countries adjoining India. Tea has gone out even from ports by false declarations of weights and enormous profits have been made. This Chamber took the initiative in approaching the Controller as well as the Association to take immediate steps to check this smuggling but it was not possible to do so. The borders are so vast that it could not be controlled. I believe that the only effective way of checking this type of smuggling is to release tea for export auction so that the quota price may come down to a reasonable figure of say about four annas a lb. In that case it will not pay the smugglers to take the risks which are inherent in their trade.

I may also refer to a disability to which the exporters of tea are subjected as a consequence of the provisions made in the Indian

Tea Control Act for the transfer of blank quota. The Act permits the transfer of blank export quotas freely and as many times as desired among the planters who are also allowed to transfer Internal consumption tea to export and *vice versa* without any restriction. These facilities are denied to the exporters. The Chamber discussed this subject with the Hon'ble the Commerce Member and also made representations to the Government of India and stressed the need of amending the Act with a view to giving identical facilities of transfer of blank quota to the exporters of tea as are at present enjoyed by planters under the Act. In the absence of these facilities the position of exporters of tea has become extremely difficult particularly because of the uncertain and unsettled conditions of the present day export trade. The Government should take the earliest opportunity to remove this defect and amend the Indian Tea Control Act accordingly.

Gentlemen, It remains for me now to sincerely thank Mr. Nur-ur-Rahman, the Secretary and the staff of the Chamber without whose co-operation and devotion to duty it would not have been possible for me to discharge my duties successfully.

Gentlemen, with these words I move that the Report of the Chamber and the Audited Statement of Accounts for the year 1940, be adopted.

MEMORANDUM OF ASSOCIATION

OF

THE MUSLIM CHAMBER OF COMMERCE, CALCUTTA.

1. The name of the Association is THE MUSLIM CHAMBER OF COMMERCE, CALCUTTA.

2. The Registered Office of the Association will be situate in Bengal.

3. The objects for which the Association is established are :

(a) To promote and protect the trade, Commerce, agriculture and industries of India and in particular the trade, commerce, agriculture and industries in or with which Muslims are engaged or concerned.

(b) To aid and stimulate the development of trade, commerce, agriculture and industries in India.

(c) To watch over and protect the general commercial interests of India, or any part thereof and the interests of persons, in particular the Muslims, engaged in trade, commerce, agriculture, industries in India.

(d) To consider all questions connected with trade, commerce, agriculture and industries and to initiate or support necessary action in connection therewith.

(e) To urge or oppose legislation and other measures and to procure change of law and practice affecting trade, commerce, agriculture and industries in India, and in particular, those affecting trade, commerce, agriculture and industries in which Muslims are engaged.

(f) To communicate with Chambers of Commerce and other commercial and public bodies within or outside India and to concert or promote measures for protection of trade, commerce and industries, and persons engaged therein and in particular the trade, commerce, agriculture and industries in which Muslims are engaged and the Muslims engaged therein, either within or outside India.

(g) To collect and circulate statistics and other information relating to trade, commerce, agriculture and industries.

(h) To adjust controversies between members of this Association.

(*i*) To arbitrate in the settlement of disputes arising out of commercial transactions between parties willing or agreeing to abide by the judgment and decision of the Tribunal of the Association.

(*j*) To establish just and equitable principles in trade.

(*k*) To form a code or codes of practice to simplify and facilitate transaction of business.

(*l*) To maintain uniformity in rules, regulations and usages in the various branches of trade.

(*m*) To promote and advance commercial and technical education and such study of different branches of Art and Science as may tend to develop trade, commerce, agriculture and industries in India.

(*n*) To encourage, assist and extend knowledge and information connected with trade, commerce, agriculture and industries of India, whether by establishment and promotion of lectures, discussions or correspondence, by holding of conferences, by the formation of libraries, by the publication of newspapers, periodicals or journals, books and maps or by foundations and endowments of professorship, studentship or scholarship, or by encouraging research work, or howsoever otherwise.

(*o*) To provide, regulate and maintain a suitable building or room or suitable buildings or rooms for a commercial Exchange in Calcutta.

(*p*) To provide rooms and other facilities for holding and conducting sales of property, brokerage and commercial transactions, meetings of creditors, companies and arbitrators and other like matters.

(*q*) To establish and conduct in or in connection with any building or room erected, provided, regulated or maintained by the Association for the purpose aforesaid, a restaurant for the use of the members of the Association and others resorting to such building or rooms for the negotiation and transaction of business.

(*r*) To acquire, purchase, to take on lease or otherwise, land and buildings, and all other property moveable and immoveable, which the Association for the purpose thereof, may think proper to acquire.

(*s*) To accept any bequest, gift, donation or subscriptions towards or to accumulate and provide a fund or an endowment or wakf and to invest the same and apply the income arising therefrom, or to resort to the capital thereof for any of the objects of the Association.

(*t*) To sell, improve, manage, develop, exchange, lease or let, underlease or sub-let, mortgage, dispose of, turn to account or otherwise to deal with all or any part of the property of the Association.

(*u*) To construct upon any premises any building or buildings for the purpose of the Association and to alter, add to or improve any building upon such premises.

(*v*) To invest the money and the property of the Association not immediately required for the purpose of its business upon such securities or in such manner as may from time to time be determined.

(*w*) To borrow or raise any moneys required for the purpose of the Association upon such terms and in such manner and on such securities as may be determined and in particular, by the issue of debentures charged upon all or any of the property of the Association.

(*x*) To aid and to receive aid from any other Society, Association, Company, Corporation, Firm, partnership or person promoting or formed or intended to promote any of the objects of the Association and to subscribe to or aid any such Society, Association, Company, Corporation, Firm, partnership or person with a view to obtain any advantage or benefit for the purposes of the Association and to subscribe to any fund or society as may be considered deserving from time to time.

(*y*) To subscribe, to become a member of and co-operate with any other Association, whether incorporated or not, whose objects are altogether or in part similar to those of this Association and to procure from and communicate to any such Association, such information as may be likely to forward the objects of the Association.

(*z*) To do all such other things as may be conducive to the development of trade, commerce, agriculture and industries, or incidental to attainment of the above objects or any of them.

4. The income and property of the Association, whensoever derived shall be applied solely towards the promotion of the Association as set forth in this Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend or bonus or otherwise howsoever by way of profit to the persons who at any time are, or have been members of the Association or to any of them or to any person claiming through any of them. Provided that nothing herein contained shall prevent (1) the payment in good faith of remuneration to any officers or servants of the Association, or to any member thereof, or other person in return for any services actually rendered to the Association, of the payment of interest or money borrowed from any member of the Association; (2) any payment of allowance or concession to members by way of rebate or return of subscriptions in accordance with the regulations for the time being of Associations; (3) the gratuitous distributions among, or sale at a discount to members of the Association of any books or publications not required for the furtherance of any of its objects.

5. The fourth paragraph of this Memorandum is a condition on which a License is granted by the Local Government to the Association in pursuance of Section 26 of the Indian Companies Act, 1913.

6. If any member of the Association pays or receives any dividend, bonus, or other profit in contravention of the fourth paragraph of this Memorandum, his liability shall be unlimited. Except as above the liability of the members is limited.

7. Every member of the Association undertakes to contribute to the assets of the Association, in the event of the same being wound up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the Association contracted before the time at which he ceases to be a member and costs, charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding Rs. 25.

8. If, upon winding up or dissolution of the Association, there remains, after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to or distributed among the members of the Association, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Association, to be determined by the members of the Association present at a general meeting at or before the time of the dissolution.

We, the several persons whose names and addresses are subscribed below, are desirous of being formed into an Association in pursuance of this Memorandum of Association.

No.	Names, address and description of subscribers.
1.	Adamjee Hajee Dawood, "Stephen House", 5, Dalhousie Square, Calcutta, Merchant.
2.	Mohamed Ibrahim, 7, Colootolah Street, Calcutta, Merchant.
3.	Noormohamed Rajabally, "Stephen House", 4, Dalhousie Square, Calcutta.
4.	Abdool Razak Hajee Abdool Suttar, 25, Harinbari Lane, Calcutta.
5.	S. M. Nauman, 22, Tiretta Bazar Street, Calcutta, Merchant.
6.	Ishaq Chandna, 71, Canning Street, Calcutta, Merchant.
7	M. Rafique, 19, Zakariah Street, Calcutta.

Dated the 23rd September, 1932.

Witnesses to the above Signatures.

A. K. Aziz,
1, Dacres Lane,
Calcutta.

ARTICLES OF ASSOCIATION

OF

THE MUSLIM CHAMBER OF COMMERCE, CALCUTTA.

Registered under the Indian Companies Act (VII of 1913).

(*As amended by Special Resolutions passed and confirmed at the Special General Meetings of the Chamber held on the 29th September and 16th October 1936 respectively*).

1. In the Articles, unless there be something in the subject or context inconsistent therewith,

"The Chamber" means "The Muslim Chamber of Commerce, Calcutta" incorporated under the provisions of the Indian Companies Act, 1913.

"Member" means a member of the Chamber including a member provisionally elected.

"General Meeting" means a general meeting of the Chamber.

"The President" means the President of the Chamber.

"The Vice-President" means one of the Vice-Presidents of the Chamber competent to act under these Articles.

"The Committee" means the Committee of the Chamber elected under these articles.

"The Secretary" means the Secretary to the Chamber.

2. For the purpose of registration, the Cahmber is declared to consist of 500 members.

3. The Committee may, when they think fit, register an increase of members.

4. The Chamber is established for the purpose expressed in the Memorandum of Association.

Members.

5. Every individual, firm, joint-stock company or other corporation, who or which signed the application form issued in the name of the Chamber up to 30th October, 1932, and has his or their name entered to the register of members, shall *ipso facto* and without election be a member of the Chamber and have his or their name entered in the register of members.

6. Merchants, Traders, bankers, ship-owners, representatives of commercial, transport or insurance companies, brokers and persons engaged in commerce, trade, agriculture, mining or manufacture, and persons engaged in or connected with art, science or literature, shall be eligible for election as members of the Chamber.

7. Any firm, joint-stock company or other corporation engaged in or connected with commerce, agriculture, mining or manufacture shall be eligible for election, as a member of the Chamber in their conventional or corporate name. Any firm, company or corporation being a candidate for election as a member of the Chamber shall send with the proposal form, provided for by Article 9 of these Articles, a declaration that it is eligible for election as a member of this Chamber.

8. Subject to the provisions and restrictions of these articles the rights and privileges of membership may, in the case of a firm elected in their conventional name as a member of the Chamber, be exercised by any partner in such firm or by such person authorised by power of attorney or letter of procuration or otherwise to the satisfaction of the Committee to sign the name of the firm or to sign such name per procuration and may, in the case of a joint-stock company or other corporation, elected in their corporate name as a member of the Chamber, be exercised by a Director, Manager, Secretary or any other responsible officer of the company or corporation or a person authorised by power of attorney to exercise the same or any other person who in the opinion of the Committee, is competent to exercise the same on behalf of the company or corporation, subject nevertheless to the following reservation, namely :—

> For each act of exercise of the rights and privileges of membership by a firm, company or other corporation member, only one representative shall be recognised.

9. A candidate for election as a member of the Chamber, whether an individual, firm, joint-stock company or other corporation shall be proposed by one and seconded by another member, and may after previous circulation of his or their name among the members of the Chamber be provisionally elected by the Committee and such election shall be subject to confirmation at an ordinary or special general meeting. The proposal form setting out such details as may be prescribed by the Committee from time to time shall be sent to the Secretary signed by the proposer and the seconder. A member provisionally elected by the Committee shall exercise the full rights and privileges of membership.

10. The Committee shall decide any question which may arise as to the eligibility or otherwise of a candidate for admission as a

member of the Chamber and their decision shall be final and they shall not be bound to assign any reason for their action.

11. Except as hereinafter provided a firm shall not cease to be a member by reason only of a change in the constitution of the firm occasioned by the admission, retirement or death of a partner, provided the business of the firm is continued in the conventional name in which such firm was elected a member.

12. A firm, joint-stock company or other corporation shall *ipso facto* cease to be a member of the Chamber upon any change being made in conventional or corporate name of the firm, company or corporation.

13. Any member may withdraw from the Chamber by giving two month's notice in writing to the Secretary of the intention of such member so to do and upon the expiration of the notice, such member shall cease to be a member of the Chamber.

14. A member shall cease to be a member of the Chamber :

(*a*) In case a member is an individual, if he is an undischarged insolvent or if he is adjudged by a competent court to be of unsound mind or if he is convicted of an offence involving moral terpitude.

(*b*) In case of a firm, if it is dissolved or adjudged insolvent or the partners are convicted of offence involving moral terpitude.

(*c*) In case of a company, if it is wound up.

*15. An annual subscription of Rs. 100 shall be paid by each member of the Chamber. In case of persons becoming members after June 30th only half the subscription shall be made payable. The first subscription of each new member shall be due on election and all other subscriptions shall be due on the 1st of January of each year.

16. A majority of three-fourths of the members present in a meeting and entitled to vote may by a resolution remove from the list of members the name of any member or refuse to confirm his or their provisional election by the Committee. Any such person, firm, company, or corporation shall, from the passing of such resolution, cease to be a member of the Chamber or to exercise the rights and privileges of membership as the case may be.

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*As amended at the Special General Meetings held on the 29th Sept. and 16th October 1936.

17. Any member, who shall by any means cease to be a member, shall remain liable for and shall pay to the Chamber, all moneys, which at the time of such member ceasing to be a member, may be due from such member to the Chamber.

18. Any member whose subscription shall be three months in arrear and who shall not pay such arrears within two months after written notice calling for such payment, shall cease to be a member. Such notice shall be issued by the Secretary to a member under the express direction of the Committee.

19. The Committee may invite any person being a Government official connected with trade, commerce, agriculture or industries, or a person of distinguished position and rank at a meeting of the Chamber or of the Committee, as they may think fit from time to time.

Register of Members.

20. A register of members shall be maintained in which shall be entered such information about the members as the Committee may from time to time decide.

Administration.

21. The administration of the affairs of the Cahmber shall be vested in a body hereinafter called the Committee.

22. There shall be the following officers of the Chamber namely, a President, four Vice-Presidents, 15 ordinary members and a Secretary. There may also be an Assistant Secretary. The officers of the Chamber, with the exception of the Secretary and the Assistant Secretary (if any) shall act without remuneration.

23. The Committee shall consist of twenty members, namely the President, the four Vice-Presidents of the Chamber and 15 ordinary members.

24. The first Committee of the Chamber shall be composed of the following members.

President.

Mr. Adamjee Hajee Dawood (Adamjee Hajee Dawood & Co., Ltd.).

Vice-Presidents.

1. Mr. C. A. Mohammad (C. A. Mohammad).
2. ,, Mohamed Ibrahim (Jewan Bukhsh Ferozuddin).
3. ,, Ahmed Ispahani (M. M. Ispahani).
4. ,, S. M. Nauman, B.A. (Nauman Jafferey, Ltd.).

Members.

1. Mr. Valimohamed Kasam Dada (Hoosen Kasam Dada).
2. ,, Aminjee Valli Patel ("M. V. Patel," formerly, Hajee Shakoor Ghany).
3. ,, Noormohamed Rajaballý (Adamjee Hajee Dawood Jute Mills, Ltd.).
4. ,, Abdool Razak Hajee Abdool Suttar.
5. ,, Ishaq Chandna (Ishaq Chandna, Ltd.).
6. ,, S. Fazal Ellahi (S. Fazal Ellahi).
7. ,, M. Rafique, M.L.A. (Dost Mohamad & Co., Ltd.).
8. ,, Mohamad Raffee Barry.
9. ,, K. Nooruddin (Din Brothers).
10. ,, A. F. Rahman, B.A. (Oxon), M.L.C.
11. ,, A. Rahaman Sidiqqi, M.L.A., LL.B., Bar-at-Law.
12. ,, D. M. Lokhat (D. M. Lokhat).
13. ,, M. Faheem (Wise Brothers, Ld.).
14. ,, Kassim (Kassim & Ismail).
15. ,, Hajee Hashim Golam Ally Mustafa (Dawjee Dadabhay & Co.).

25. The President, Vice-Presidents and ordinary members of the Committee shall retire at each Annual General Meeting, but shall be eligible for re-election, provided that no person shall be eligible for re-election as the President after he has held office of the President for three consecutive terms either fully or partially.

26. If any member of the Committee do not attend ten consecutive meetings of the Committee, the Committee may declare his office vacant and he shall thereupon cease to be a member of the Committee.

Election.

27. At each Annual General Meeting there shall be elected the President, Vice-Presidents and such ordinary members of the Committee as can be elected according to article 28.

*28. The election of the President, Vice-Presidents and ordinary members of the Committee shall be determined by a

*As amended at the Special General Meetings held on the 29th Sept. and 16th October 1936.

majority of votes of the members of the Chamber to be taken by voting cards, as hereinafter described. Provided that six ordinary members of the Committee shall be elected to represent six specific trades to be selected by reason of importance or minority and further, such a number (not exceeding three) shall be elected by the other elected members of the Committee, as shall be determined from time to time by bye-laws made under this Article by the members of the Chamber. Such bye-laws may be added to, altered or recinded by the Chamber in General Meeting by passing an Extraordinary Resolution within the meaning of the Indian Companies Act.

EXPLANATION :—Out of the 15 ordinary members of the Committee six shall be elected as representatives of specific trades, six shall be elected from amongst the general members of the Chamber, and three shall be co-opted by the elected members of the Committee.

29. At least one month before the date of the Annual General Meeting, not being later than 15th December in each year, the Secretary shall issue a notice inviting the members to communicate their intention to serve as the President, a Vice-President or an ordinary member of the Committee, to be elected by the members of the Chamber and the members shall within seven days from the date thereof write to the Secretary intimating their intetion.

30. The Secretary shall cause to be entered names of all such persons who have communicated their candidature for election as the President, a Vice-President or an ordinary member of the Committee to be elected by the members of the Chamber in the voting papers which shall be sent to the members, signed and numbered by him, clear fourteen days before the date of the Annual General Meeting. The members shall return the voting papers to the Secretry clear seven days before the date of the Annual General Meeting, after which no voting paper shall be received.

*31. On the return of the voting papers to the Secretary each paper shall be examined by two members, (not being candidates for election) who shall be appointed by the Committee as scrutinizers who will declare the results of the election in their signed report as directed by Article 28. The report of the scrutinizers shall be published by the Secretary at least three clear days before the date of the Annual General Meeting.

*As amended at the Special General Meetings held on the 29th Sept. and 16th October 1936.

32. Any vacancy occuring in the office of the President, Vice-Presidents or an ordinary member of the Committee during the interval between two Annual General Meetings shall be filled by the Committee in such manner as they may decide.

Auditor.

33. At each Annual General Meeting an Auditor shall be appointed according to the provisions of the Indian Companies' Act.

President.

34. The President shall preside at all meetings of the Committee at all general meetings, and lead all deputations. He shall preside at the Annual General Meeting, may address the members on such subject as he may deem proper, but such address shall not be taken to represent the views of the Chamber or of the Committee unless such representation is expressly indicated.

35. The President shall also, at any time when he shall deem proper, communicate to the Chamber or to the Committee such matters and shall make such suggestions as may, in his opinion, tend to promote the prosperity and welfare and increase the usefulness of the Chamber, and shall perform such other duties as may be incidental to the office of President.

Vice-President.

36. A Vice-President in the absence of the President shall have the powers and perform the duties of the President.

The Committee.

37. The Committee shall meet at such times, as they or the President may deem advisable, and may make such regulations as they think proper as to the summoning and holding of meetings of the Committee, and for the transaction of business at such meetings, and the record of their proceedings shall be open to the inspection of the members subject to such regulations as the Committee may from time to time deem expedient to make.

38. The President and in his absence a Vice-President shall be the *ex-officio* Chairman of the Committee. In the absence of both any person elected by the members present at a meeting shall be chairman thereof.

39. Five Members of the Committee shall form a quorum for the transaction of business, provided however that at any adjourned meeting of the Committee any number of members, not less than 3, may proceed to transact the business.

40. A yearly report of the proceedings of the Committee shall be prepared, printed and circulated for the information of the members of the Chamber, at least three days previous to the Annual General Meeting. Such report shall be submitted to the Annual General Meeting for adoption.

41. The management of the business and funds of the Chamber shall be vested in the Committee. In addition to the powers by these Articles expressly conferred upon them, the Committee shall be entitled to exercise all such powers and do all such acts and things as may be exercised or done by the Chamber including the carrying out of all the objects of the Chamber as set forth in the Memorandum of Association, provided that any of them is not hereby or by law expressly directed or required to be exercised or done by the Chamber in a General Meeting.

42. Without prejudice to the generality of the powers conferred by Article 41 thereof, the Committee shall have power—

(*a*) To make, vary and repeal rules for the regulation of the business of the Chamber, of the officers or servants or of the members of the Chamber or of any department or section of the Chamber.

(*b*) To appoint any departmental Committees or Sub-Committees of the members of the Committee or the Chamber; such departmental Committees or Sub-Committees may be permanent or temporary as the Committees may determine.

(*c*) To delegate, subject to such conditions as they think fit any of their powers to departmental Committees or Sub-Committees and to make, vary and repeal rules for the regulation of the proceedings of departmental Committees or Sub-Committees.

(*d*) To enter into arrangements upon such terms and subject to such conditions as the Committee may deem desirable for working in connection with any Association organised for the protection or better development of any branch of trade, commerce, agriculture or manufacture or with like objects that may apply to be allowed to work in connection with the Chamber, provided the objects for which such Association is or shall be formed are not inconsistent with the objects of the Chamber as defined in its Memorandum of Association.

(*e*) To make such rules as the Committee may consider expedient for the regulation of the joint working of the business of any Association connected with the Chamber or for the purpose of defining the terms and conditions or the joint working of the business of such Association or as may from time to time be agreed upon between such Association and the Committee.

(*f*) To appoint and from time to time remove such clerks and servants in the employ of the Chamber as the Committee will think fit and to fix the remuneration to be paid.

Secretary.

43. The Secretary shall devote himself entirely to the business and affairs of the Chamber except in cases where he has received the special permission of the Committee. He shall have charge of all correspondence and shall keep an account of the funds of the Chamber and of funds connected with or in any way controlled by the Chamber and of all moneys received and spent by the Chamber and of the assets, credits and liabilities of the Chamber. He shall keep accurate minutes of all meetings of the Chamber and of the Committee, of the Departmental Committees and Sub-Committees, and of all Associations connected with the Chamber. He shall have the care of the rooms, furniture, library, pictures and of all documents belonging to the Chamber. He shall give notice of all meetings of the Chamber, of the Committee, of the Departmental Committees and Sub-Committees of the Chamber and of all Associations working in connection with the Chamber. He shall duly notify members of their election, shall countersign all cheques signed by the President in his absence by one of the Vice-Presidents, specially authorised by the Committee to sign cheques, or any Chairman of an affiliated Association, fund or Committee, shall collect all dues of the Chamber and grant receipts. He shall endorse all cheques, dividend warrants and other negotiable instruments. He shall institute, prosecute, and defend suits and other proceedings in which the Chamber may be concerned. He shall prepare the annual report of the Chamber under the guidance of the Committee and the reports of all Committees and all Associations connected with the Chamber and generally shall perform all such duties as are incidental to his office.

Assistant Secretary.

44. The Assistant Secretary, in the absence of the Secretary, shall perform all or any of the duties of the Secretary and such of the duties of the Secretary as may be assigned to him from time to time by the Secretary with the sanction of the Committee.

Auditor.

45. The Auditor shall audit the accounts of the Chamber, of Departments of the Chamber and of all funds connected with or controlled by the Chamber.

General Meeting.

46. General Meetings shall be held in the month of January or February every year at such place as the Committee may consider convenient for the despatch of business, at which a report of the proceedings of the Committee and the yearly accounts shall be submitted for confirmation. Such meetings shall be called the Annual General Meetings.

47. The Committeee may, whenever they think fit, convene a Special General Meeting either for purpose of transacting any special business or for placing before the members of the Chamber a review of their activity in the preceding months.

48. A Special General Meeting shall be convened by the Committee upon the requisition of not less than one-tenth of the members of the Chamber subject to a minimum of ten. The requisition so made shall express the object of the Special General Meeting proposed to be called and shall be presented to the Secretary.

49. Upon the receipt of a requisition under the last preceding Article, the Committee shall forthwith proceed to convene a Special General Meeting. In case the Committee for ten days after the delivery of such requisition fail to convene a Special General Meeting to be held within twenty-one days of such delivery, the requisitionists may themselves convene a meeting to be held within sixty days after the delivery of the requisition. If for consideration of any matter notices longer than seven clear days are required, such longer time shall be added to the several periods mentioned above.

50. Notice of seven clear days shall be given of a Special General Meeting coneved to place before the members a review of the activity of the Committee or to consider any important matter on which the Committee may desire to consult the members; longer notices of not less than clear fourteen days shall be given of Special General Meetings convened for other purposes as may from time to time be determined by the Committee.

51. Notwithstanding the provisions of the last preceding Article and subject to the provisions of the Indian Companies Act, 1913, as to the power to alter regulations by special resolution, forty-five days' notice at the least, specifying the place, the day and the hour of the meeting and the nature of the special business,

shall be given of any Special General Meeting convened to revise, alter or amend the regulations of the Chamber as contained in these Articles of Association.

52. The non-receipt of a notice convening any General Meeting by any member shall not invalidate the proceedings at any such meeting.

53. Eleven members present and entitled to vote at an Annual General Meeting shall constitute a quorum, but at any Special General Meeting fifteen members present and entitled to vote shall constitute a quorum. Any person representing different members shall be counted as many times as the number of members he represents.

54. If within half-an-hour from the time appointed for a Special General Meeting a quorum of members is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case the meeting shall stand adjourned to the same day in the following week at the same time and place and if at such adjourned meeting the quorum of members is not present, the business on the agenda shall be transacted by the members present whatever be their number.

55. The Chairman may with the consent of the meeting adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

56. Every question submitted to a General Meeting shall be decided by a majority of members present and voting at such meeting.

Votes of Members.

57. Every member shall have one vote. In case of an equality of votes, the President shall exercise a casting vote. Votes may be exercised by proxy on the usual form, but only a member of the Chamber can be a proxy.

Notices.

58. A notice may be served upon any member either personally or by sending it through the post in a prepaid letter addressed to such member at such member's registered address.

Funds.

59. The funds of the Chamber shall be deposited in an approved bank and such part thereof as shall not be required for

current expenses may at the direction of the committee be invested in securities; such securities shall not be sold or dealt with except at the direction of the Committee. The account with the bank shall be operated upon by cheques signed by the President, or one of the Vice-Presidents, specially authorized to sign cheques under Rule 43.

Seal.

60. The Committee shall forthwith provide a common seal for the Chamber. The seal shall be deposited with the Secretary and shall never be affixed to any document except in the presence of the President or a Vice-President and in pursuance of a resolution of the Committee or of the Chamber in General Meeting. Deeds, bonds and other documents required to be made under seal shall be deemed to have been duly executed on behalf of the Chamber if sealed with the common seal of the Chamber and signed by President or a Vice-President and countersigned by the Secretary or the person acting as Secretary.

THE MUSLIM CHAMBER OF COMMERCE, CALCUTTA.

Bye-Laws made under Article 28 of the Articles of Association of the Chamber.

(As approved and adopted by Special Resolution passed at the Special General Meeting of the Chamber held on the 6th October 1936).

1. There shall be one member on the Committee representing each of the following interests :—

1. Finance and Insurance.
2. Jute and Jute Manufactures.
3. Produce and Salt.
4. Tea.
5. Hides and Skins.
6. Textiles and Hosiery.

2. After the notice has been issued by the Secretary inviting the members to communicate their intention to serve as ordinary members of the Committee under the provisions of Article 29 of the Articles of Association, such members as are willing to be elected to the Committee as representative of one of the aforesaid interests shall within the prescribed period write to the Secretary intimating their intention to do so.

3. The Committee shall decide if any member offering himself for election as a representative of any particular interest under the provisions of Bye-law 2 actually represents the same. The Committee shall have the right to reject any such offer and the decision of the Committee shall in this respect be final, provided that on such rejection or in the alternative on a voluntary withdrawal on his part the member offering himself for such election shall be deemed to have offered himself for election to a seat not reserved for representation of specific interests.

4. The voting papers issued by the Secretary under provisions of Article 30 of the Articles of Association shall clearly indicate the members who are seeking election to the Committee as representing any of specified interests and a vote shall be recorded by the members of the Chamber in respect of one but not more than one of the candidates seeking election as a representative of each specific interest.

5. The number of members of the Committee, to be elected by the other elected members of the Committee, as provided for in Article 28 of the Articles of Association, shall be three.

6. No member shall be eligible for election and have the right to vote unless his name has been on the register of members of the Chamber for a period of not less than 3 months previous to the date of election.

7. A member who is in arrears of his subscription of the Chamber (on the date of the election) shall not be entitled to take part in any of the elections of the Chamber either as a candidate or as a voter.

8. No Voting Paper shall be issued a second time.

9. Voting Papers shall be sent by registered Post.

Rules framed by the Committee of the Muslim Chamber of Commerce, Calcutta, on 22nd May, 1934, governing the Election of Commissioners by the Chamber to the Calcutta Port Trust under Article 42(a) of the Articles of Association of the Chamber.

1. As soon as possible after the Chamber has been called upon to elect a Commissioner or Commissioners to the Calcutta Port Trust whether such election becomes necessary either for the initial or periodical constitution of the Trust under the provisions of the Calcutta Port Act, 1890, as modified up to April, 1934 or with a view to filling any casual vacancy, the Committee shall authorise the Secretary or such other person as the Committee may think fit to issue a notice inviting members to communicate their intention to offer themselves for election. Such intention shall be communicated by the members offering themselves for election within 7 clear days from the date of issue of the notice.

2. After the canditures for election have been received from the members by the Secretary, the same shall be laid before the Committee who shall determine whether the persons seeking election as a Commissioner by the Chamber are eligible for such election, having regard to the provisions of Articles of the Articles of Association of the Chamber.

3. After the candidatures for election have been scrutinized by the Committee as indicated in Rule 2 above, if it is found that the number of candidates for election exceeds the number of vacancies, the Secretary shall send the names of such candidates to each member of the Chamber at least 10 clear days before the date of election. The Secretary shall also issue to each member of the Chamber a voting paper signed and numbered by him. The members shall sign and return the voting papers addressed to the scrutiniser or scrutinisers appointed (under Rule 4) in sealed envelopes not later than by 4 P.M. on the day preceding the date of election.

4. The Committee of the Chamber shall appoint one or more scrutinisers for the scrutiny of voting papers at least 10 clear days before the date fixed for the election. The scrutiniser or scrutinisers so appointed shall scrutinise the voting papers on the date fixed for election and shall declare the result forthwith after the scrutiny is completed.

5. The candidate or candidates not exceeding the number to be elected securing the largest number of votes shall be declared duly elected.

6. In the event of an equality of votes preventing the due election of any of the candidate or candidates the members shall vote afresh in the manner indicated above in respect of the candidates having an equal number of votes.

7. If the number of candidate or candidates for election shall be the same as the number of vacancies, the candidate or candidates shall be declared to be duly elected by the Committee of the Chamber.

8. The names of the person or persons declared elected under Rule 5 or 7 above shall be communicated by the Secretary to the proper authority as early as practicable after the election.

Survey Rules.

As adopted by a resolution of the Committee of the Chamber at its meeting held on 20th September, 1938.)

(1) The Chamber may issue Certificates of Survey when approached to do so in respect of any goods or consignment on application from the party concerned on payment of a fee of Rs. 48/- for each such certificate.

(2) The Chamber shall maintain a panel of Surveyors for different trades, constituted of such persons (whether members or not) as may, from time to time be selected by the Committee of the Chamber to act as Surveyors.

(3) On receipt of an application for survey, the Secretary shall appoint a person as a surveyor. Such person shall be selected from among the panel maintained in respect of the particular or allied trade to which the Survey relates.

(4) Out of the fee of Rs. 48/- one-half of the amount or Rs. 24/- shall be paid as fees to the Surveyor.

(5) The Secretary shall have the right to refuse to grant a Survey Certificate in connection with goods or consignments which may appear to him to be appropriate for an arbitration between parties resident in India, unless consent of both the parties to the dispute to undertake the survey is received by him.

PANEL OF SURVEYORS.

JUTE.

1. Messrs. Adamjee Hajee Dawood & Co., Ltd.
2. ,, A. H. Ghuznavi & Co.

GUNNIES.

1. Messrs. M. M. Ispahani, Ltd.
2. ,, Adamjee Hajee Dawood & Co., Ltd.

RICE AND PRODUCE.

1. Messrs. E. Y. Zainal Alireza.
2. ,, Hoosen Kassam Dada.

WHEAT AND GRAIN.

1. Messrs. Hajee Habib Hajee Peermohamed.
2. ,, C. A. Mohammed.

TEA.

1. Messrs. M. Khaleel Shirazi & Sons.
2. ,, M. A. M. Kashani.

LAC.

1. Messrs. C. A. Mohammad.
2. ,, M. M. Ispahani Ltd.

HIDES AND SKINS.

1. Messrs. Mohammed Amin Bros. Ltd.
2. ,, Dost Mohammad & Co., Ltd.

SALT.

1. Messrs. Kassim & Ismail,
2. ,, Abdoollabhoy Lalljee & Co.

SUGAR.

1. Messrs. Abdul Rahim Oosman & Co. (India), Ltd.
2. ,, Dawjee Dadabhoy & Co.

COAL.

1. Messrs. A. H. Ghuznavi & Co.
2. ,, Kassim & Ismail.

MATCHES.

1. Messrs. C. A. Mohammad.
2. ,, Adamjee Hajee Dawood & Co., Ltd.

LIST OF MEMBERS.

OF THE

MUSLIM CHAMBER OF COMMERCE,

(Arranged Alphabetically).

1940.

A

Abdoollabhoy Lalljee & Co.,
98, Canning Street,
Calcutta.

Abdool Razak Hajee Abdool Suttar,
32, Ezra Street,
Calcutta.

Abdulla J. Gangjee,
7, Lyons Range,
Calcutta.

Abdul Ghani Zainul Abedin,
2, Chittaranjan Avenue,
Calcutta.

Abdul Rahim Oosman & Co. (India), Ltd.,
2, Rajmohan Street,
Calcutta.

Adamjee Hajee Dawood & Co., Ltd.,
Stephen House,
5, Dalhousie Square,
Calcutta.

Adamjee Jute Mills, Ltd.,
Stephen House,
5, Dalhousie Square,
Calcutta.

Adam Hajee Peermohamed Essack,
1, Amratolla Lane,
Calcutta.

Adam Oosman,
Oosman Building,
8, Bolai Dutt Street,
Calcutta.

Afzal Banerjee & Co.,
22, Canning Street,
Calcutta.

Ahmed A. Fazelbhoy,
55, Canning Street,
Calcutta.

Ahmed Abdul Karim Bros., Ltd.,
9A, Zakariah Street,
Calcutta.

Ahmed Dadabhoy & Co. (India), Ltd.,
146, Lower Chitpore Road,
Calcutta.

Ahmed Ebrahim Brothers,
15, Zakariah Street,
Calcutta.

Alliance Press, Ltd.
26, Chowringhee,
Calcutta.

B

M. E. Bhaiyat & Sons (India), Ltd.,
22, Zakariah Street,
Calcutta.

The Bharat Laboratory &
Chemical Works, Ltd.,
10, Prince Anwarshah Road,
Tollygunge, Calcutta.

The Bengal Silk Mills Co., Ltd.,
13, Ariff Road, Ultadanga,
Calcutta.

C

The Comrade Bank, Ltd.
15, Clive Row,
Calcutta.

Currmally Janmohamed,
55, Canning Street,
Calcutta.

D

Dawjee Dadabhoy & Co.,
67, Canning Street,
Calcutta.

Dilaverkhan Rahimkhan Co.,
12, Amratolla Lane,
Calcutta.

Diwan Haji Pirmohamed Musa,
4, Amratolla Street,
Calcutta.

Dossani Film Corporation,
60, Bentinck Street,
Calcutta.

Dost Mohammad & Co., Ltd.,
19, Zakariah Street,
Calcutta.

Dostmohamed Brothers,
66, Colootola Street,
Calcutta.

E

The Eastern Federal Union
Insurance Co., Ltd.,
9, Clive Street,
Calcutta.

M. Elias, Ltd.,
100, Clive Street,
Calcutta.

F

Fazalbhoy Limited,
P33, Mission Row Extension,
Calcutta.

S. Fazal Ellahi,
35, Canal East Road,
Calcutta.

G

A. H. Ghuznavi & Co.,
19, Strand Road,
Calcutta.

Gordon & Co.,
106, Narkeldanga Main Road,
Calcutta.

H

Hajee Habib Hajee
Peermohamed,
25, Amratolla Street,
Calcutta.

Hajee Ismail Sait & Sons, Ltd.,
Russa Distillery, Tollygunj,
Calcutta.

Hajee Selim Khoonjee,
P.21, Prinsep Street,
Calcutta.

Hajee Suttar Hajee
Peermohamed,
23, Amratolla Lane,
Calcutta.

Haji Hasan Dada,
12, Zakariah Street,
Calcutta.

Syed Hasan Askary,
Windsor House,
14, Bentinck Street,
Calcutta.

G. & E. Hassan Mamoojee,
22, Amratolla Street,
Calcutta.

Hoosen Kasam Dada,
26, Amratolla Street,
Calcutta.

I

Iran Tea Trading Co.,
Bharat Bhawan,
Chittaranjan Avenue,
Calcutta.

M. M. Ispahani, Ltd.,
51, Ezra Street,
Calcutta.

J

M. E. M. Jaffer & Co.,
16, Amratolla Lane,
Calcutta.

M. Jameel Ahmed & Sons,
10, Damzen Lane.
Calcutta.

Jewan Buksh Mohamed Jan,
78, Coloootola Street,
Calcutta.

K

M. A. M. Kashani,
17, Mangoe Lane
Calcutta.

Kassim & Ismael,
5-2, Garstin Place,
Calcutta.

M. Khaleel Shirazi & Sons,
6, Mangoe Lane,
Calcutta.

H. A. M. Khoyi & Bros.,
1/1, Phears Lane,
Calcutta.

M

H. M. T. Mamakany & Bros.,
21, Bentinck Street,
Calcutta.

I. S. Mapara & Sons,
11, Zakariah Street,
Calcutta.

Mohamed Amin Bros., Ltd.,
P.22, Mission Row
Extension,
Calcutta.

C. A. Mohammad,
15, Synagogue Street,
Calcutta.

Mohamed Hajee Gany,
11, Amratolla Lane,
Calcutta.

Mohamed Raffi,
12, Colootola Street,
Calcutta.

The Modern India Press,
7, Wellington Square,
Calcutta.

H. Mumtaz & Co.,
1, Colootola Street,
Calcutta.

The Hon'ble Nawab Musharruf
Hossain, Khan Bahadur,
178, Southern Avenue,
Calcutta.

N

S. A. Nasr & Co., Ltd.,
51, Ezra Street,
Calcutta.

Noormohamed Elias,
Wardley House,
25, Swallow Lane,
Calcutta.

O

Oriental Import Agency, Ltd.,
Mercantile Buildings,
10/1D, Lall Bazar Street,
Calcutta.

S

F. E. Sachee & Co.,
54/1, Canning Street,
Calcutta.

Shamsul Arfeen & Co.,
9, Colootola Street,
Calcutta.

M. M. K. Shirazi & Son,
21, Old Court House Street,
Calcutta.

Sidick Jamall & Co.,
6, Clive Row,
Calcutta.

The Solar Paint & Varnish
Manufacturing Co.,
Barrackpore Trunk Road,
P. O. Belgharia.

Sooleman Dadabhoy Brothers,
Ltd.,
20, Zakariah Street,
Calcutta.

Subid Ali Bros.,
Subid Ali Buildings,
1, Madan Street,
Calcutta.

T

Taiyoob Ali Mohamed Ebrahim,
15, Amratolla Lane,
Calcutta.

U

The United Rubber Works, Ltd.,
51, Tangra Road,
Calcutta.

W

Wachel Mollah & Co.,
10, Dharamtolla Street,
Calcutta.

Z

E. Y. Zainal Alireza,
22, Zakariah Street,
Calcutta.

Representatives of the Chamber on the Public Bodies.

BENGAL LEGISLATIVE ASSEMBLY.

Mr. Abdur Rahman Siddiqi.

INDIAN CENTRAL JUTE COMMITTEE.

Mr. M. A. Ispahani.

CALCUTTA ELECTRIC SUPPLY CORPORATION, LTD.

Mr. Mohamed Rafique.

CALCUTTA PORT TRUST.

Khan Bahadur G. A. Dossani.

EAST INDIAN RAILWAY LOCAL ADVISORY COMMITTEE.

Mr. M. A. Azizkhan.

EASTERN BENGAL RAILWAY LOCAL ADVISORY COMMITTEE.

Mr. Noormohamed Elias.

BENGAL NAGPUR RAILWAY LOCAL ADVISORY COMMITTEE.

Mr. Kassim A. Mohomed.

BOARD OF ECONOMIC ENQUIRY, BENGAL.

Mr. S. A. Afzal.

TRAFFIC ADVISORY COMMITTEE.

Mr. Mahmud Ismail Mapara.

VISITING COMMITTEE FOR THE MEDICAL COLLEGE GROUP OF HOSPITALS.

Mr. Ahmed Khoonjee.

VISITING COMMITTEE FOR THE CAMPBELL HOSPITAL.

Khan Bahadur G. A. Dossani.

BENGAL TANNING INSTITUTE BOARD.

Maulvi Mohamed Amin.
Mr. Mohamed Rafique.

THE COMMITTEE OF MANAGEMENT OF GOVERNMENT WEAVING INSTITUTE, SERAMPORE.

Mr. Ebrahim Mulla Yahyabhoy.
(Messrs. C. A. Mohammad).

BOARD OF SCIENTIFIC RESEARCH FOR THE INDUSTRIES DEPARTMENT.

Mr. E. S. Abdulkader.

BENGAL SMOKE NUISANCE COMMISSION.

Mr. Kassim A. Mohomed.

BENGAL PROVINCIAL EXPORT ADVISORY COMMITTEE.

Mr. M. A. Ispahani.

BOARD OF EXAMINERS FOR BOILER ATTENDANTS.

Mr. F. A. Khan.
(Messrs. Adamjee Jute Mills, Ltd.).

COMMITTEE FOR THE ESTABLISHMENT OF A HOME FOR INDIAN SEAMEN AT CALCUTTA.

Mr. Kassim A. Mohomed.

PROVINCIAL ADVISORY BOARD ON INDIAN FOREST UTILIZATION.

Mr. Noormohamed Elias.

THE ADVISORY BOARD OF THE COMBINED COMMERCIAL MUSEUM AND HEALTH PUBLICITY SECTION OF THE CALCUTTA CORPORATION.

Mr. M. K. Khaleeli.

PROVINCIAL TRANSPORT AUTHORITY.

Mr. Mohamed Rafique.

Standing Sub-Committees, 1941.

(Constituted by the Committee in their meeting held on the 22nd April, 1941).

JUTE.

1. Messrs. Adamjee Dawood & Co., Ltd. (Mr. G. R. Jaffar).
2. ,, M. M. Ispahani, Ltd.
3. ,, A. H. Ghuznavi & Co.

GUNNIES.

1. Messrs. Adamjee Hajee Dawood & Co., Ltd. (Sir Adamjee Hajee Dawood).
2. ,, M. M. Ispahani, Ltd.
3. ,, Hoosen Kassam Dada.
4. ,, Dossani Film Corporation.

RICE, GRAIN AND PRODUCE.

1. Messrs. Hoosen Kassam Dada.
2. ,, Hajee Habib Hajee Peermohamed.
3. ,, M. M. Ispahani, Ltd.
4. ,, G. & E. Hassan Mamoojee.
5. ,, E. Y. Zainal Alireza.
6. ,, Abdul Rahim Oosman & Co. (India), Ltd.
7. ,, C. A. Mohammad.
8. ,, Dawjee Dadabhoy & Co.
9. ,, Hajee Selim Khoonjee.
10. ,, Kassim & Ismael.

TEA.

1. Messrs. M. M. Ispahani, Ltd.
2. ,, M. Khaleel Shirazi & Sons.
3. ,, M. A. M. Kashani.
4. ,, M. M. K. Shirazi & Son.
5. ,, Dilaverkhan Rahimkhan Co.
6. ,, E. Y. Zainal Alireza.
7. ,, H. A. M. Khoyi & Bros.
8. ,, Hajee Selim Khoonjee.

LAC.

1. Messrs. M. M. Ispahani, Ltd.
2. ,, C. A. Mohammad.
3. ,, Diwan Hajee Pirmohamed Musa.
4. ,, Hoosen Kassam Dada.

HIDES AND SKINS.

1. Messrs. Mohamed Amin Bros., Ltd.
2. ,, S. Fazal Ellahi.
3. ,, M. Jameel Ahmed & Sons.
4. ,, Dost Mohamed & Co., Ltd.

SALT.

1. Messrs. Abdoollabhoy Lalljee & Co.
2. ,, Kassim & Ismael.
3. ,, Hoosen Kassam Dada.
4. ,, Hajee Habib Hajee Peermohamed.

SUGAR.

1. Messrs. Abdul Rahim Oosman & Co. (India), Ltd.
2. ,, Dawjee Dadabhoy & Co.
3. ,, Hoosen Kassam Dada.
4. ,, Adam Hajee Pirmohamed Essack.
5. ,, Hajee Habib Hajee Peermohamed.

COAL.

1. Messrs. A. H. Ghuznavi & Co.
2. ,, Kassim & Ismael.
3. ,, M. Khaleel Shirazi & Sons.

TEXTILE AND HOSIERY.

1. Messrs. The Bengal Silk Mills Co., Ltd.
2. ,, Ahmed Abdul Karim Bros., Ltd.
3. ,, Abdool Razak Hajee Abdool Suttar.

MATCHES.

1. Messrs. C. A. Mohammad.
2. ,, Abdoollabhoy Lalljee & Co.
3. ,, Adamjee Hajee Dawood & Co., Ltd.
   (Mr. A. W. Adamjee).

INSURANCE.

1. Messrs. The Eastern Federal Union Insurance Co., Ltd.
2. ,, Abdool Razak Hajee Abdool Suttar.
3. ,, Abdoollabhoy Lalljee & Co.
4. ,, Dossani Film Corporation (Khan Bahadur G. A. Dossani).

LABOUR AND TRANSPORT.

1. Messrs. M. Elias, Ltd.
2. ,, Kassim & Ismael.
3. ,, A. H. Ghuznavi & Co.
4. ,, Abdool Razak Hajee Abdool Suttar.
5. ,, Humayun Agency Co.

FINANCE.

1. Messrs. Hoosen Kassam Dada.
2. ,, Hajee Habib Hajee Peermohamed.
3. ,, M. M. Ispahani, Ltd.
4. ,, S. A. Afzal & Co.
5. ,, Adamjee Hajee Dawood & Co., Ltd.

FILM.

1. Messrs. Dossani Film Corporation.
2. ,, G. & E. Hassan Mamoojee.

OILS.

1. Messrs. I. S. Mapara & Sons.
2. ,, Hoosen Kassam Dada.
3. ,, Adam Hajee Pirmohamed Essack.
4. ,, Hajee Habib Hajee Pirmohamed.
5. ,, M. E. M. Jaffer & Co.
6. ,, Mohamed Hajee Gany.
7. ,, Kassim & Ismael.

IRON, STEEL AND HARDWARE.

1. Messrs. I. S. Mapara & Sons.
2. ,, C. A. Mohammad.

IMPORT TRADES.

1. Messrs. Curmally Janmohamed.
2. ,, F. E. Sachee & Co.
3. ,, Dawjee Dadabhoy & Co.
4. ,, Kassim & Ismael.
5. ,, Ahmad A. Fazelbhoy.

SHIPPING.

1. Messrs. Kassim & Ismael.
2. ,, M. Elias, Ltd.

THE COMMITTEE FOR THE YEAR 1941.

President :

MR. ABDUR RAHMAN SIDDIQI, M.L.A.

Vice-Presidents :

MR. S. M. NAUMAN, M.L.A.
,, M. A. AZIZKHAN.
,, MOHAMED RAFIQUE.
KHAN BAHADUR G. A. DOSSANI.

Members elected :

SIR ADAMJEE HAJEE DAWOOD, KT.
MR. OMER A. SUTTAR.
,, M. K. KHALEELI.
,, HAJI VALIMOHAMED KASAM DADA.
,, MOHAMED SHARIFF.
,, FEROZUDDIN.
,, M. A. ISPAHANI.
SIR A. H. GHUZNAVI, KT., M.L.A.
MR. E. S. ABDULKADER.
,, KASSIM A. MOHOMED.
,, ADAM OOSMAN.
,, NOORMOHAMED ELIAS.

Members co-opted :

MR. F. A. SACHEE.
,, ISSA HAJI DAWOOD.
,, M. S. VAWDA.

REPORT

MUSLIM CHAMBER OF COMMERCE

CALCUTTA

THE MUSLIM CHAMBER OF COMMERCE, CALCUTTA.

Report of the Committee for the year ended 31st December, 1940.

The Committee of the Muslim Chamber of Commerce, Calcutta, have the honour to submit to the Members their Annual Report for the year ended 31st December, 1940, together with the audited Statement of Accounts for the period.

Committee.—The following were elected Office-bearers and Members of the Committee at the Eighth Annual General Meeting of the Chamber, held on the 8th March, 1940 :—

President.

MR. M. A. ISPAHANI.

Vice-Presidents.

MR. I. G. H. ARIFF.
,, S. M. NAUMAN.
,, M. A. AZIZKHAN.
,, MOHAMED RAFIQUE.

Members.

SIR ADAMJEE HAJEE DAWOOD.
,, A. H. GHUZNAVI.
MR. E. S. ABDULKADER.
,, ABDUR RAHMAN SIDDIQI.
,, HAJI VALLIMOHAMED KASAM DADA.
,, KASSIM A. MOHOMED.
KHAN BAHADUR G. A. DOSSANI.
MR. M. K. KHALEELI.
,, MOHAMED SHARIFF.
,, OMER A. SUTTAR.
,, NOORMOHAMED ELIAS.
,, M. S. VAWDA.

Members-co-opted.

MR. F. A. SACHEE.
,, MOHAMED OOMER.
,, FEROZUDDIN.

Auditors.

Messrs. Afzal Banerjee & Co., Incorporated Accountants and Auditors, Calcutta, were elected Honorary Auditors.

During the year under review a vacancy was caused in the Committee due to the sad and untimely death of Mr. I. G. H. Ariff, one of the Vice-Presidents, which event occurred on the 26th October, 1940. The Committee, however, decided not to fill it up by a fresh nomination.

The Committee held altogether 33 meetings during the year. Special Sub-Committees were also appointed to consider important subjects while individual members of the Chamber possessing expert knowledge of particular subjects were frequently consulted on different problems.

REPRESENTATION ON PUBLIC BODIES.

Bengal Legislative Assembly.—Mr. Abdur Rahman Siddiqi, M.A., LL.B., Barrister-at-Law of The Eastern Federal Union Insurance Co., Ltd., represented the Muslim Chamber of Commerce Constituency, in the Bengal Legislative Assembly as in past years. The Assembly has had under its consideration important legislative measures during the year affecting the interests of Trade and Commerce and our representative has taken keen interest in and contributed effectively to the debates in every session of the Assembly.

Indian Central Jute Committee.—Mr. M. A. Ispahani of M. M. Ispahani, Ltd., continued to represent the Chamber on the Indian Central Jute Committee. His contribution to the deliberations of the Committee proved useful and through him the Committee of the Chamber remained in close touch with the problems affecting Jute which came up for discussion before the Indian Central Jute Committee.

Calcutta Electric Supply Corporation, Ltd.—Mr. M. A. Ispahani who has been our representative on the Consultative Committee of the Calcutta Electric Supply Corporation, Ltd., for about two years tendered his resignations to the Committee during the year and Mr. Mohamed Rafique of Messrs. Dost Mohamed & Co., Ltd., was nominated to fill the vacancy.

Calcutta Port Trust.—The Government of India, Department oof Communications, New Delhi, addressed a letter dated the 9th May, 1940, informing the Chamber that the term of office of Mr. Mohamed Rafique, a Commissioner for the Port of Calcutta, who represented this Chamber, would expire at the end of the month and it was requested that arrangements may be made for a fresh election of a representative of this Chamber. A new Election was accordingly held under the rules framed under

Article 42(*a*) of the Articles of Association of the Chamber and Khan Bahadur G. A. Dossani, was duly elected. He is now representing this Chamber on the Calcutta Port Trust as a Commissioner.

East Indian Railway Local Advisory Committee.—The term of appointment of Mr. M. K. Khaleeli of Messrs. M. Khaleeli Shirazi & Sons, our representative on the East Indian Railway Local Advisory Committee expired on the 17th September, 1940. The General Manager, East Indian Railway, in his letter dated the 7th August, 1940, requested the Chamber to nominate a representative in his place on the Calcutta Advisory Committee, for the next term. The Committee decided to nominate Mr. M. A. Azizkhan of Messrs. E. Y. Zainal Alireza, who is now representing the Chamber on that body.

Eastern Bengal Railway Local Advisory Committee.—Mr. Noormohamed Elias has continued to represent this Chamber on the Local Advisory Committee of the Eastern Bengal Railway during the year.

Bengal Nagpur Railway Local Advisory Committee.—The Agent and General Manager, Bengal Nagpur Railway in his letter dated the 4th December, 1940, informed the Committee that the term of the Calcutta Local Advisory Committee of this Railway would expire on the 31st December, 1940, and requested the Chamber to nominate a representative to serve on the Committee for the next term of one year. The Committee nominated Mr. Kassim A. Mohomed, of Messrs. Kassim & Ismail. to represent the Chamber on the Local Advisory Committee of the Bengal Nagpur Railway.

Rice Committee of the Imperial Council of Agricultural Research.—A representative of this Chamber was taken on this Committee by the Government. The Committee continued its work for a few years when the Governing Body of the Imperial Council of Agricultural Research, at their meeting held in August, 1940, decided to dissolve all the Standing Commitees of the Council set up by them. The Standing Rice Committee was in consequence dissolved and no representative was sent.

Board of Economic Enquiry, Bengal.—Mr. S. A. Afzal, A.S.A.A., of Messrs. Afzal Banerjee & Co., was elected to represent this Chamber for another term of two years on the expiry of the term of appointment on the 16th February, 1941.

Traffic Advisory Committee.—Mr. Mahmud Ismail Mapara of Messrs. I. S. Mapara & Sons, continued to represent this Chamber on the Traffic Advisory Committee.

Visiting Committee for the Medical College group of Hospitals.—Mr. Omer A. Suttar of Messrs. Abdool Razak Hajee Abdool Suttar, who represented this Chamber on the Medical College Group of Hospitals for the year 1938-39, was re-elected on the expiry of his term of appointment, for another term in April, 1940. But he resigned in June, 1940. The Committee thereupon decided to nominate Mr. Ahmed Khoonjee of Messrs. Hajee Selim Khoonjee and forwarded his name to the Government.

Visiting Committee for Campbell Hospital, Sealdah.—The President, Visiting Committee, Campbell Hospital, Sealdah, informed the Chamber that the proposal for reconstituting the Visiting Committee of the Campbell Hospital, Sealdah, for the next financial year (1941-42) was to be submitted to the Government and, therefore, requested the Chamber to nominate a representative to serve on the Committee for the next year. The Committee decided to nominate Khan Bahadur G. A. Dossani of the Dossani Film Corporation to represent this Chamber on the Visiting Committee for the next term.

Bengal Tanning Institute Board.—Moulvi Mohamad Amin of Messrs. Mohamad Amin Bros., Ltd., and Mr. Mohamed Rafique, of Messrs. Dost Mohamed & Co., Ltd., continued to represent this Chamber on the Board of Directors of the Bengal Tanning Institute.

The Committee of Management of the Government Weaving Institute, Serampore.—Mr. Omer A. Suttar, having resigned his membership of the Committee of Management of the Government Weaving Institute, Serampore, in June, 1940, the Committee decided to nominate Mr. Ebrahim Mulla Yahyabhoy of Messrs. C. A. Mohammad to represent this Chamber on the Committee of Management of the Institute.

Board of Scientific Research for the Industries Department.—Mr. E. S. Abdulkader of Messrs. C. A. Mohammad has continued to represent this Chamber on the Board.

Bengal Smoke Nuisances Commission.—Mr. Kassim A. Mohomed of Messrs. Kassim & Ismail continued to represent this Chamber on the Bengal Smoke Nuisances Commission.

Bengal Provincial Export Advisory Committee.—The Government of India, Department of Supply, in their Notification dated New Delhi, the 1st March, 1940, informed the Chamber that it was proposed to establish a Provincial Advisory Committee for War Supplies in Bengal to advise the Department of Supply on general questions and to serve as a liaison link between the Government of India, the Provincial Government and the Commercial, Mercantile and Shipping community. The Government requested the Chamber to nominate a representative to serve on the proposed Advisory Committee. Mr. M. A. Ispahani, the President, was nominated to represent the Chamber on the Committee.

Board of Examiners for Boiler Attendants.—The Chief Inspector of Boilers, Bengal, in his letter dated the 1st May, 1940, requested the Chamber to suggest the name of a member competent to serve on the Bengal Board of Examiners for Boiler Attendants. The Committee decided to suggest the name of Mr. F. A. Khan, Mechanical Engineer of Messrs. Adamjee Jute Mills, Ltd., for nomination on the Board of Examiners. The Government has since constituted the Board of Examiners and Mr. F. A. Khan represents the Muslim Chamber of Commerce on this Board.

Committee for the Establishment of a Home for Indian Seamen at Calcutta.—The Government of India, Department of Commerce, addressed a letter dated Simla, the 1st June, 1940, and informed the Chamber that the Government proposed to appoint a Committee to consider the establishment of a Home for Indian Seamen at Calcutta and desired to enquire if the Chamber would be willing to send a representative on the Committee. The Committee welcomed the proposal of the Government and decided to send a representative to serve on the Committee and the name of Mr. Kassim A. Mohomed of Messrs. Kassim & Ismail was forwarded to the Government. The Committee has since been formed by the Government and Mr. Kassim A. Mohomed represents this Chamber on the Committee.

Provincial Advisory Board on Indian Forest Utilization.—The Government of Bengal, have had under consideration the establishment of a Provincial Advisory Board on Indian Forest Utilization for Bengal and requested the Chamber to send a representative to serve on this Board, when constituted. The Committee decided to nominate Mr. Noormohamed Elias of Messrs. Noormohamed Elias on this Board and informed the Government accordingly.

The Advisory Board of the Combined Commercial Museum and Health Publicity Section of the Calcutta Corporation.—The Secretary, Corporation of Calcutta, in his letter dated the 26th January, 1940, informed the Chamber that the reconstituted Advisory Board of the Commercial Museum and Health Publicity Section had no representative of this Chamber on it and requested the Chamber to nominate a member to represent it on that Body. The Committee decided to nominate Mr. M. K. Khaleeli of Messrs. M. Khaleel Shirazi & Sons to represent this Chamber on the Board.

Provincial Transport Authority.—The Government of Bengal, Home (Police Department) in their letter dated the 26th March, 1940, informed the Chamber that the Government proposed to constitute a Provincial Transport Authority provided for in the Motor Vehicles Act, 1939, and requested this Chamber to appoint a representative on that Body. The Committee nominated Mr. Mohamed Rafique of Messrs. Dost Mohamed & Co., Ltd., as representative of this Chamber on the Provincial Transport Authority.

INTERVIEWS AND MEETINGS.

The Hon'ble Dewan Bahadur Sir A. Ramaswami Mudaliar, Kt., C.I.E.—The Hon'ble Dewan Bahadur Sir A. Ramaswami Mudaliar, Kt., C.I.E., Member for Commerce and Labour, Government of India, met the Committee of the Muslim Chamber of Commerce, on the 25th September, 1940, at 11 A.M. at the premises of the Chamber. The discussion covered a large number of subjects which have assumed importance on account of the international situation and new regulations enforced by the Government for the control of export trade. During the course of the discussion the President invited the attention of the Hon'ble Member to problems relating to allotment of freights, shipping and delays in issuing licenses for export as well as difficulties in chartering vessels due to the existing system of rebates. The agreements of Conference Lines with exporters are based on the system of granting rebates and this invariably came in the way of chartering steamers. The necessity of war risk insurance for immovable property in industrial areas was also emphasised. Another subject which the Committee discussed with the Hon'ble Member was the question of the transfer of blank export quotas for tea and the amendment of the Tea Control Act with a view to affording greater facilities to the exporters for the transfer of quotas. The Tea Control Act permits the transfer of blank export quotas freely among the gardeners and as many times as desired. The planters are also allowed to transfer Internal Consumption Tea to export and *vice versa* without any restriction. These facilities are denied to the exporters. The Committee requested that equal facilities of transfer should be given to the shippers also. The Committee requested the Government to encourage the ship-building industry in Bengal and also afford facilities for organising and starting canned fish industry. Another point raised by the Committee was insufficient representation of Indian interests on the Boards of Trustees for Port and requested the Government to take early steps to revise the constitutions of Port Trusts with a view to giving increased representation to Indian Commercial interests. The Hon'ble Member gave a patient hearing to the suggestions placed before him and promised sympathetic consideration of the many points raised during the discussion. The President thanked the Hon'ble Member for his visit to the Chamber.

Mr. Ghulam Mohamed, Director-General of Purchases, Supply Department and Mr. H. Sur, Chief Controller, Indian Stores Department.—Mr. Gholam Mohamed, Director-General of Purchases, Supply Department, Government of India and Mr. H. Sur, Chief Controller, Indian Stores Department, met the Committee of the Chamber on Monday, the 21st October, 1940, at 12 noon. The employment of Muslims in the services of the Stores Department, (2) the grievances of Muslims regarding facilities for offering Jumma Prayers (3) difficulties in registering names of Muslim Contractors (4) the difficulties regarding the registration of firms were some of the points raised during the discussions. It was pointed out that formalities required to be observed before registration caused delays in registration and the Committee suggested that recognised Chambers of Commerce may be allowed to send names of their members with references to be registered as contractors and it was further requested that the Indian Stores Department should agree to grant registration to names submitted by these Chambers of Commerce. The Committee then referred to the appointment of Liaison Officers, Advisers and controllers from the trade itself. This, it was pointed out, was a practice which defeated the very object of its initiation. The Chamber considered it objectionable and recommended its immediate stoppage. Both Mr. Ghulam Mohamed and Mr. Sur promised to consider favourably and sympathetically the points raised during the course of the discussion and assured the Committee that they would be pleased to investigate specific cases giving rise to any complaints that may be brought to their notice and would do their best to remove the just and reasonable grievances received from the merchant community.

Mr. E. S. Krishnamoorthy, Indian Government Trade Commissioner for Japan.—Mr. E. S. Krishnamoorthy, Indian Government Trade Commissioner for Japan, visited the Chamber on the 10th September, 1940, at 3-30 P.M. and met the members of the Committee for a discussion on problems connected with India's trade with Japan. The discussion was initiated by the President who explained that the subjects for discussion were illustrative of the present conditions of trade with Japan of which the main features were fluctuations in prices of Japanese goods and difficulties of Indian exporters from Japan due to the enforcement of new regulations regarding export licenses and quotas. Besides these difficulties the general tendencies of Japanese manufacturers, such as variations in the quality of goods and delays in delivery were also brought to his notice. Mr. E. S. Krishnamoorthy explained the duties and functions of the Trade Commissioner and assured the Committee of his willingness to help businessmen in their difficulties. He was keenly interested in the cases which were brought to his notice and promised to make investigations after arrival in Japan with a view to relieving the difficulties experienced by these and other Indian merchants generally.

The Hon'ble Sir Mohammad Zafrullah Khan, Member, Supply Department.—The Hon'ble Sir Mohammad Zafrullah Khan, K.C.S.I., Member, Supply Department, Government of India, visited the Chamber on Wednesday, the 11th December, 1940, and discussed with the Committee subjects of interest to the members. The Committee pointed out that a good deal of confusion existed regarding the functions of the Indian Stores Department, the Contracts Directorate and the Supply Department and their interdependence on one another. The Hon'ble Member explained at length the scheme of work of the Department of Supply and said that the present position of the Indian Stores Department and the Contracts Directorate as parts of this Department was essentially a measure of emergency and the organisation in this respect had not so far attained perfection. He then described in detail the existing working arrangements and assured the Committee that on the termination of the present state of emergency the different branches now under the Supply Department would revert to their original status. The functions of the Indian Stores Department, Supply Department and the Contracts Directorate were at that moment under consideration and it was expected that they would be clearly defined and the division of work at different centres would be so adjusted as to cause the least possible amount of friction and remove all ambiguity from the mind of the public on that score.

The question of the appointment of the Controllers, Liaison Officers and Advisers was then discussed. The Hon'ble Member said that the selection of Controllers and Liaison Officers was made on the advice of the respective industries concerned and if there were any complaints with regard to these arrangements they would engage his attention. It was expected, he said, that when the duties and functions of Controllers and Advisers under the new scheme would be made clear, there would we very little ground for criticism or complaint.

The Committee also discussed the difficulties experienced by firms in getting their names registered as contractors to which the Hon'ble Member informed the Committee that it was mainly due to lack of sufficient inspecting officers. It was hoped that improvement would be affected in this respect too under the new scheme.

The Committee then pointed out that information regarding orders accepted with particular reference to those executed by Indian and European firms should be published in the Indian Trade Journal. The Hon'ble Member assured the Committee that the subject was actually engaging his attention and was under consideration. It was however not possible to give all the information as it was against public interest to do so but such information as could safely be given out would be published.

The attention of the Hon'ble Member was drawn to the need of developing fisheries in Bengal. It was suggested that as canned fish would be increasingly in demand during the period of the war, Government should encourage this industry which required a modest capital and for which machinery and experts could be had from America. The Hon'ble Member assured the Committee that the Government would be pleased to examine any definite proposition submitted to them on the development of fisheries and the establishment of canned fish industry. The Government had, he observed, been considering this matter for some time and they would welcome suggestions from members of the Chamber and of the trade in that line.

The Hon'ble Member also assured the Committee that he would welcome criticism on questions of principle connected with the Supply Department and he would always be prepared to consider any complaints in respect of the acceptance of tenders and other matters relating to his Department.

The President thanked the Hon'ble Member for his kindness in giving an opportunity to the members of this Chamber for discussing these subjects with him.

Mr. M. H. Ismail, the Indian Government Trade Commissioner, Mombasa.—The Committee of the Muslim Chamber of Commerce, Calcutta, invited Mr. M. H. Ismail, the Indian Government Trade Commissioner, Mombasa, on Monday, the 6th January, 1941, and discussed subjects of interest to members.

Before dealing with present problems Mr. Ismail explained that about 25 years ago India had an extensive market in East Africa. The Congo Basin Treaties which can be traced as far back as 1885 still governed the commercial policy although many changes have since been affected in their character and application.

Mr. Ismail then explained in detail the present conditions of trade in East, Africa and the possbilities of its expansion. India could export, he said, finished articles, particularly, piecegoods, leather goods, hosiery and chemicals. He also pointed that because goods from Japan could not be imported due to war, there was a good opportunity for Indian exporters of finished articles to increase their volume of trade and establish contacts with business men in Mombasa. The boycott of cloves from Zanzibar was also discussed and the Committee was informed that an agreement had been reached with the Government to the satisfaction of all concerned.

The President thanked Mr. M. H. Ismail for meeting the Committee and giving them an opportunity of discussing these subjects.

Mr. N. R. Pillai, Joint Secretary, Government of India, Commerce Department.—Mr. N. R. Pillai, C.I.E., C.B.E., I.C.S., Joint Secretary, Government of India, Commerce Department, met the Committee of the Muslim Chamber of Commerce, Calcutta, on Wednesday, the 29th January, 1941.

Subjects of interest to members including Rebates fixed by Conference Lines on Steam Ship Companies of various routes and the policy of the Government regarding the issue of licenses for exports were discussed. The Committee referred to the complaints of merchants that after concluding business with overseas buyers they often found that licenses could not be obtained in time to export goods. Mr. Pillai explained at some length the difficulties inherent in the present state of emergency. Representation of Indian interests on the Board of Trustees for the Port of Calcutta was then discussed and the Committee pointed out that Indian trade interests were proportionately higher than the representation allotted to them on the Board. The administration of Ports in India was set up more than half a century ago. It was out of date and needed drastic revision with a view to increasing the number of representatives of Indian Commerce. The question of the Indo-Burma Trade Negotiations was also discussed and Mr. Pillai evinced keen interest in the problem relating to the trade of perishable goods and export of foodstuffs to Burma and advised the Chamber to submit a detailed memorandum on the subject.

The President thanked Mr. Pillai for giving the Committee an opportunity of discussing these subjects with him.

WAR.

The War.—War is still continuing and as it progresses it is introducing numerous new problems, economic and administrative, concerning trade and commerce. To adjust commercial activities to difficulties in the way of chartering steamers by merchants. The Conference Lines agreement was the biggest handicap and it was the opinion of the Committee that if these steamship companies were found not to be in a position to help the shippers by carrying their cargo, they should at least not put any obstacles in the way of any attempts that may be made to relieve congestion at the ports. The Committee suggested that the control which the Conference Lines exercised over merchant shipping should be abolished at least for the duration of the war.

Shipping for Red Sea and Suez-shut out cargo.— The Committee addressed a telegram to the Hon'ble the Commerce Member, Government of India, dated the 25th July, 1940, inviting his attention to the difficult position created by the unloading of cargo in Colombo by certain steamers under orders of the Admiralty. These steamers were bound for Red Sea ports and had been berthed to take cargo for Egypt. The cargo was unloaded *en route* and was liable to demurrage. It was apprehended that heavy losses would be incurred by merchants who could not arrange for lifting of this cargo from foreign ports unless the Government came to their assistance. The telegram to the Hon'ble the Commerce Member, read as under :—

"Jalapadama loading cargo for Egypt. Trade received no ships for Red Sea since Italy declared war. Moreover, steamer "Norton" flying Panama flag refused proceeding Suez after booking cargo. Goods lying docks. Steamer "Nyco" loaded for Egypt unloaded Colombo, Admiralty refusing permission to proceed. Steamer "Nawab" unloaded Bombay. All such merchandise incurring heavy demurrage, also fear cancellation buyers owing market going down. Please arrange with Indian Register steamers in conjunction with Admiralty to clear, if possible, per "Jalapadama" goods lying in three ports. Other commercial bodies also support."

The Committee also addressed a letter on this subject to the Hon'ble the Commerce Member, Government of India, on the same date and explained the difficult position due to Government requisitioning steamers. One of them the S. S. *Nyco* which carried cargo for shippers only could not proceed to Egypt and had to unload all her cargo in Colombo. S. S. *Norton*, another steamer bound for Egypt, had to unload her cargo in similar circumstances. As market prices fluctuated considerably during the period, it was feared that the shippers would incur heavy losses on account of their cargo not reaching destination in time. The Government was requested to afford some relief to merchants in the very difficult position in which they were placed for no fault of theirs and which threatened to assume serious proportions unless the Government and the steamship compaines devised effective measures to provide facilities for shipment of goods.

Shortage of Freight.—As the position regarding freight for shipments of Suez again presented difficulties and exporters found their cargo lying unshipped for sometime, the Chamber again addressed a telegram to the Government of India, Department of Commerce, on the 20th January, 1941, and invited their attention to these difficulties. It was urged that arrangements should be made to allot a certain percentage of the available space on steamers requisitioned by Government to merchants to send their cargo. Copies of the telegram were also sent to other Chambers of Commerce who were good enough to address similar representation to the Government. The telegram is reproduced below :—

"All space in steamers berthed for Suez being requisitioned by Government. Trade getting nothing. Goods lying unshipped since two months. Kindly arrange clearance accummulated goods also certain percentage in future for trade."

Air Raid Precautions.—The Government of Bengal, Home Department (Political) addressed a letter. on the 30th December, 1940, to the Chamber and enquired which buildings should receive priority of attention in the event of fires being started in the City and the Industrial areas as a result of a possible air raid. As the question was engaging the attention of the Government it was considered advisable to ascertain from Commercial bodies their views on this subject. The Committee in their letter dated the 7th January, 1941, pointed out in reply that public utilities should always be considered first when the question of priority of attention was raised and believed that Government had already taken suitable measures for their protection. The Committee also said that besides the well-known industrial areas there were other quarters in the City which had many godowns full of stocks of foodstuffs and these as centres of supply of primary needs of the public deserved priority of protection in the event of outbreak of fires. The following were mentioned in this connection ; Ezra Street, Amratolla Street, Amratolla Lane, Zakariah Street, Canning Street and godowns at Howrah, Chitpore, Ultadanga, Beliaghata, Chetla, Tollygunge, etc.

Manufacture of Dimethylaniline.—The Controller of Supplies, Bengal Circle, in his Circular letter, dated the 30th October, 1940, forwarded to this Chamber for information of its members copy of the letter of the Director-General of Supplies on the question of manufacture of Dimethylaniline. The Controller desired to know if there was any objection to invite the Indian Chemical Manufacturers' Association to consider this matter. The Committee addressed a letter on the 14th November, 1940, and informed the Controller of Supplies that they had no objection to the proposal. The Indian Chamber of Commerce, to which the Indian Chemical Manufacturers' Association is affiliated, also addressed a letter to this Chamber and expressed the hope that this Chamber would approve the proposal of the Government of India in this regard. The Committee supported the suggestion of the Indian Chamber of Commerce and informed the Government accordingly.

Export Advisory Council.—The Government of India decided to set up an Export Advisory Council and the decision was announced in a Resolution dated, New Delhi, the 11th May, 1940. The functions of the Council were to discuss export difficulties arising out of the War and to offer suggestions for the expansion of the export trade and to explore possibilities of alternative markets as well as to promote the expansion of exports of Indian manufactures. It was also the intention of the Government to make this Council interested in discussions with non-official trade delegations from India to foreign countries. The Muslim Chamber of Commerce was not directly represented on the Council. But the Government of India nominated Sir Abdul Halim Ghuznavi, Kt., M.L.A., ex-President of this Chamber, as a member of the Export Advisory Council. Sir Abdul Halim was invariably approached to place before the Council subjects of interest to the members of the Chamber. Sir Abdul Halim is also an *ex-officio* member of the Provincial Export Advisory Committee and, as such, the Chamber remained constantly in touch with him. Important subjects concerning export trade, shipping difficulties and questions relating to credit and exchange were embodied in a Note which was discussed by Sir Abdul Halim Ghuznavi in one of the meetings of the Export Advisory Council. These subjects are included in Appendix A.

Production of Flax in India.—The Controller of Supplies, Bengal Circle, forwarded to this Chamber a circular dated the 26th November, 1940, and stated that the Government of India (Department of Supply) had decided to encourage the production of Flax and had invited the co-operation of the Government of Bengal and Bihar to formulate a scheme for planting 1,600 acres. The scheme for the *rabi* crop 1940-41, however, was a failure due to the fact that 64 tons of pedigre seeds which was imported from Belgium was almost worthless. It was also mentioned that flax was an important war commodity and its normal source of supply was not available therefore it has become imperative that efforts should be made to grow it in India. The Government has constituted a Committee for this purpose and they desired to ascertain the views of those interested in this problem before submitting their proposals to the Government of India for 1941-42. This circular was followed by another dated the 5th December, 1940, in which the Chairman, Flax Committee, informed the Chamber that it had been decided to hold a Conference of the representatives of Commercial interests and others to discuss ways and means of developing this important war commodity. The Chamber deputed the Secretary, Mr. Nur-ur-Rahman to attend the Conference. The Conference was held on the 12th December, 1940, in the Writers' Buildings and was to be presided by the Hon'ble Mr. Tamizuddin Khan, Minister for Agriculture and Industries, Bengal, but in his absence Mr. Carbery, Director of Agriculture, Bengal, took the Chair. Besides, the Directors of Agriculture, Bengal and Bihar, and the Indian Central Jute Committee representatives of Commercial firms also attended the meeting and it was decided that further investigation should be made as it appeared to be the general opinion that there were reasonable prospect of developing the cultivation of flax in India. The possibilities of growing flax producing good fibre in Bengal and Bihar was admitted by heads of the Departments of Agriculture of these provinces and was further supported by Mr. Nodder, Director, Indian Central Jute Committee. The problem was to purchase good seeds and also adequate plant. A small Committee was constituted and they were entrusted to prepare detailed proposals. This meeting was held on the 13th December 1940 and was attended by the Secretary of the Chamber. The Government has now decided to enlarge the scope of the Committee and have also given assurance of their support for the project.

CUSTOMS.

Port Commissioners wharfage on goods: Goods detained by Enemy Control Board or Censor.—Messrs. Dawjee Dadabhoy & Co., in their letter dated the 12th September, 1940, invited the attention of the Committee to the goods imported from foreign countries being detained by Enemy Control Board or Censor for inspection which after passing the scrutiny are granted a certificate of detention enabling the importer to get a refund of the wharfage from the Port Commissioners for the period of detention. Godown charges under the Port Commissioners are high and the importers desired that a reduction should be made on these charges, or, in the alternative goods which had to be detained by Enemy Control Board or Censor should be placed in warehouses where rents were lower. The Committee considered this letter and sent a communication to the Chairman, Port Trust, Calcutta, dated the 19th September, 1940, inviting his attention to the request of the importers pointing out that Fairie Place charges were high and the importers would appreciate if some arrangements were made for detention of the goods for inspection at a warehouse where the charges were lower. The Chairman of the Port Trust, Calcutta, in his letter dated the 20th September, 1940, informed the Committee that the rates charged by the Bengal Bonded Warehouse Association were almost the same as charged at Fairlie House and therefore no arrangements could be made to charge lower rates or to make any alternative arrangements.

Complaint against the Excise Staff at the Esavi India Match Manufacturing Co.—Messrs. C. A. Mohammad, addressed a letter to the Chamber, dated the 2nd August, 1940, stating the difficulties experienced by the managemnet of the Esavi India Match Manufacturing Co. as a result of the instructions issued by the staff of the Excise Department, posted on duty at the Match Factory, as they interfered with the smooth working of the Factory. The Assistant Collector of Central Excise and Salt to whom the matter was referred by the Company took prompt action and the Inspector at the Factory was asked to put an end to the complaints of the manufacturers. The Committee considered the question and decided to address a letter to the Secretary, Central Board of Revenue, on the subject, as they felt that the nature of the complaint was serious as it interfered with the normal working of the Factory. Lack of co-operation on the part of Government officials, particularly, those who were placed on duty on the premises, the Committee observed, was a matter deserving of immediate attention by the Government. The Central Board of Revenue, in their letter dated the 9th August, 1940, informed the Chamber that they had referred the matter to the Assistant Collector concerned and in a later communication dated the 28th October, 1940, the Chamber was informed that the working of the Esavi India Match Manufacturing Co. was being carried out in a manner satisfactory both to the Factory and the Central Excise Staff.

Transfer of Blank Quota for Exporters—Indian Tea Control Act, 1938.—The Indian Tea Control Act, 1938, has provided for the transfer of Blank Export Quotas amongst the planters and owners of tea gardens. They were allowed to transfer their internal quota to export and *vice versa*. These facilities were not given to the exporters of tea. The subject was discussed with the Hon'ble the Commerce Member, when he visited the Chamber in November, 1939 and was again referred to the Government of India, Department of Commerce, in a letter dated the 16th May, 1940. The Committee requested the Government to remedy the defect in the Act and to so amend it as to allow exporters the same facilities for the transfer of Blank Quotas as were already enjoyed by planters. An amendment of this nature was particularly needed at a moment when the difficulties of the exporters due to the War had increased considerably and their inability to transfer blank quotas to the trade made it difficult for them to adjust their business to the exigencies of the moment and which were the direct result of the dislocation of the export trade.

Assessment of piece-goods on market value basis.—The Collector of Customs, addressed a letter dated the 23rd April, 1940, and stated in it the difficulties experienced by appraisers in ascertaining the market value of non-standard brands of piece-goods for purposes of assessment to duty under section 30(*a*) of the Sea Customs Act. He suggested that non-standard brands should be removed from market value list and only standard brands be retained on that list. The brands of piece-goods mentioned in the existing market value list included several varieties. The Committee after considering the subject informed the Collector of Customs, in a letter dated the 30th May, 1940, that they had no objection to the proposal of removing the non-standard goods from market value list to invoice value, that is, to transfer them from Section 30 (a) to Section 30 (b) of the Sea Customs Act, and the varieties of piece-goods which should be removed were enumerated as follows :—

Jeans (Dyed or Printed)

Poplins (Dyed, Printed or woven)

Shirtings (Striped, Dyed, Checked or Printed)

Venetians (Dyed or Printed)

Sateens (Dyed or Printed).

The Committee could not, however, give an idea of the correct market value of these goods as their prices varied according to the fashion of day and therefore they were not expected to retain a standard price for a long time.

Preferential rate of Duty for Betelnuts Imported from Jhore.—A communication was received by the Committee from Messrs. Adam Hajee Primohamed Essack, dated the 26th March, 1940, regarding their inability to get a preferential rate of duty on betelnuts which they have been importing from Jhore (Federated Malaya States) due to the conflicting decisions given by the Collector of Customs and the change in the policy of the Central Board of Revenue in the matter of preferential rates on Jhore Betelnuts. Their contention was that they had complied with the formalities concerning the Certificate of Origin and duly obtained one which should have entitled them to import betelnuts at preferential rates.

The Government in this case, after the Certificate of Origin had been granted should not object to assign preferential rates which they claimed. Again, when an objection was raised by the Department of Customs regarding the eligibility of these goods to preferential rates the importers were given clear instructions as to how they could get preferential rates. These instructions too were carried out by the importers. But even then the goods were not admitted to preferential rates of duty on the plea that the instructions issued in this regard were issued under a misconception of facts. In December, 1938, the Assistant Collector stated that preferential rates could be applied under the Ottawa Trade Agreement if the Collector of Customs was satisfied that the goods were produced in a British Colony and he stated the procedure which should be followed in this regard, and, declared that if that procedure were followed, the importer could get the benefit of 37½ per cent duty. But after the consignments were actually imported from Jhore the decision was again revised and, as the Collector of Customs informed the importer, the Central Board of Revenue decided that goods from Jhore could not be admitted to preferential rates of duty. The Committee considered the case and addressed a letter dated the 23rd April, 1940, to the Secretary, Central Board of Revenue, Government of India, New Delhi, summarising the facts and criticising the decisions given by the Assistant Collector of Customs and the Central Board of Revenue who seemed to have expressed conflicting views on the treatment of imports from Jhore under the Ottawa Trade Agreement. It was pointed out that delays and vascillation of the Central Board of Revenue in deciding the question of the Import duties for betelnuts from Jhore rendered the position of importers precarious and entailed heavy losses which were mainly due to the uncertainty of the situation. The Committee requested the Central Board of Revenue to revise their decision in this behalf and give a much needed relief to the importers. In reply to this letter a communication was received from the Central Board of Revenue, dated the 18th May, 1940, to the effect that the Government of India had already passed orders on this question. The Committee concluded that they were not inclined to re-open the question.

Mid-Year Revision of Tariff Values.—The Director-General of Commercial Intelligence and Statistics, India, in a letter dated the 27th April, 1940, informed the Chamber that the Annual Revision of the Tariff Values was held last year soon after the declaration of War. The condition of the market at that time was so unsettled that it was difficult to have an idea of the future trend of prices. As the average prices taken for tariff valuation are for the twelve months, October to September, the rise in prices during September was not properly taken into consideration. It was, therefore, felt that if after five or six months the tariff values fixed did not correspond to the prices ruling in the markets, the whole question should be reviewed and tariff values entirely revised. The

Director-General, therefore, proposed to meet the representatives of Chambers of Commerce for a discussion of these values at No. 1, Council House Street, Calcutta, on Tuesday, the 28th May, 1940, and requested the Chamber to nominate its representatives to take part in the discussions. In reply to this letter the Committee informed the Director-General of Commercial Intelligence and Statistics on the 9th May, 1940, that they had nominated five representatives, namely, Messrs. C. A. Mohammad, Messrs. Hoosen Kasam Dada, Messrs. Dawjee Dadabhoy & Co., Messrs. Mohamed Rafi and Messrs. Jewan Bukhsh Mohamed Jan, to take part in the meeting.

Fixation of Tariff Values—Agricultural Produce. The Assistant Collector of Customs for Exports, in a letter dated the 25th May, 1940, informed the Chamber that the Government proposed to fix a tariff value for purposes of levying duty on agricultural produce under the Agricultural Produce Cess Act, 1940. He desired the Chamber to elicit the opinion of the members regarding the present market value of articles subject to duty and the average market value for the past eleven months. The letter was circulated to all members of the Chamber and the information collected from some of them was forwarded to the Assistant Collector of Customs on the 15th June, 1940.

Annual Revision of Tariff Values.—The Director-General of Commercial Intelligence and Statistics, India, in his letter dated the 18th October, 1940, forwarded to the Chamber a copy of the provisional tariff rates for 1941, marked "Confidential" and desired that members of the Chamber should be consulted on these proposals. It was proposed to convene a meeting of representatives of Chambers of Commerce at his office on Tuesday, the 19th November, 1940, for a discussion on the provisional rates for the Annual Revision. The Committee informed the Director-General in their letter dated the 5th November, 1940, that representatives of the following firms would represent this Chamber at the discussion on that date : Messrs. C. A. Mohammad, Messrs. Dawjee Dadabhoy & Co., Messrs. Hoosen Kasam Dada, Messrs. Ahmed Abdul Karim Bros., Ltd., and Messrs. Kassim & Ismael.

The meeting was attended by Mr. Mahboob Kassim of Messrs. Kassim & Ismael, Mr. M. Siddiq, of Messrs. Hoosen Kasam Dada and a representative of Messrs. C. A. Mohammad. Discussing the Tariff Value for Cassia, the representative of the Calcutta Kirana Merchant Association contended that the Tariff Value should be kept at Rs. 27/8/-. After a discussion the Director-General agreed to keep it at Rs. 28/-. It was suggested that the Tariff Value for Brass and Aluminium should be restored but the Director-General informed the members present that it was too late to discuss that point as suggestions for restoration of tariff values of fixing tariff should have been made within the first six months of the year. He was then requested to keep this subject for discussion in the mid-year revision of the tariff values if it at all held as last year which he promised to do so.

Agricultural Produce Cess Act—Fixation of Tariff Values.—The Director-General of Commercial Intelligence and Statistics, India, addressed a letter dated the 23rd December, 1940, to the Chamber on the subject of the fixation of tariff values under the Agricultural Produce Cess Act, 1940. This Act was passed by the Indian Central Legislature to provide funds for the Imperial Council of Agricultural Research by levying a duty of ½ per cent *ad valorem* on some of the agricultural produce of the country. The Director-General desired to meet representatives of Chambers of Commerce about the second week of February to consider suggestions regarding tariff values for articles on which cess is leviable under the Act. The Committee in their letter dated the 23rd January, 1941, informed the Director-General that Mr. M. Siddiq of Messrs. Hoosen Kasam Dada, Mr. M. S. Vawda, of Messrs. Dawjee Dadabhoy & Co., and Mr. Maqbul Elahi of Messrs. Mohammad Amin Bros., Ltd., had been nominated by the Chamber to take part in the discussions.

LEGISLATION.

The Bengal Non-Agricultural Tenancy Bill, 1939.—The Secretary, Bengal Legislative Assembly, forwarded on the 6th January, 1940, a copy of the Bengal Non-Agricultural Tenancy Bill, 1939, by Mr. Nishitha Nath Kundu, M.L.A. and requested the Chamber to express its opinion on the provisions of the Bill. The Bill was introduced in the Bengal Legislative Assembly, on the 8th December, 1939, and in its statement of Objects and Reasons, the author observed that the rights and status of the non-agricultural tenants were uncertain and precarious: and the tenants were subject to harrassment at the pleasure of the landlords. The laws governing the tenancy rights of non-Agricultural tenants in the municipal towns and market places were hard and tenants could be ousted from homestead, shops and stalls at fifteen days or six months' notice even if they had made improvements in the holdings. The author, therefore, desired that the existing laws relating to ejectment of non-agricultural tenants, assessment of rents and realization of *salami* should be materially altered. The Committee after considering the Bill, addressed a letter to the Secretary, Bengal Legislative Assembly dated the 2nd April, 1940, and informed him that the Bill was not drafted with care and the definition in Clause 2 was loosely worded. Besides, the author had not taken into consideration all the issues involved in a measure of this nature and there were serious objections to Clause 3 of the Bill which was intended to make the tenancy heritable and transferable. If such a right was given to tenants serious objections might be raised against it on many and different grounds and it may even be found to contravene provisions of other existing laws of the country. The Committee, therefore, were reluctant to offer detailed criticism on the provisions of the Bill.

Banking Legislation.—The Government of India, Finance Department, forwarded to this Chamber on the 5th January, 1940; a copy of a letter from the Reserve Bank of India, No. ACD.C.-56/36-39, dated the 1st November, 1939, embodying the tentative proposals of the Bank on the question of Banking Legislation. The Government desired the Chamber to communicate its views on the proposals. The Reserve Bank of India in their letter dated the 1st November, 1939, addressed to the Government of India stressed the need of Banking Legislation and with this purpose in view prepared a draft Bill for the Indian Bank Act. The proposals embodied in the Draft Bill were circulated by the Government of India. Banking and commercial interests in the country evinced considerable interest in the proposals and offered detailed criticism and suggestions for their improvement. The Committee of this Chamber considered the proposals of the Reserve Bank and decided to refer it to a special Sub-Committee for detailed examination. The main features of the proposals were to limit banking activities to certain well-defined companies. It required every company engaged in banking business to include as part of its name the word Bank, Banker or Banking and to restrict its working to the use of cheques. Restrictions on commencement of business of Banking companies were also prescribed by fixing the amount of the paid up capital and a reserve of at least one lakh of rupees, in the case of the cities of Bombay and Calcutta, 5 lakhs of rupees, 2 lakhs of rupees at places with a population of over one lakh and 20 lakhs if the operations of company reached beyond a certain province in which it had its principal office of business. After consulting the members, a Note was prepared which was approved by the Committee and a letter was addressed to the Governor, Reserve Bank of India, dated the 28th June, 1940, giving the views of this Chamber on the proposals of the Reserve Bank. The Committee criticised the proposals on the ground that they were limited in scope and did not take a broader view of the needs of the situation which had given rise to the proposal of a comprehensive Banking Act Indian public opinion demanded as also the Banking Enquiry Committee. Although the Reserve Bank of India proposals recognised the importance of indigenous system of banking, they had not been given it a place in the framework of the proposed Legislation. It cannot be denied, the Committee observed, that this system has been the main source of supplying credit to rural areas and agricultural industries and covers a wider field of activities than banks which may fall within the purview of the proposed Bank Act. It was contended that the proposals submitted by the Reserve Bank were not intended to extend the benefit of banking nor did they offer credit facilities to all sections of the people in the country. On the contrary, the operations of the type of banks contemplated by the proposals would be limited to certain well-defined sections of the public centred in cities and towns. The Committee examined the clauses of the proposed Bill in detail and suggested the following scale for fixing the limits of minimum capital :—

1. For Bombay and Calcutta the Minimum limit should be Rs. 2 lakhs.
2. In the towns with a population of over one lakh the minimum capital should be Rs. 1 lakh.
3. The limit of Rs. 20 lakhs should be reduced to Rs. 5 lakhs.

The proposals regarding the provisions for maintaining in cash or unincumbered securities of the value of 30 per cent. of the total time and demand liabilities was, in the opinion of the Committee, a matter which should be carefully considered. There was an inherent danger of making the funds of the Bank immobile. It was feared, it would not be possible for banks with ordinary resources to comply with these provisions unless greater facilities were given by the Reserve Bank for rediscounting. If this could not be done there was no point in asking the banks to maintain 30 per cent. of their liabilities in approved securities. The proposals could only be effective and fruitful if the Reserve Bank gave an undertaking to provide facilities for rediscounting. The Committee emphasised the need for taking into consideration the recommendations of the Banking Enquiry Committees and particularly those of the Central Banking Enquiry Committee which should be the guiding principle in formulating proposals for banking Legislation in India.

Calcutta Municipal Amendment Bill.—The Government of Bengal, Department of Public Health and Local Self-Government (Municipal) forwarded, on the 28th June, 1940, copy of the Calcutta Municipal (Amendment) Bill, 1940, and requested the Chamber to express its opinion on the provisions of the Bill at an early date. It was stated in the objects and reasons of the Bill that "the experience of the working of the Calcutta Municipal Act, 1923, during the last 16 years has demonstrated that the political views of the party in power in the Corporation have very largely influenced the day to day administration of the Corporation, with the result that efficiency of the administration has been impaired." The Bill was intended to make the following provisions in the Act. (*a*) Suppression by the Government of a department by the Corporation; (*b*) dissolution of the body of councillors and aldermen, in case the Corporation have exceeded its power; (*c*) the appointment by Government of a Government officer as the Chief Executive Officer of the Corporation with important powers; (*d*) the setting up of a statutory Service Commission and providing that no appointment on a pay exceeding Rs. 50 per month shall be made except on the recommendation of such a Commission; (*e*) transference of the power of making contracts from the Mayor or Deputy Mayor to the Chief Executive Officer. The Bill was considered by the Committee and was referred to a special Sub-Committee for detailed examination. The views on the proposed Bill were communicated to the Government of Bengal, Department of Public Health and Local Self-Government, in a letter dated the 18th September, 1940. In expressing their views on the Amending Bill the Committee had taken into consideration the acute controversy raging over some of the provisions of the Bill and observed that in view of the experience of the administration of the Corporation under the Act of 1923 and also taking into consideration the principles which govern the civic affairs and municipal administration of the city it was in the interests of the ratepayers that the Bill should be passed into law. The Committee, particularly referred to the conditions prevailing in the areas mainly inhabited by working classes known as bustees which had become a menace to the public health of the City. Lower standards of health and hygiene prevailing in these parts were a source of grave anxiety to those who were concerned with the economic well-being of the city and its population. If labour could be provided with clean and reasonably comfortable dwellings, the Committee observed, it would react directly on the progress and growth of trade and industry. Reference was also made to the Report of the Royal Commission on Labour in India which has made pertinent observations regarding the conditions obtaining in Calcutta and Howrah and the local Bodies primarily responsible for the health of the citizens. The Committee also pointed out that the proposed Bill could not remove the hardships which the public in general and the commercial community in particular had to bear under the rules and regulations governing every branch of the Corporation administration and it was suggested that the Govtrnment should take early steps to remedy these and other defects of the old Act by revising the existing rules and regulations.

Drugs Bill.—The Government of India published in the *Gazette of India*, dated the 3rd February, 1940, a Bill to regulate the import, manufacture, distribution and sale of Drugs. The demand for some legislation to control the import and manufacture of drugs in India has been made by the Commercial community and the general public. Public opinion on this point became emphatic since the publication of the Drugs Enquiry Committee Report in 1931. The decision of the Government of India to introduce the Bill in the Legislative Assembly was, therefore, generally well-comed. But it was realized that the Bill had serious omissions and also that it contained certain provisions which could not be considered helpful to the manufacturers of drugs and chemicals. The Committee, therefore, communicated their views and detailed criticism on the Bill to the Government of India, Department of Education, Health and Lands, in a letter dated the 26th March, 1940. It was pointed out in this letter that the Bill did not make uniform provision for fixing a standard of quality for drugs manufactured in the country and this matter could not be left to the discretion of provincial Governments. The question of the regulation of the manufacture, distribution and sale of drugs in Indian States was also not included. The Committee recommended that a uniform standard should be fixed by the Government of India for the Indian States as well as for British Indian Provinces. The Committee criticised the policy governing excise which had no uniformity and differed in certain aspects in different provinces. This was a hindrance to the free movement of drugs within the country. The Committee also expressed their opinion that it would not be just and reasonable if the Government recognised only British Pharmacopœia for in that case drugs and medicines imported from U. S. A., France and Continental countries would not be treated on the same basis as those imported from Great Britain. Other provisions relating to the powers to inspect the process of manufacture, plant and means employed for standardising and testing the drugs were also open to criticism and the Committee offered their suggestions with a view to improving them.

Insurance Business carried on by Trade Unions.—The Government of Bengal, Department of Commerce, in their letter dated the 20th September, 1940, forwarded a copy of a letter of the Government of India, Department of Commerce, No. 686-I(1)/40, dated the 4th September, 1940, regarding their proposal for applying the Insurance Act, 1938, with certain modifications to Insurance business carried on by Trade Unions registered under Trade Unions Act, 1926 and requested the Chamber to inform the Government of Bengal of their views on the proposal. The letter of the Government of India referred to above stated that the Indian Trade Unions Act, 1926, allowed Trade Unions to carry on any form of insurance activities and by virtue of section 118 of the Insurance Act, 1938, such Insurance business was not subject to the provisions of that Act. The Government considered it desirable to bring the trade unions under the operations of the Insurance Act, 1938, in order to safeguard the interest of the Trade Unionists themselves and afford protection to their policy holders against risks that were inherent in the business and the possibility of carrying on unsound schemes of insurance. Certain systems of insurance which were disallowed by the Indian Insurance Act, 1938, could be introduced and carried on by the Trade Unions as they were not subject to the provisions of the Indian Insurance Act. The Government of India, therefore, considered it necessary to control the insurance activities of trade unions and proposed modifications in the provisions of the Insurance Act, 1938, which they considered desirable before applying the Act to insurance business done by trade unions. The Committee addressed a letter dated the 26th September, 1940, to the Secretary, Government of Bengal, Department of Commerce and Labour and informed him that the Chamber was in complete agreement with the views of the Government and that the insurance business carried on by the trade unions should be controlled and supervised and for this purpose the relevant provisions of Part III of Insurance Act, 1938, should be modified and applied to insurances undertaken by trade unions.

Industrial and Labour Statistics Act.—The Government of Bengal, Department of Commerce, forwarded for the information of the Chamber a copy of a letter dated the 12th June, 1940, from the Government of India, Department of Commerce, regarding the proposed Industrial and Labour Statistics Act, with the request that any expression of views on the principles of the proposed measure may be communicated to the Government of Bengal. The letter stated that the Eleventh Industries Conference, held at Mysore, in December, 1939, had recommended that the Central Government should undertake legislation in the matter on the basis of the proposal submitted by Dr. Matthai. The Labour Ministers' Conference, held at New Delhi, in January, 1940, also considered the subject and was of the opinion that the collection of statistics with reference to certain industries and labour was desirable. The Central Government, therefore, proposed to undertake legislation authorising provincial governments to direct the collection of statistics regarding factories or any class of factories, welfare and conditions of labour and industrial and labour disputes and other relevant matters. The Committee considered the question and informed the Government of Bengal that they had no comments to offer on the proposed legislation.

The Proposed Bengal Sales Tax Bill.—The Government of Bengal, Finance Department, in their D. O. dated the 19th September, 1940, informed the President of the Chamber that it was intended to introduce a Bill to authorise the levy of a sales tax. It would be an on account tax that is a tax on retail sales. Certain proposals which were framed in this connection were sent to the Chamber and the Government desired an early expression of opinion on these proposals. The Committee addressed a letter dated the 25th September, 1940, to the Government of Bengal informing them that they were opposed to the levying of a sales tax on different grounds but they did not desire to express any views at length on the proposals at that stage. The Committee expected that a detailed examination of these proposals in the light of further information from the Government would enable them to submit their considered judgment later. The main objection raised by the Committee was that a sales tax as contemplated required a complicated machinery for the regulation of sales and the realization of tax. Moreover, an imposition of a tax on retail sales was a measure which would be extremely unpopular with the public. The cost of collecting the tax is a factor which should be carefully weighed and examined. The experience in another province of a tax of a similar character had not yielded good results and the cost of collecting the tax had been enormous. It was also stated that the present was not the time to introduce a tax of this nature in view of the difficulties trade and commerce in general were experiencing due to unsettled conditions of trade. The Committee, therefore, could not support the proposal of the Government.

Bengal Finance (Sales Tax) Bill, 1941.—The Government of Bengal forwarded their proposals for a retail sales tax to this Chamber in September, 1940, and the Bengal Finance (Sales Tax) Bill, 1941, was introduced in the Bengal Legislative Assembly in the month of November, in 1940. The Committee of this Chamber addressed a letter to the Government of Bengal on the 30th November, 1940, and stated that the Chamber could not appreciate the urgency of a measure of this nature at a time when, due to war, conditions of general trade and commerce were definitely unsettled and normal trading had become extremely difficult. It was also pointed out that trade in general had not emerged out of the great depression which continued for many years previous to the War. It was impossible for merchants to bear any additional burden or taxation. A tax of this nature, in the opinion of the Committee, was certain to weigh heavily with the general public as well as the commercial community. The objects and reasons stated by the Government for undertaking a measure of this nature left the Committee unconvinced and it was felt that the need of additional revenue could not in itself be a justification for imposing a tax so wide in its incidence and application. The rate of taxation which was fixed at 2 per cent. was, in the opinion of the Committee, exhorbitant and might affect the demand for low priced articles. Another serious objection to the proposed Bill was that it was a tax on sales and not on profits, a principle which was extremely objectionable and could not be supported. The Committee, therefore, opposed the principle underlying the Bill as also the incidence of the tax and the proposed rate.

Bengal Shops and Establishments Bill, 1939.—The Government of Bengal, Department of Commerce, addressed a letter dated the 19th December, 1939, forwarding for the information of the Chamber a copy of the Bengal Shops and Establishments Bill, 1939, which was introduced in the Bengal Legislative Council on the 11th December, 1939 and requested the Chamber to submit its views on the provisions of the Bill. The Committee considered the Bill and referred it to a Sub-Committee for detailed examination. After the Sub-Committee had reported the Committee addressed a letter to the Government of Bengal dated the 3rd February, 1940, expressing their views on the Bill. Section 5 of the Bill dealt with holidays in shops and proposed that one and a half day in a week should be observed as holidays. The Committee suggested that only one day in each week should be given as holiday and that as there were different days on which different sections of the population would like to be free, it would be advisable if option were given to employers to divide the holidays into two parts; for instance, shops should observe half holiday on Friday forenoon and half holiday on Sunday afternoon. The matter however should be left to the discretion of the employers. The Committee also desired an extension of closing time by one hour as also an extension of the hours of work in one day by one hour. The Committee further suggested that holidays in commercial establishments should also be prescribed for one day only and that facilities should be provided for Muslims during the month of Ramazan as fast is generally observed during this month by all classes of the community and it was expected that employers would relax the working hours during the day. Purchases by the public for household and family requirements are made after sunset in the same manner as restaurants and tea houses remain open till late hours during this month. It was therefore suggested that a provision should be made in the Bill to relax working hours for Muslims during the month of Ramazan.

Ordinance to close up Shops on Sundays.—The Government of Bengal, Department of Commerce, addressed a letter to the Chamber dated the 19th April, 1940, stating that since the introduction of the Bengal Shops and Establishments Bill, 1939, it has been suggested to Government that as the Bill would take a considerable time to be passed into law, the Government should in the meantime pass an Ordinance closing the shops on Sundays. The Government desired to ascertain the views of this Chamber on the proposal of issuing an Ordinance for this purpose. The Committee replied to this letter on the 27th April, 1940, and informed the Government of Bengal, Department of Commerce that they were not opposed to the passing of an Ordinance for the purpose of closing shops on Sundays but the Government should take into consideration the need of giving Muslim merchants and shop-keepers an option in the matter of closing shops, as most of them would like to be free on Fridays. This could also be done by dividing up the holiday into two parts, half day on Friday and half day on Sunday, if it suited the employees. The Committee however accepted the principle of one holiday in a week as they had already informed the Government while expressing their views on the provisions of the Bengal Shops and Establishments Bill, 1939.

Trade Marks Act.—The Deputy Registrar of Trade Marks, Bombay, forwarded copy of a letter dated the 25th September, 1940 from the Bombay Millowners' Association regarding the constitution of the Advisory Committee to be set up under Section 66 of the Trade Marks Act, 1940, and desired the Chamber to furnish its views on the suggestion. The letter suggested that so far as cotton trade marks are concerned there should be only one Advisory Committee for the whole of India which should be located at Bombay. It may be pointed out that the Trade Marks Act, 1940, provides for the constitution of the Advisory Committee under section 66 of the Act. The Advisory Committee is mainly concerned with the Textile Trade. The Committee addressed a letter dated the 29th November, 1940, to the Deputy Registrar of Trade Marks, Bombay and said that since the Advisory Committee proposed under the Act was intended to perform important functions it would be advisable not to draw the members constituting the Committee from one particular area, however important it may be at present from the view-point of textile industry. The functions of the Advisory Committee are such as are likely to influence the growth and expansion of the industry not only in a particular province but all over the country. The Committee, therefore, suggested that if it was the intention of the Government to constitute one Committee for the whole of India it should be located at Nagpur which was a central place and has natural facilities for becoming the headquarters of the Committee. But if two Advisory Committees were to be established, it would be convenient to have one at Bombay and the other at Madras.

Bengal Village Self-Government (Amendment) Bill, 1939.—The Secretary, Bengal Legislative Assembly, forwarded on the 16th April, 1940, a copy of the Bengal Village Self-Government (Amendment) Bill, 1939, by Moulvi Mohamed Israil, M.L.A., and requested this Chamber to express its views on the provisions of the Bill. The object of the Bill was to provide secret ballots for voting in the meeting of the Union Boards and to give more powers of appointment and dismissal to the Union Boards and simultaneously to curtail the power of the District Magistrate in this regard. The power of revising an assessment was proposed to be given to the sub-divisional magistrate along with the District Magistrate. Another important object of the Bill was to abolish nominations by the Government. The Committee addressed a letter dated the 27th April, 1940, to the Secretary, Bengal Legislative Assembly, and informed him that they accepted the principle underlying the Bill but did not desire to offer detailed criticism on its provisions at that stage.

Set off of bad debts.—A letter was addressed to the Chamber on the 8th March, 1940 by Messrs. Dawjee Dadabhoy & Co. requesting the Chamber to ascertain from proper authorities whether it would be permissible for assessees to get refund of excess profits tax for bad debts which had not matured. The Income-Tax Officers disallowed bad-debts written off until, according to them, they matured on the third year after such writing off and continued, in the meantime, to consider them as profits liable to income-tax. Difficulties arose in the case of excess profits tax which is a measure of a temporary nature. If this tax is abolished next year, an assessee would not get refund of the excess profits tax as bad debts would be calculated for purposes of the Excess Profits Tax as profits. A letter was addressed to the Commissioner of Income Tax. Bengal, on the 19th March, 1940, requesting him to give some guidance in the matter as it was a purely technical point and should be dealt with by the Department. It was pointed out that the Income Tax Officers disallowed bad-debts written off until according to them they matured which is only possible after the third year. In the meantime these bad-debts are taken as profits liable to income-tax if such profits were calculated for the purpose of excess profits. When this tax was abolished and the maturity period of the bad-debts did not coincide with its cancellation, the position of an assessee became difficult and confusing. It appeard that in that case an assessee would not be able to get a refund on his bad-debts. The Commissioner of Income Tax, Bengal, in his letter dated the 8th April, 1940, informed the Chamber that under Section 10(2)(xi) of the Income Tax Act it is the duty of an Income Tax Officer to allow bad and doubtful debts if he considers them irrecoverable. It was entirely a question of facts to be decided in the circumstances of each particular case. But he was silent on the effect of the excess profits tax on the question of bad debts and said that the Bill has not yet become law and he was not in a position to say how it would affect the question which was the subject of enquiry.

Profits made in Burma prior to its separation from India.—Messrs. Dawjee Dadabhoy & Co., in their letter dated the 15th June, 1940, invited the Committee of the Chamber to the working of the Income Tax (Amendment) Act, 1939, and especially referred to the question of remittances from Burma. It was pointed out that the remittances from Burma were considered on the same footing as remittances from another foreign land although it was only from the financial year 1937-38 that separate assessment in both the countries was given effect to. The Income Tax Officers, however, regarded the Income which accrued or arose after April, 1933, if brought to India, as liable to tax. The contention was that if an asessee had paid the income tax on this income in Burma before separation and brought it to India after the separation how could such incomes be liable to tax. A letter was addressed to the Secretary, Central Board of Revenue dated the 18th June, 1940, and his attention was invited to the assessment of incomes arising in Burma before the separation of that country from India under Section B of the form of return of total income and total world income under sub-section (1) or (2) of Section 22 of the Indian Income Tax Act, 1922 as amended in 1939. It was pointed out that up to the 31st March 1937 a uniform system of Income Tax prevailed both in Burma and India and it was only from the financial year 1937-38 that there has been separate assessment. It was therefore correct to say that the income that arose before the separation of Burma from India or all the incomes in Burma till the financial year 1937-38 were assessed either in Burma or in India. The Income Tax Officers, it is alleged, did not recognise this contention and considered all incomes which accrued or arose after April, 1933, if brought into India were liable to tax. It was requested that instruction to the Income Tax Officers should be issued for exempting from tax such remittances from Burma as had already been assessed by the Government of India before the separation of Burma and which were now brought into India. Copies of this letter were sent to other Chambers in Calcutta and the Federation of Indian Chambers of Commerce and Industry, New Delhi, for their support in the matter. The Federation also addressed a letter on similar lines to the Government of India. The Secretary, Central Board of Revenue, replied to this letter on the 7th August, 1940, and informed the Chamber that the Board agreed with the views of this Chamber that incomes which accrued or arose in Burma before its separation from India were not liable to tax when brought into British India. It was also stated that instructions in this regard have been issued to the Commissionser of Income Tax.

Income Tax Manual—Inclusion of Instruction regarding Assessment.—The Indian Chamber of Commerce, Calcutta, addressed a letter dated the 26th November, 1940, to this Chamber enclosing correspondence which the Chamber had exchanged with the Central Board of Revenue on the question of the inclusion of certain instructions regarding allowances to general insurance companies for reserves in the Income Tax Manual and the omission of certain other instructions which were formerly included in the Income Tax Manual but were not published in the present edition. The Indian Chamber requested this Chamber to support their views regarding publication of comprehensive instructions in the Income Tax Manual. The Committee of this Chamber addressed a letter to the Secretary, Central Board of Revenue, dated the 10th December, 1940, on this subject. It was stated that the new Income Tax Act and the introduction of the Excess Profits Tax Act had brought into being problems on which instructions issued by the Department were not clear enough to an ordinary man and this was causing great inconvenience to assessees. The Committee were of the opinion that instructions and regulations relating to assessment should be published in a language which could be intelligible to the general public. It was also pointed out that confidential instructions were issued to Excess Profits Tax Officers in connection with the assessment of the tax but no information had been given to the assessees themselves. Instructions on many points regarding assessment were so varied and multifarious that it had created a confusion which it was not easy to clear up even with the help of the legal, accountancy or Income Tax experts. It was therefore difficult to form a correct idea as to what tax was payable and what was the procedure to be followed in such cases. The Committee earnestly hoped that the Central Board of Revenue would relieve the tax payer of his anxiety in this regard and arrange that detailed information on these questions would be published in the Income Tax Manual and made available to the public. The Secretary, Central Board of Revenue in his letter dated the 23rd December, 1940, acknowledged receipt of this letter and informed the Chamber that the suggestions made have been noted.

Bengal Shops and Establishments Rules.—A Notification dated the 7th January, 1941, was issued by the Government of Bengal publishing the draft rules proposed to be made under Section 21 of the Bengal Shops and Establishments Act, 1940. These rules were considered by the special Sub-Committee appointed by the Chamber for considering the Bengal Shops and Establishments Bill and on their recommendation the Committee decided to send their suggestions on the Draft Rules to the Government. A letter was accordingly addressed to the Government of Bengal dated the 10th February, 1941 and the following suggestions were made :—

1. *Rule 3(1).*—The suspension of the operations of the provisions of the Act at the time of holidays should be announced in advance and that the suspension of the Act should also be provided for a day or days previous to the declared holidays.

2. *Rule 3(2).*—It was suggested the provisions should be made for extension of the working hours upto 11 P.M. during the month of Ramazan. It would be appreciated if the Government agreed not to fix a time limit during this month as the hours of routine work during the month of Ramazan are usually altered according to the needs and personal convenience of individuals. In some cases people start work early in the morning while others prefer to begin later in the day.

3. *Rule 7.*—With reference to rule 7 the Committee suggested that registers should also be allowed to be maintained in Gujrati, which is a language used by a large section of the commercial community in Calcutta. It was also pointed out that the observance of half day as holiday on Fridays and one day on Sundays should be definitely stated in these rules which may ensure uniform weekly holidays for all establishments.

RAILWAYS AND TRANSPORT.

Congestion at the E. B. Ry. Yards at Chitpore and Cossipore Railway Goods Booking Depot at Howrah Bridge Approach.—The Government of Bengal, Department of Commerce and Labour, addressed a letter dated the 1st May, 1940, on the subject of congestion of consignments of raw jute at the Eastern Bengal Railway yards at Chitpore and Cossipore. It appeared that the Eastern Bengal Railway were prepared to make arrangements for the delivery of jute consignments on Sundays without altering the existing rule that Sundays would not count for calculating wharfage and demurrage. This could only be done if jute mills and presses agreed to the proposals. It appeared that the jute press were prohibited under the Factories Act from receiving consignments on Sundays. The Government, therefore, desired to know if members of the Chamber would agree to unloading on Sundays on the terms proposed by the Eastern Bengal Railway if the prohibition against the jute presses were withdrawn. In reply to this communication a letter was addressed to the Secretary, Government of Bengal, on the 17th May, 1940, and the Committee expressed the opinion that steps should be taken to remove the congestion at Chitpore and Cossipore and expressed its appreciation of the offer of the Eastern Bengal Railway administration for arranging delivery of jute consignments on Sundays without altering the existing rule regarding wharfage and demurrage. The Committee also welcomed the suggestion of the Government to remove the hindrances in the way of taking delivery on Sundays which would be welcomed by merchants.

Goods Booking Depot for Barabazar area.—The Traffic Manager, Eastern Bengal Railway, in his letter dated the

22nd April, 1940, stated that when the new Howrah Bridge was opened the site of the present Howrah Bridge Approach would be available for other purposes and it was expected that most of the traffic to Barabazar would pass that way. It was therefore suggested that the Eastern Bengal Railway should open a Railway Goods Booking Depot at the site and requested the Chamber to inform them whether the opening of a Booking Office at that site would, in their opinion, be of benefit to the public. The Committee informed the Traffic Manager in their letter dated the 27th April, 1940, that they were inclined to the view that the proposal was not likely to serve any useful purpose as booking facilities were available in the vicinity and therefore opening of a new office in the same area would not make any great difference to the convenience of the mercantile community.

Mileage Coupons for Mercantile Firms.—The Traffic Manager, Bengal Nagpur Railway, in his letter dated the 29th February, 1940, stated that a request has been made by the Bengal National Chamber of Commerce, in the informal quarterly Meeting that the Mileage Coupon system should be introduced on the Bengal Nagpur Railway. The Railway was prepared to consider the introduction of the Mileage Coupon system experimentally if they were assured of sufficient demand from individual business concerns and with this end in view requested the Chamber to furnish information regarding the number of firms who favoured the idea of the introduction of the Mileage Coupons and the approximate mileage likely to be traversed over this Railway by the representatives of merchants in a year. The Committee replied to this letter on the 2nd April, 1940, and informed the Commercial Traffic Manager, that they considered it advisable to introduce the Mileage Coupon system on the Railway; and as it had proved advantageous to merchants and travellers on other railways there was every reason to believe that mercantile firms would welcome its introduction on the Bengal Nagpur Railway as well. It was also stated that about 50 per cent of the members of this Chamber would make use of the Mileage Coupons if introduced. It had been ascertained that a representative of a single firm of this Chamber would during his travels cover more than 5,000 miles in a year.

Alteration to trains on East Indian Railway.—The Chief Operating Superintendent, East Indian Railway, in his letter dated the 7th June, 1940, informed the Committee that the revision of train Service from 1st October, 1940, would shortly be taken in hand and requested this Chamber to submit suggestions regarding alterations to trains which the Chamber desired to make for the October issue of the Time Table. This letter was circulated to all members of the Chamber and the suggestions received were embodied in a letter dated the 20th June, 1940. It was suggested that to enable passengers of Delhi-Kalka Mail to catch the Frontier Mail, there should be a direct train from Calcutta to Lahore *via* Delhi, and that the Madras Mail and North Bihar Express, should be delayed a little. Similar information was received in a letter dated the 14th December, 1940, inviting suggestions regarding alteration of trains to be included in the April issue of the Time Table. This letter was also circulated to members and suggestions received were forwarded to the Chief Operating Superintendent.

Revision of Time Table from April, 1941, over the Eastern Bengal Railway.—The Traffic Manager, Eastern Bengal Railway, in his letter dated the 3rd January, 1941, invited suggestions for April issue of the Time Table on the Eastern Bengal Railway. The Committee circulated this letter and suggestions received from members were forwarded to the Traffic Manager. One of the suggestions was that there should be an extra train from Baruipur to Sealdah between 383 Up and 139 Up and that the 150 Down train should have a stoppage at Mallikpur.

Informal Quarterly Meetings.—Informal meeting of Chambers of Commerce and the Agents of Railways are held every quarter to which this Chamber along with other Chambers is invited. Almost all the Quarterly meetings of the Railways and Chambers of Commerce are attended by a representative of this Chamber. The 24th Quarterly meeting was to be held in March, 1940. The Chamber invited suggestions from members on the 6th February, 1940. On receipt of these the Committee addressed a letter dated the 26th February, 1940, and suggested the following subjects for inclusion in the Agenda of the 24th Informal Quarterly Meeting :—

1. Free allowance for Inter Class passengers should be increased from 30 seers to 1 maund.
2. The prices of foodstuffs supplied at the Dining Rooms on Railways are high and they should be reduced.
3. During summer seasons more adequate arrangements should be made for supplying water to passengers at Railway Stations.
4. The Railway Freight on rape seeds is too high and should be reduced.
5. The freight for Wheat from the Punjab should be reduced.

All the above five subjects were included in the Agenda of the 24th Informal Quarterly Meeting and were discussed. The full texts of the discussions are to be found in the Correspondence Section. The Final decisions on the subjects are given hereunder :—

1. The scale of free luggage allowance is the same on most of the Indian Railways and changes could only be effected with the approval of the Indian Railway Conference Association and that the free allowance on different classes of tickets is not proportionate to the basis of fares. The matter was dropped.

2. During discussions on the subject it transpired that the higher prices of foodstuffs are due to a variety of reasons. For instance, reduction of rates may lead to deterioration in quality; the charges on the East Indian Railway are fixed in consultation with the Municipality or District Board: the prices are fixed for at least six months; they do not rise or fall with market fluctuations; the food is guaranteed pure by medical inspectors.

3. The arrangements made by the railways were the most satisfactory that could be adopted. Every year the problem of supplying water at summer seasons is reviewed.

4. The subject of the reduction of freight for rape and mustard seed and oil was fully investigated by the Railway Rates Advisory Committee. The Government are considering the report and their decision in the matter would be final.

5. In many cases the existing rail rates over the East Indian Railway for Punjab wheat are at the minimum permissible level, and there is no scope for further reduction nor is such action considered necessary particularly in view of the existing conditions.

Classification of Goods.—The Indian Railway Conference Association forwarded for information and an expression of opinion proposals on the classification of the following goods :—

1. Cowlac Skin milk powder.
2. Agricultural tractors, (components parts).
3. Camels' hair.
4. Vermiculite expanded for insulting purposes.
5. Plastic materials.
6. Musical instruments.
7. Gilt Ornaments.
8. Coke Breeze Hollow Blocks.
9. Argo Oil.
10. Olive Oil.

The subjects noted above and many others were referred to this Chamber for opinion. The Chamber circulated them to interested members and after their opinions had been received the Committee informed the Indian Railway Conference Association that they had no objection to the proposals made by the Commercial Committee.

Classification of Amba Turmeric.—The Indian Railway Conference Association in their letter dated the 10th May, 1940, informed the Chamber that the classification of Amba Turmeric will be considered by the Commercial Committee at their July meeting and requested the views of this Chamber on the classification. The Association also sent a copy of a letter they had received from the Chief Traffic Manager, Jodhpur Railway, in which it was said that there was traffic in Amba Turmeric on that railway. This variety of turmeric was used as a plaster for the alleviation of pain and was charged on that railway as "Drugs crude or raw, N.O.C." and the same article was charged on other railways as "Turmeric". They therefore suggested a uniformity in rates.

The Commercial Committee recommended that Amba Turmeric be included in the list under "Drugs crude or raw."

The Committee of this Chamber after consulting the members interested, informed the Secretary, Indian Railway Conference Association, on the 30th May, 1940, that the difference in the quality of "Amba Turmeric" and "Turmeric" is very little and negligible, and as there is a separate classification for Turmeric "Amba Turmeric" should also be included in it. The use of "Amba Turmeric" as a drug is doubtful. It is entirely used as a household remedy and is restricted to a class of people who seldom consult a qualified medical man. It is not sold as such and therefore should not be treated as drug.

POSTS AND TELEGRAPHS.

Air Mail to Japan via Bangkok.—The Secretary, Japanese Chamber of Commerce, Calcutta, addressed a letter to the Chamber, on the 3rd December, 1940, enclosing copy of a letter which was addressed by the Japanese Chamber to the Director-General of Posts and Telegraphs, New Delhi, suggesting that in future air mails to Japan may be forwarded *via* Bangkok, from where a regular air service to Japan is now available. The suggestion was made to save time in transit and it was expected that a week's time could be saved by utilising this route for air mails, The Committee of this Chamber supported the suggestion and addressed a similar letter to the Director-General of Posts and

Telegraphs, dated the 16th December, 1940. It was stated therein that if the Government decided to take advantage of the regular air service between Bangkok and Japan for carrying the mails from India, it would save considerable time in transit and commercial houses with connections in Japan would be greatly benefitted. The Deputy Director-General, Posts and Telegraphs, replied to this letter on the 20th December, 1940, and said that the question of sending air mails to Japan by the Thai and Japan air mail services was under consideration. Subsequently a notice was issued by the Director-General of Posts and Telegraphs, dated New Delhi, the 13th January, 1941, to the effect that arrangements had been made to send air mails to Japan and Manchoukouo by the Eastbound British Overseas Airways' service up to Bangkok and thence by the Thailand-Japan-Manchoukouo air mail service to destination.

Delays in Transit of Cables.—Members of the Chamber have made complaints against delays in transit of cables at the Central Telegraph Office, Calcutta. Instances which were brought to the notice of the Chamber were of a serious nature involving considerable inconvenience and possible loss to merchants whose messages were not despatched in proper time. A letter was addressed to the Director-General of Posts and Telegraphs, New Delhi, on the 27th January, 1941, inviting his attention to the frequent delays in transit of cables. These delays vitally affected business transactions and were a matter of concern to the firms negotiating business with foreign buyers. The Committee considered them all the more serious in these days of difficult trading and it was expected that the Department would take immediate and necessary steps to ensure prompt dispatch especially of overseas messages.

Private Telegraphic Address between India and Burma.—Members of the Chamber experienced difficulties and great hardship owing to the prohibition imposed by the Government of India on the use of registered abbreviated telegraphic addresses between India and foreign countries, including Ceylon and Burma. The prohibition was imposed for considerations of censorship but the trade between India and Burma being considerable, it affected a large number of Indian Commercial firms. The Federation of Indian Chambers of Commerce and Industry addressed a letter to the Director-General of Posts and Telegraphs, New Delhi, on the subject and suggested that the notification should be relaxed to the extent of allowing the use of telegraphic addresses between India and Burma. This Chamber also addressed a letter to the Director-General of Posts and Telegraphs, New Delhi, on the 31st January, 1941, and requested that the decision in this respect may be revised and an exception made in the case of Burma and India.

TRADE, INDUSTRY AND FINANCE.

Indo-Burma Trade Regulation Order.—Soon after the appearance of report in the Press that the Government of Burma had given 12 months' notice to the Government of India, of their intention to terminate the existing Trade Agreement between the two countries, the Committee of this Chamber forwarded the information to members interested in Indo-Burma trade with the request that they may kindly send their suggestions regarding any future adjustments they desired to make regarding trade relations between the two countries and the matter was referred to a Sub-Committee for necessary action. The Committee subsequently decided to address a letter to the Government of India, Department of Commerce, on the 5th September, 1940. It was made clear at the outset that in the absence of any information regarding the steps the Government of India proposed to take, the Committee were not in a position to offer definite suggestions to be implemented in a fresh Trade Agreement between India and Burma. But the question was urgent and extremely important for the reason that trade relations between the two countries, before the separation, rested on an altogether different footing as Burma then formed part of British India and the recommendations of the Joint Select Committee (1934) for promulgating Indo-Burma Agreement Order, 1937, was made with a view to maintain the trade on the same footing between the two countries in the period immediately following separation. If a fresh Trade Agreement was to be concluded there should be a thorough examination of the relative positions of the two countries before the separation as well as their present capacity and willingness to enter into a fresh Trade Agreement which may ensure mutual advantage. The Committee suggested that, in their opinion, it was not possible to examine the problem in detail at a time when conditions of trade and commerce had made it extremely difficult to foresee with any degree of certainty the future trend of trade movements both in India and Burma. The Committee therefore, suggested that the question of the termination of the Indo-Burma Trade Regulation Order, 1937, should be postponed till the two countries were in a position to take clearer view of their economic conditions and commercial possibilities. It was, therefore, thought to be desirable that the consideration of a fresh Trade Agreement with Burma should be delayed until such time as the commercial and economic position of the contracting parties could be viewed in its correct perspective and the proposed Agreement could ensure and lead to mutual benefit.

Indo-Burma Trade Negotiations.—By the beginning of the year 1941, it was generally known that negotiations for a fresh Trade Agreement between India and Burma would be taken in hand by the Government of India and a confidential letter from the Department of Commerce, Government of India, informing Commercial organisations in the country that they proposed to appoint non-official advisers to whom they would refer and with whom they would discuss the general outlines of the Burma proposals for a new Trade Agreement. It was also made known that negotiations would begin about the middle of February. Members of this Chamber interested in trade with Burma prepared a Joint Note on the position of the trade in various commodities and perishable goods and requested the Chamber to represent to the Government of India and the non-official Advisers for the Indo-Burma Trade Negotiations the need for protecting commodities trade with Burma as this branch of trade was the special concern of the Indian business community in India as well as in Burma. The Executive Committee appointed a Standing Sub-Committee consisting of firms interested in the Burma trade to watch the proceedings of the Indo-Burma Trade Negotiations now being carried on by the Governments of India and Burma. The subject was discussed with Mr. N. R. Pillai, Joint Secretary, Government of India, Commerce Department, when he visited the Chamber and suggestions were also forwarded to non-official advisers to the Government as well as to the Government of India and the Government of Bengal. In their letter addressed to the Government of India on the subject, the Committee specially stressed the need of protection against betelnuts and tobacco; perishable goods, such as, onions, garlic, fresh fruits and vegetables; and foodstuffs like flour, ghee, spices, oils and chillies. The main point of contention was that any additional burden by way of duty on these items would result in a diversion of the trade from India to foreign parts and substantial loss to Indian exporters. It would, at the same react on the condition of the agriculturists in Bengal who depended for their supply of rice mainly on Burma while the cultivation of some of these commodities by them depend mainly on the possibility of their exportation to Burma. The margin of profit in this trade was so small that any additional expenditure or the imposition of a duty would deprive business men of the incentive to trade in these lines.

Conference at Darjeeling on Jute Trade.—The Department of Commerce and Labour, Government of Bengal, in their D.O. letter dated Darjeeling the 25th April, 1940, informed the Chamber that the Government looked with great concern the low prices of jute which were then being offered for the new crop and were anxious to secure a fair, adequate and reasonable price to cultivator and for this purpose they desired consultation with organisations and individuals interested in jute trade. It was, therefore, proposed to convene a Conference, in Darjeeling, on Saturday the 4th May, 1940, which was to be opened by His Excellency the Governor of Bengal. The object of the Conference was to decide upon the steps which might be taken in order to secure reasonable prices for jute. The Government requested the Chamber to nominate one or two representatives to attend the Conference at Darjeeling. The Committee in their letter dated the 29th April, 1940, informed the Government of Bengal, that Mr. M. A. Ispahani and Sir Adamjee Hajee Dawood would attend the Conference as representatives of this Chamber. The proceedings of the Conference have since been published by the Government and the speeches made on that occasion by the representatives of this Chamber are given in the Appendix with our last Report.

Stabilization of Jute Prices.—The Government of Bengal, Department of Agriculture and Industries, Agriculture Branch, addressed a circular letter No. 122(9)-T.A.I., dated Darjeeling, the 9th May, 1940, to all commercial organisations interested in Jute trade including this Chamber. The object of this communication was to inform them of the proceedings of the Conference convened by the Government in Darjeeling on the 4th and 5th May. The whole question was summarised by His Excellency the Governor in the following words :—

1. Whether special measures were, in the present circumstances, necessary to maintain the price of Jute for the 1940 crop, and

2. what preparation is now necessary to be made to secure the stability of the industry as a whole?

The communication discussed in brief the points-of-view represented in the Conference on the different issues that were raised during the course of the discussions, namely, the yield of the 1940 crop; the expected demand for it by the mills and the foreign markets; the possibility of the supply exceeding the demand; and whether the Government should intervene in the matter of fixing up prices at that stage. On hearing both sides the Government had decided, the communication said, to intervene to prevent prices from falling and to secure the future stability of the industry in the interests of all concerned. It was also stated that a comprehensive scheme for that purpose was being prepared but for the immediate object of maintaining prices the Government had decided to fix minimum and maximum prices for jute and hessians for the futures market at Rs. 60 and Rs. 13 as the minimum and Rs. 90 and Rs. 21 as the maximum respectively for jute and hessian futures. The comprehensive scheme to which reference was made was expected to relate mainly to (1) regulation of futures market (2) arrangements for purchase by Government of all offerings of jute at a minimum price (3) fixation of grades of jute and jute goods for internal and external markets (4) prevention of adulteration, particularly the watering of jute. The Government while thanking all who participated in the Conference expected those interested in jute trade and industry to send them any suggestion they desired to make in this connexion.

Suggestions for stabilization of Jute Prices.—In reply to the communication of the Government referred to in the foregoing paragraph, the Committee of this Chamber prepared a comprehensive scheme, giving necessary statistics, figures and diagrams, drawings of jute areas and qualities of jute and submitted it to the Government for their consideration on the 14th May, 1940. The Committee noted with pleasure that the views expressed by the Government were generally in conformity with those held by this Chamber except the rate fixed by the Government for maximum prices which were considered by the Chamber a little higher than they had suggested. The Chamber was anxious to steer clear of the danger arising out of jute substitutes coming into competition as a result of fixing maximum prices at a high rate and thought that Rs. 19 for hessian and Rs. 85 for jute were reasonable rates to be fixed as maximum prices.

It was also the opinion of the Chamber that the Government should undertake to purchase surplus jute at the fixed minimum rates. Dealing with the situation regarding the demand of jute in the different countries of the world, the Chamber was of the opinion that consumption had increased considerably after the news that the Government had fixed a minimum price for jute and hessians. The scheme dealt at length with the arrivals in Calcutta; the total crop which was estimated at 125 lakhs of bales; and gave details of the cost per pucca bale. It also discussed the policy which the Government should persue for making purchases of the surplus crop of different qualities. In order to effect the purchases, it was recommended that the Government should fix standards on which these transactions would be made. The difference in the standards of the various qualities was also a factor which prevent the cultivator from getting a uniform price on his sales. The Committee stressed the need of appointing a tribunal to pass all purchases. It was further recommended that the Tribunal should consist of 3 persons, two from the jute trade—one European and one Indian—and the third an Indian Civil Servant. The Committee after making extensive enquiries regarding available accommodation at Salkia and Hatkhola for storing jute in the godown there found that there was enough room for keeping all the jute which the Government could expect to purchase. The Committee also suggested to the Government to impose a sales tax on jute of -/4/- a maund which was expected to yield Rs. 1,25,00,000 and another sale tax on manufactured goods, hessians, sackings, etc., at -/2/- per 100 yards which would come roughly to Rs. 75,00,000. A provision to alter the minimum prices in cases of emergency and also the rate of the sale tax was considered by the Committee to be necessary in the interest of the trade and industry.

Return of stocks of Jute and Jute Manufacture.—The Special Officer, (Jute), Government of Bengal, in his letter dated the 6th August, 1940, stated that to enable the Government to arrive at a decision regarding the regulation of jute crop for 1941, it was necessary to take steps for the collection of information which the Government would procure under the provision of Section 9 of the Bengal Jute Regulation Act, 1940. The Government therefore consulted the Chamber on the subject as it was necessary to ascertain the stocks of jute and manufactured jute products held by all sections of the trade within the province. Suggestions were invited from the Chamber regarding the methods by which and the form in which the necessary information could most expeditiously and conveniently be collected from all the interests concerned, both in the Calcutta area and in the moffussil. The Committee addressed a letter to the Special Officer, (Jute), Government of Bengal, dated the 30th August, 1940, and informed him that return of stocks of jute should be demanded from pucca balers, merchants, stock holdings in Hatkhola, Cossipore, Phulbagan and from Cutcha balers or loose jute balers in the moffussil. The names of the Associations who could be approached profitably for the collection of statistics were given as under :—

1. Calcutta Baled Jute Association—2, Clive St.
2. Hatkhola Banijya Hitaisini Sabha—Hatkhola.
3. Cossipore Jute Sellers Association—Cossipore.
4. Marwari Jute Sellers Association—Phulbagan.
5. Calcutta Jute Dealers Association—2, Clive Street.
6. Bengal Jute Dealers Association—4. Commercial Buildings.

The Committee was of the opinion that one comprehensive form of return would serve the purpose of this enquiry and a fortnight's time should be given for submission of the returns.

Bengal Paddy and Rice Enquiry Committee Report.—The Government of Bengal, Department of Commerce and Labour, addressed a letter dated Darjeeling, the 13th May, 1940, to the Chamber and invited reference to the recommendation made by the Bengal Paddy and Rice Enquiry Committee in paragraph 66-71 of their Report Vol. 1, in which the Committee had recommended the abolition of the export duty on rice and the regulation of imports of rice from Burma. The Bengal Paddy and

Rice Enquiry Committee had devoted considerable space to the question of export duty on rice and had recommended that "our commercial policy should be directed to the encouragement of exports, and to the regulation of the volume of imports, having regard to the nature of our annual imports." The Report also stated that "India no longer controls nearly half of the Export trade in rice as she did before." In fact the balance of trade in this regard was on the side of imports. Indian rice had to compete with that of Burma, Siam, and Indo-China. The Committee considered it advisable to allot a free quota together with a duty on imports which exceeded this quota. The quota, it was recommended, should be based on the estimated annual deficit of the production of rice in Bengal. The free quota on the other hand should be determined by the average volume of imports during the post-depression years. The Government desired to ascertain the views of this Chamber on these recommendations. The Committee in their letter dated the 31st July, 1940, informed the Government that the Chamber agreed with the recommendations made by the Bengal Paddy and Rice Enquiry Committee and desired that the export duty on rice should be abolished. The Committee also approved of introducing the quota system for imports of Burma rice. The attention of the Government was also invited to the need of grading and defining qualities of rice.

Jute Futures Market.—The Government of Bengal convened a Conference of Commercial organisations and representatives of the jute trade and industry to consider the manner in which the regulation of the Hessian and Jute Fatka markets may be regulated. The Government felt that the operations of these markets hampered seriously legitimate business and trade. The Conference was called by the Hon'ble the Minister for Commerce and Labour at his office in Writers' Buildings on Monday, the 12th February, 1940. The Committee of this Chamber informed the Government that Sir Adamjee Hajee Dawood and Mr. M. A. Ispahani, would attend the Conference as representatives of this Chamber. Subsequently the Committee addressed a letter dated the 5th March, 1940, to the Government of Bengal, Department of Commerce, on the subject. In this communication the Committee emphasised the need of exercising control and introducing reform in the constitution of the futures markets with a view to put it on a sound basis as a hedge-market for raw jute. The suggestions offered in this connection were as follows :—

1. The small Fatka dealing in lots of 50 bales should be closed.

2. The basis of dealing in futures should be loose jute instead of pucca bales.

3. A Committee should be appointed to control dealings in futures market and it should include representatives of the Chambers of Commerce.

4. Brokers should hold licenses from the Government.

The Committee also suggested that there was no justification for a futures market for hessian as no futures markets existed for manufactured goods in any other country.

Standard Contract Form for Piece-goods.—The Marwari Chamber of Commerce, Calcutta, forwarded to this Chamber copies of a Note on the proposal for a Standard Contract Form for Indian Piece-goods trade. The Secretary, in his letter dated the 5th March, 1940, stated that this subject had been engaging the attention of the Marwari Chamber for a considerable time and that they had arrived at the definite conclusion that there was need of a standard contract for piece-goods which may be generally acceptable and applicable to the trade. It was pointed out that the dealings of the mills were not satisfactory to merchants and the terms of the contract usually favoured the mills when prices were rising. It was the general experience of merchants that the buyers could not get delivery of goods within the contracted time. The Committee in their letter dated the 29th November, 1940, informed the Marwari Chamber of their views on the proposal for a Standard Contract Form for piece-goods. The Chamber was of opinion that the draft Contract submitted by the Marwari Chamber was acceptable provided it was made on an All-India basis and made applicable to all sections of the trade and not restricted to a particular locality.

Readjustment of Salt Prices.—Messrs. Kassim & Ismael, addressed a letter dated the 21st January, 1941, and desired that a meeting of the Standing Sub-Committee of the Chamber should be urgently called to consider the question of readjusting prices of salt and representing to the Controller of Prices to revise the prices fixed for this commodity on account of the rise of prices in different directions which have a direct reaction on the salt trade and industry. The Sub-Committee considered the question and prepared a draft to be submitted to the Chief Controller of Prices. The representation which was dated the 25th January, 1941 said that the price of salt was fixed on the 16th October, 1939 at Rs. 98 per 100 maunds ex-ship for Aden and Indian salt. Since then the basis of trade had greatly altered and unless these rates were revised at an early date it would seriously affect the salt supplies for Bengal. It was also pointed to the Controller that the Government had exempted some qualities of salt while the prices of Aden and Indian salts had remained fixed, which was unreasonable and unjustified. Due to the continuous increase in freight rates the manufacturers of uncontrolled salt could charter steamers at enhanced rates which was impossible for owners of Factories of controlled salt unless the rates for such salts were raised and fixed at a fair and equitable level, taking into consideration the merit of each quality and its selling price. The Committee pointed out that the freight had increased to Rs. 20 per ton and was likely to increase up to Rs. 22/25. Taking into consideration the increase in costs due to war such as, War Risk Insurance, increase in freight, etc. the prices of salt were now calculated at Rs. 124/4/- per 100 maunds. The Committee urged that the Government should take immediate steps to increase the controlled rate and revise the prices fixed for salt otherwise merchants would not be able to meet their existing commitments without incurring serious losses.

Increase of Freights by Chandbali Steamer Service Co., Ltd.—Messrs. Hoosen Kassam Dada, requested the Chamber to represent to the Government of India the complaint of merchants who carry cargo from Chandbali to Calcutta and make use of the only steamship company known as the Chandbali Steamer Service Co., Ltd., which run the only available steam service from Chandbali to Calcutta. The Company is in a position of holding a virtual monopoly and has therefore enhanced its rates of freight from -/4/- to -/9/-. The clients of the Company have not been informed that the Company proposes further to enhance the rates of freight on the line and has requested the Government to sanction these enhanced rates. The subject was brought to the notice of Mr. N. R. Pillai, Joint Secretary, Government of India, Department of Commerce, when he visited this Chamber and a letter was addressed to the Government of India, Department of Commerce, on the 31st January, 1941, stating these facts and requesting the Government not to sanction any increase of freight rates on this line. It was pointed out that the Company had not risks to run due to war not to pay any increased rates of insurance premiums hence any request for sanctioning of increased rates of freight on their part was perfectly unjustified and should not be granted.

Joint Conference of Commercial Organisations to consider the Bengal Shops and Establishments Bill.—The Marwari Chamber of Commerce, in their letter dated the 20th August, 1940, informed the Chamber that the recommendations of the Commercial bodies in Calcutta for the improvement of the Bengal Shops and Establishments Bill had not been accepted by the Government and the Bill had been passed by the Bengal Legislative Council. It was soon to be taken up in the Bengal Legislative Issembly. The Committee of the Marwari Chamber of Commerce were of the opinion that a public

Conference should be convened with the co-operation of all Commercial Bodies interested in the matter to consider ways and means to persuade the Government to make necessary amendments in the Bill before it was placed on the Statute Book. The Committee of this Chamber considered this letter and informed the Marwari Chamber of Commerce on the 28th August, 1940, that they would be pleased to participate in the proposed Conference and nominated Mr. Kassim A. Mohomed and Mr. M. S. Vawda as representatives of this Chamber to attend the meeting.

MARINE.

Control of Mosquitoes in the Port of Calcutta.— The Port Health Officer, Calcutta, addressed a letter dated the 26th July, 1940, to the Chamber enclosing copy of a proposed scheme for improvement of routine control of Aedes Mosquitoes in the Port of Calcutta. The scheme provided for inspection of all vessels in the Port of Calcutta to enable the Port Health Department to take effective measures for control over breeding of mosquitoes. It was proposed to levy a mosquitoes control fees on all vessels lying in the Port of Calcutta and to maintain a public health service for this purpose. A detailed scheme was submitted by the Port Health Officer who had already consulted the Director, Malaria Institute of India and requested the Chamber to express its views on the scheme and the proposed rate of fees to be levied on all vessels. The proposed scale of fees suggested that river Steam Vessels and Flats should be charged Rs. 10 per year while country boats should be charged at the rate of Rs. 3 per boat exceeding 10 tons and Rs. 2 per boat not exceeding 10 tons. The method of controlling the growth of mosquitoes on the river craft was proposed to be the same as is generally known as routine sprays, oiling, drawing up of water. inspection etc. The Committee in their letter dated the 15th August, 1940, informed the Port Health Officer of their views on the scheme which they had considered carefully. The scheme was generally approved by the Committee who were of the opinion that its enforcement, would eradicate the mosquito evil in the port and reduce the chances of malaria and other diseases spreading to adjoining areas. The Committee, however, did not agree with the estimated cost of establishment and the number of staff to be employed. In their opinion it was inadequate for proper supervision and discharge of the duties with which they were proposed to be entrusted. The Committee also could not agree with the scale of fees which were to be levied on sea-going vessels and river craft and suggested that the scale should be thoroughly revised and so arranged as to save country boats from paying a heavier fees. It was contended that the labour and cost involved in disinfecting country-boats would be much less compared with the expenses to be incurred on disinfection of river steamers and sea-going vessels.

GENERAL.

Sickness Benefit Funds for Industrial Workers in India.—The Government of Bengal, Department of Commerce, forwarded on the 25th June, 1940, a copy of a letter dated the 16th May, 1940, from the Government of India, Department of Labour, regarding the establishment of sickness benefit funds for industrial workers in India and desired the Chamber to express its views on the proposals of sickness insurance and also inform the Government whether the principle of compulsory sickness benefit funds will be acceptable to members of the Chamber. The Government of India, in their circular letter, stated that the question of sickness insurance for workmen was examined by the Central Government some time ago but the Government decided not to take any further action on that question in 1937. The matter was, however, again referred to the first conference of Labour Ministers which was held in January, 1940. The opinion of the Conference was that the problem was not so much lack of medical facilities as one of enabling the worker to maintain himself and his dependents during the period of sickness. The Conference came to the conclusion that sickness benefit funds would be appropriate for this purpose. The Government of India desired to know in what proportion the two parties, the employer and the worker should contribute for a fund of this nature. The Committee of this Chamber appointed a special Sub-Committee to examine the question of Sickness Insurance for industrial workers in India and after the Sub-Committee had reported, the Committee addressed a letter, dated the 15th August, 1940, to the Government of Bengal, Department of Commerce and Labour, on the subject. It was stated in the letter that the Committee accepted the principle of compulsory contribution to Sickness Benefit Fund and advocated the adoption of a comprehensive scheme for the purpose. It was also suggested that the definition of "worker" should include any one employed in an industrial concern and on the regular pay roll of the company either drawing monthly or weekly salary, that is, from the Manager downward. Other suggestions offered by the Committee were for the introduction of sick leave with half the average salary to be granted for a specified period and that the proportion of contribution to the Fund should be equal on both sides, namely, the employer and the employee. The Committee also submitted details of the scale of payments for calculating contributions from the workers and also offered suggestions as to what benefits should be given to the worker under the scheme, for instance, full medical facilities to members, their wives, dependant children and recommended half pay to be given to members for a period of 14 days in a year. The Committee advocated the adoption of the scheme on the lines suggested by them.

Scarcity of Rupee Coin.—A serious situation arose in the City due to the scarcity of rupee coins and small change and merchants and shop-keepers who had to disburse a large amounts in small coins were put to great hardship and there was imminent danger of dislocation of business. The Committee decided to address a letter to the Secretary, Exchange Bankers' Association, the Manager, Reserve. Bank of India, and the Government of Bengal, on this subject on the 10th July 1940, and pointed out that besides the scarcity of rupee coin and small change difficulties were experienced in getting currency notes cashed or obtaining change for them. The Currency Office in Calcutta supplied barely 10 per cent. of the requirements of the individual firms and the experience of merchants as well as small dealers was that in cases where request was made for change of small denomination and rupee coin for 500 rupees, only 50 rupees were supplied to them. The complaint became general. It appeared that a regular famine of coin and small change prevailed and the general public was put to great inconvenience in their daily purchases. The Committee requested the Reserve Bank to take immediate steps to relieve the scarcity of the rupee coin and meet public demand in this respect. The Reserve Bank of India replied to this letter on the 11th July, 1940, and said that a good deal of misapprehension existed among the public as to the actual position and the Bank requested the Chamber to assist in alleviating this state of affairs. The Bank referred to two kinds of demands, namely, the normal business requirements and the tendering of notes in exchange for coin. The Bank met fully the former demand but for the demand of the other category they met it to the extent of Rs. 50 per person unless the tenderer by filling up a prescribed form satisfied the officials that his demand was not contrary to the interests of the country. The Committee again addressed a letter to the Reserve Bank of India on the 13th July, 1940, and enclosed copies of letters from members of the Chamber, including an Insurance Co. and a Bank who complained that they could not get enough change for their needs. It was also pointed out that Post and Telegraph offices had been refusing money orders and telegrams on the ground that they had no change to give and were not prepared to accept Rs. 10 notes when money order for Rs. 6 was tendered. It was therefore contended that all demands for small coin could not be considered as an effort to satisfy the craze for hoarding money. The Currency Officer and the Reserve Bank of India replied to this letter and informed the Chamber that additional counters have been opened to meet the demands of the general public for rupee and other coins and that from the 19th July, 1940, the number of applicants for exchange had become almost normal.

Weekly Holidays to Shop Assistants and Workers.—The Government of Bengal, Department of Commerce and Labour, forwarded on the 29th November, 1940, a copy of a draft Bill prepared by the Government of India to provide for the grant of weekly holidays to persons employed in shops, commercial establishments, restaurants and theatres and requested the Chamber to express its opinion on the Draft Bill and inform the Government of Bengal accordingly. The main provision of the Bill was that every shop and commercial establishment must remain entirely closed on Sundays or on such other day of the week as may be fixed by special order. The object of this Bill is to give one complete and free holiday to workers and employees of commercial houses, shops and other establishments. The Committee in their letter addressed to the Government of Bengal, dated the 16th December, 1940, informed them that they were of the opinion that the proposed measure should be generally welcomed by the commercial community and that they approved the principle underlying the Bill namely, that one day in a week should be observed a holiday by persons engaged in regular work. The Committee were pleased to note that the principle was likely to be applied and extended to all the provinces of British India and hoped that the Bill would soon be passed into Law.

Facilities for employment and training for young men in Industries and Trade.—The Employment Adviser to the Government of Bengal, Department of Agriculture and Industries, (Employment Branch) addressed a letter dated the 27th February, 1940, on the subject of a survey of an opportunity of employment for Bengalis in the various industries and trades of Bengal. It was stated that the survey had been completed and would be published in the form of a Handbook by the Government. The conclusions to which the Employment Adviser had arrived were that the proportion of the Bengalees employed in trades and industries was very low and where the proportion was adequate it was mainly restricted to the illiterate and semi-literate classes. The Government had given earnest thought to this problem and he proposed to address firms and factories requesting them to inform him about the facilities for employment as well as training of Bengalee young men they could provide. The object of the letter was to impress upon members of the Chamber to give preference to Bengalees for future recruitment of staff for their firms and factories. The Committee circulated this letter to all members of the Chamber and specially invited their attention to its contents and a letter was addressed to the Employment Adviser on the 3rd April, 1940, and in which it was said that they appreciated the work of collecting statistics and devising ways and means to deal with the problem of unemployment among the young men of this Province. The Committee assured the Government that the members of this Chamber would be pleased to extend their whole-hearted co-operation and afford all facilities for training and employment to young men in trade and industry under their control.

Training of Small Entrepreneurs.—The Secretary, Industrial Survey Committee, Bengal, addressed a letter dated the 13th May, 1940, to the Chamber stating that the industrial and technical education Sub-Committee of the Bengal Industrial Survey Committee had been considering the question of the training of middle class young men with moderate capital to enable them to start small industries. The Sub-Committee desired to ascertain the views of the Committee of this Chamber and for this purpose forwarded the questions which covered the ground of this enquiry. The question as to what type of institution would suit for the training of middle class young men with moderate capital say, up to Rs. 25,000 particularly in the moffussil district, was discussed by the Committee in their letter dated the 10th June, 1940 addressed to the Secretary, Industrial Survey Committee, Bengal. The Committee pointed out that the training of young men for industrial persuits should be clearly defined. Technical education may consist of imparting a course of instruction to enable the craftsmen to have a better scale of pay and technical knowledge of his own calling but industrial training for young men who intended to start their own factories and were in a position to invest a modest capital had a different aspect altogether. It needed ability to supervise Industrial concerns and also technical knowledge of the industry. The existing institutions, in the opinion of the Committee, had a distinctly educational atmosphere or, to be more correct, vocational. Most of these institutions were far from the industrial areas and consequently very often it was suggested that a period of apprenticeship, after they had completed their course of training, was essential. The Committee were not in a position to suggest any particular institution where such training could be given to future entrepreneurs. The Committee suggested that it would be advantageous to consider the possibilities of developing small industries such as assembling and production of semi-manufactured articles and to establish a technical training institution on the basis of these small industries. The Committee therefore suggested that the Government of Bengal, should appoint a special officer to visit Dyalbagh, Agra, to make a thorough study of system of training followed in that institution.

Safety First.—The Safety First Association of India addressed a letter dated the 22nd August, 1940 to the Chamber. The Association was desirous of carrying out a detailed investigation of the problem of Safety First regarding road and traffic conditions in Calcutta. With this object in view the Executive Committee of the Association decided to convene a Conference and invited delegates from different organisations in the City. The main points of interests to be considered by the Conference were :—

(a) Improvement of control

(b) Education of pedestrians etc.,

The Association requested the Chamber to send a representative to take part in the Conference. Mr. Abdur Rahman Siddiqi, M.L.A., was selected to represent this Chamber at the Conference.

MISCELLANEOUS.

Small Causes Court—Dusserah Vacation.—The Chief Judge, the Court of Small Causes, Calcutta, addressed a letter dated the 25th January, 1940, to this Chamber on the question of keeping the Court of Small Causes, Calcutta, completely closed during the Dusserah Vacation which has then under consideration. It was stated that one Judge or the Registrar in charge of the Court with a small staff remained on duty during the vacation and this officer allowed warrants issued before the vacation to be executed during the vacation. The Chief Judge pointed out that the amount of work in recent times had dwindled down considerably as a result of a change in the law relating to arrest and detention of debtors in prison. It was therefore proposed that the Government should save extra expenditure on this head and not detain officers for carrying on work during the vacation and the court should be completely closed for the Dusserah Vacation. The Committee replied to this letter on the 3rd April, 1940, and informed the Chief Judge of their views on the proposal. The Committee carefully considered the contention that the volume of work in the court had considerably decreased and cases of execution of body warrants were insignificant in number but the need for keeping the courts partly open during the vacation was not quite convincing. It was pointed out by the Committee that as the Court of Small Causes afforded relief and redress to a very large section of the people the proposal to close it completely would be a positive inconvenience to the general public as well as to the commercial community who have to dispose of their routine business even during the holidays. It became sometimes difficult for commercial firms to find ready help in matters which needed urgent decisions and speedy execution. The Committee was therefore unable to support the proposal of keeping the Court of Small Causes completely closed during the Dusserah Holidays.

Mohammaden Rest Room at Shalimar.—Messrs. Mohamed Haje Gani approached this Chamber to explain the difficulties and complaints of Muslim merchants who had to put up with great inconvenience at Shalimar as there was no rest room for Mohammedan merchants. The Chamber referred the matter to Khan Bahadur G. A. Dossani, our representative on the Bengal Nagpur Railway, Local Advisory Committee, who interviewed the Railway officials and the Superintendent-General. The Management was requested to provide a room exclusively for the use of Mohammedan merchants at Shalimar. The last letter addressed to Khan Bahadur G. A. Dossani by the Superintendent-General, Bengal Nagpur Railway, Kidderpore, was dated the 1st May, 1940, in which he was informed that the matter was receiving the attention of the authorities and that the Mohammedan merchants may be advised of the same.

Muslim attendants at the Death-bed of Muslim Patients for Hospitals.—A suggestion was made to the Committee of this Chamber to request the authorities of Government hospitals to make arrangements that Muslim attendants should be present to attend Muslim patients in the hospitals and who unfortunately had no friends or relatives at their side. It was essential that minor religious services be rendered at the time when the end was approaching. If such services could be administered by Muslim attendants to the poor patients at the hospitals it would be an act which would be greatly appreciated by the Muslim public. The Committee referred this matter to the members who represented this Chamber on the visiting Committees of the Campbell Hospital and the Medical College group of Hospitals. The Superintendent, Campbell Medical School and Hospital wrote in his letter dated the 2nd July, 1940, that arrangements had been made for the administration of the last rites to poor Muslim patients dying in the Campbell Hospital by employing a few Muslim attendants who would ordinarily work in the wards and also attend to any dying patient.

Complaint of Delay in sending intimation of death by Campbell Hospital.—A letter was addressed to the Superintendent, Campbell Medical School and Hospital on the 3rd May, 1940 inviting his attention to the complaint of a member of this Chamber of delay in giving information of the death of a person who died in the Hospital on the 30th April, 1940, at 6 A.M. The information was received by the friends of the deceased at 12 o'clock noon or even later. The attention of the Superintendent was invited to the matter and a request was made that such steps as may be considered suitable with a view to preventing delays in future be taken. The Superintendent in his letter dated the 16th May, 1940, explained that considering that on an average 10 death intimation were discharged to different part of Calcutta in the course of one day and considering the distances to be covered by peons a certain amount of delay was unavoidable. But he had already approached the Surgeon-General to sanction two more peons for this duty and it was expected that it would be possible to expedite matters if sanction of the Government was received for an increase in the number of peons.

New Premises of the Chamber.—The Committee decided to remove the office of the Chamber from 22, Canning Street, to a more commodious building at 6, Clive Row. The office was shifted to the new premises on the 1st May, 1940.

Sub-Committee for Import Trade.—Messrs. Curmally Janmohamed invited the attention of the Committee to the need of constituting a Standing Sub-Committee for Import Trades and the Committee gladly accepted the suggestion and a Sub-Committee for the Import Trades was constituted.

CONGRATULATIONS.

The Committee passed the following resolution on the election of Mr. Abdur Rahman Siddiqi, as Mayor of Calcutta and extended to him their cordial felicitations on his election.

"The Committee of the Chamber offers cordial felicitations and sincere congratulations to Mr. Abdur Rahman Siddiqi on his election as Mayor of Calcutta and considers this great honour a tribute to his brilliant record of service in the Legislative Assembly and other public bodies."

CONDOLENCES.

The Committee learnt with regret the news of death of Mr. J. C. Rose, Chief Commercial Manager, East Indian Railway. A wreath was sent to his funeral on behalf of the Muslim Chamber.

Khan Bahadur G. A. Dossani suffered an irreparable loss in the death of his son and the Committee passed a resolution offering their sincere condolences to the bereaved family.

The Committee learnt with great regret the news of the death of Mr. Ayub Abdul Karim of Messrs. Ahmed Abdul Karim Bros., Ltd. and passed a resolution of condolence conveying their sympathy with Mr. Ahmed Abdul Karim and other members of the family.

The Committee learnt of the death of the wife of Mr. F. A. Sachee and passed a resolution conveying their sympathy to Mr. Sachee.

The Committee passed the following resolution on the death of Mr. I. G. H. Ariff, a Vice-President of the Chamber. The office of the Chamber closed for the day as a mark of respect to his memory.

"The Muslim Chamber of Commerce places on record its deep sense of loss and sorrow at the sad and untimely death of Mr. I. G. H. Ariff, a Vice-President of the Chamber and a leading member of the merchant community of Calcutta and desires to convey its sympathies to the bereaved family."

Accounts.—A statement of the Revenue and Expenditure of the Chamber for the year ending 31st December, 1940 together with Balance Sheet as at 31st December, 1940, duly audited by Messrs. Afzal Banerjee & Co., Incorporated Accountants, Honorary Auditors of the Chamber, is appended with the Report.

Supply of Complimentary Literature.—The Committee express their thanks to the Government of India, Government of Bengal including the Publicity Officer, His Majesty's Trade Commissioner and the Director-General of Commercial Intelligence and Statistics for their kindly sending regularly the publications, reports and statistical information issued by them. The Committee also desire to acknowledge with thanks the kindness and courtesy shown to the Chamber by the Consulates of foreign countries and their commercial organisations who forwarded their literature to the Chamber on different subjects and particularly on questions of commerce, economic and industrial development of their respective countries. The Committee are grateful for the co-operation received from other Chambers of Commerce and Associations in India and other countries which were good enough to forward to the Chamber their Annual Reports and other literature.

N. RAHMAN,
Secretary.

M. A. ISPAHANI,
President.

STATEMENT OF ACCOUNTS

AND

BALANCE SHEET FOR THE YEAR

1940.

The Muslim Chamber

BALANCE SHEET as

	Rs. As. P.	Rs. As. P.
ACCUMULATED FUND :		
As per last balance sheet ...	3,555 7 10	
Less deficit during the year ...	165 15 5	3,389 8 5
LIBRARY FUND :		
As per last balance sheet ...		80 2 9
LIABILITIES :		
Subscription suspense A/c. ...	150 0 0	
On expenses A/c.	527 0 0	677 0 0
		4,146 11 2

AUDITORS' REPORT.

We report that we have audited the Balance Sheet of the MUSLIM CHAMBER OF COMMERCE, Calcutta, as at the 31st December, 1940, and above set forth, and the annexed Revenue Account for the year ended 31st December, 1940, with the books, accounts and vouchers as kept by the Chamber and have obtained all the information and explanations we have required. In our opinion, such Balance Sheet and Revenue Account are drawn up in conformity with the law and the Balance Sheet exhibits a true and correct view of the state of the Chamber's affairs according to the best of our information and the explanations given to us and as shown by the books of the Chamber.

In our opinion books of accounts have been kept as required by law.

Sd/- Afzal Banerjee & Co.,
Incorporated Accountants,
Registered Accountants,

# of Commerce, Calcutta.

on 31st December 1940.

	Rs. As. P.	Rs. As. P.
FURNITURE :		
As per last Balance Sheet ...	2,042 5 3	
Addition during the year ...	548 0 0	
	2,590 5 3	
Less depreciation @ 10% on opening balance	204 4 0	
		2,386 1 3
LIBRARY AND BOOKS :		
As per last Balance Sheet ...	674 11 6	
Addition during the year ...	54 7 0	
	729 2 6	
Less depreciation @ 5% on opening balance	33 11 0	
		695 7 6
DEPOSITS : (as per last balance sheet)		
With Imperial Library ..	25 0 0	
With Commercial Library ...	20 0 0	
		45 0 0
CASH BALANCE :		
At Bank ...	950 1 3	
In hand (Including Postage and Revenue Stamp), as certified by the Secretary	70 1 2	
		1,020 2 5
		4,146 11 2

N. RAHMAN, M. A. ISPAHANI,

The Muslim Chamber

REVENUE ACCOUNT for

	Rs. As. P.			Rs. As. P.		
To OFFICE EXPENSES :						
Salary and Bonus	3,428	11	0			
Rent	880	0	0			
Printing & Stationery ...	324	7	8			
Telephone	388	9	4			
Postage & Telegram ..	158	9	1			
Filing & Registration Fee ..	24	0	0			
Miscellaneous Expenses ...	143	13	8			
				5,348	2	9
,, OTHER EXPENSES :						
Subscription to Federation ...	150	0	0			
Newspapers and Periodicals ...	148	0	0			
Binding Charges	47	12	6			
Repairs	5	0	0			
				350	12	6
,, FINANCIAL EXPENSES :						
Income-tax	267	5	0			
Bank Charges	2	8	0			
				269	13	0
,, DEPRECIATION : Rs. As. P.						
On Furniture @ 10% 204 4 0						
On Books @ 5% 33 11 0						
	237	15	0			
Less Transferred to Certificate of Origin A/c.	52	14	0			
				185	1	0
,, EXPENSES OVER INCOME FROM CERTIFICATE OF ORIGIN ...				1,969	0	2
				8,122	13	5

Certified in terms of our report on the face of the balance sheet.

Sd/- Afzal Banerjee & Co.,
Incorporated Accountants.
Registered Accountants.
Auditors.

Dated, the 3rd February, 1941.

# of Commerce, Calcutta.

the year ending 31st December 1940.

	Rs. As. P.	Rs. As. P.
By Regular Income:		
Subscription		6,100 0 0
,, Occasional Income:		
Donations	1,653 14 0	
Income-Tax Refund	185 15 0	
Bank Interest	17 1 0	
		1,856 14 0
,, Deficit During the year Carried to Balance Sheet ...		165 15 5
		8,122 13 5

N. Rahman,
Secretary.

M. A. Ispahani,
President.

CORRESPONDENCE

WAR.

War Risk Insurance.

Press Communique dated Simla, the 18th July, 1940, issued from the Government of India, Department of Commerce.

At the instance of various Associations in Bombay and Karachi the Central Government have recently been considering the establishment of a Government Scheme for War Risk Insurance on commodities on land in British India and they sent to Bombay representatives of the Commerce Department to discuss the matter with the various Associations who had consulted them. The reports of these officers have now been considered and the Central Government are satisfied that a scheme is practicable.

2. At present the war risk covered by the description King's Enemy Risks is slight, but the Central Government recognise that if a scheme to cover such risks is generally desired, it is necessary that, as the actuarial risks involved in such insurance are not calculable, it should be introduced by Government and worked as a Government scheme.

If, however, such a scheme is introduced, it is necessary that it should be prepared on sound basis, which necessitate the initial building up of a fund from which claims can be met. This was the principle which was adopted in the United Kingdom where the original rate of premium fixed was ½% per month which was subsequently reduced to ¼% per month.

3. A rough outline of the scheme which the Central Government have under consideration is given below. It follows generally the lines of the United Kingdom scheme modified to suit conditions in Idnia.

(*i*) Risks to be insured against King's Enemy risks as defined in the United Kingdom Act, that is, generally speaking, risk of loss or damage caused by the acts of an enemy or by acts done in repelling an enemy.

(*ii*) Commodities to which the scheme will apply.

All commodities, except those such as growing crops, coal, cement, metals and other ores which are excepted in the United Kingdom scheme and mineral oils of all descriptions.

(*iii*) War risk insurance will be compulsory in the case of all stocks of commodities of a value of Rs. 20,000 or more which are insured against fire, and voluntary in the case of stocks of commodities which are not insured against fire or which are insured for a less sum than Rs. 20,000.

(*iv*) The rate of premium will be fixed at three monthly intervals, and will be adjusted (either by increase or decrease) on the basis of experience. The rate proposed in the first instance is 1/8th per cent. per month which is ¼ of the original British rate.

(*v*) The scheme will be administered by Fire Insurance Companies in India as Agents of the Central Government.

(*vi*) Premiums received will be paid into a Fund. Claims will be met from the Fund but if the Fund proves insufficient to meet claims the necessary contribution to the Fund will be made from General Revenues. If at the end of the War the balance in the Fund is in excess of claims, that balance will be credited to General Revenues.

Various Associations in India are being consulted on these proposals and on receipt of their replies which have been asked for urgently, the matter will be further considered by the Central Government.

Freight difficulties.

Letter No. F-15-18/40, dated the 3rd August 1940.

From the Chamber to the Hon'ble Dewan Bahadur Sir A. Ramaswami Mudaliar, Department of Commerce & Labour, Government of India Simla.

I am directed by the Committee to invite reference to this office letter No. F-15-16/40, dated the 25th July, 1940, on the subject of difficulties in gètting freight for private cargo for U. K. and Egypt. This letter was addressed to Bombay in view of the urgency of the case and also because the members of this Chamber and particularly those who are interested in export trade have been watching with keen interest the result of your discussions with the Admiralty regarding freight difficulties.

The congestion at the ports and the difficulties of exporters who find their cargo unloaded in ports of different countries on the way, without any definite hope of reaching its destination, have considerably increased and brought about a critical stage in the export trade. As prices have also gone down simultaneously an element of uncertainty prevails which has dislocated the market completely. The exporter is hard hit and his resources to meet the situation seem to be at least exhausted. As a last resort, however, some of them tried to reach some ports with a view to relieving the congestion at least to some degree by lifting some cargo from there. It was with this object that they decided to charter a steamer for Shanghai to carry cargo from Calcutta and also from Madras and some ports on the Coast-line. This attempt was made after all efforts for securing some space on the ships of regular Lines had proved unsuccessful. A Steamship Company who so far refused to accomodate shippers in their great need, managed to berth a steamer on the route to lift this cargo from ports for which the chartered steamer was scheduled to sail. It was done deliberately to make it unprofitable for an exporter to charter a steamer on his own account.

This specific instance is quoted here by way of illustration of the attitude of Steamship Companies who, instead of co-operating with merchants to maintain the export trade, are putting impediments in the way of those who, inspite of the risks involved, are prepared to keep the flag flying and have continued to export goods in the altered and difficult circumstances due to the war.

The Committee of this Chamber have considered the question of chartering steamers by shippers in all its bearings and are of the opinion that interference by Conference Lines, both direct and indirect, is a menace which should not be allowed to add to the difficulties of the export trade particularly at a moment when the transport of goods is a vital need of national importance. It should be the duty of the Steamship Companies to come to the aid of the trade. If however they are not in a position to meet this obligation in full, the least that can be expected of them is that they would create no obstacles in the way of any attempts that may be made to relieve the congestion at ports or afford some facilities to the exporters. It may be pointed out here that the main object and function of the Conference Lines appears to be untenable at a time of crisis like the present one when the entire export trade is out of gear and the scarcity of freight leaves no room for any possibility of a trade competition in transport industry and therefore the control which the Conference Lines still exercise over merchant shipping is absolutely out of place and should be abolished at least for the duration of war.

Shipping for Red Sea and Suez—Shut out Cargo.

Letter No. F-15-16/40, dated the 25th July 1940.

From the Chamber to the Hon'ble Dewan Bahadur Sir A. Ramaswami Mudaliar, Member for Commerce & Labour, Government of India, Bombay.

I am directed to invite your attention to the urgent problems of shipping as represented by members of this Chamber who are experiencing great difficulty in shipping goods to the ports in Red Sea as well as Suez. Since Italy joined the war, no steamer has been berthed to take cargo to Egypt or any other Red Sea ports. As a matter of fact, there were four steamers which had left this port with cargo for Egypt, namely, "German", "Deviken", "Anna Odland" and "Nyco". The first three proceeded to Egypt in convoy as they were carrying some Government cargo. The S.S. "Nyco" which carried only merchants' cargo was not allowed by the Admiralty to proceed to Egypt and she had to unload all her cargo in Colombo. The cargo so unloaded by S.S. "Nyco" is liable to heavy demurrage and it is feared that wharfage charges may amount almost equal to the value of goods, if not cleared in time. It is therefore essential that this cargo must be reshipped immediately from Colombo to its destination to save the merchants from further losses. As the buyers have not till now paid for these goods, it is presumed that the extra charges for demurrage shall have to be borne by the exporters.

There was another steamer fixed for Egypt known as S.S. "Norton" and on the fixture of this steamer merchants entered into business contracts for Egypt. Members of this Chamber had a large proportion of the freight booked per S.S. "Norton". This steamer was flying the Panama Flag and the Captain refused to proceed to the War Zone, therefore all the cargo booked to be carried by "Norton" has been left behind.

Besides, the prices at which those goods were sold to the Egyptian merchants have gone down by fifty per cent. Buyers have, however, given extension of time up to the end of July for such commitments but, as the market has come down considerably, it is not expected that the buyers would allow any further extension, if the goods are not cleared by the end of this month, or by the seventh of the next month, the usual seven days of grace according to the terms of the contract. The commitments for Egypt and the Red Sea ports, of the members of this Chamber alone come to about 3,000 tons and it can be assumed that other merchants in this market must also have made considerable commitments which may even exceed this figure. Since the outbreak of the war with Italy no arrangements have been made to provide freight for clearance of these sales which today are a very heavy burden on the merchants.

It may be pointed out that the Admiralty has requisitioned "Jalapadma" to carry Government cargo which was to have been shipped by S.S. "Norton", and she will go from here to Bombay and from there proceed according to the Admiralty's instructions, Government of India should come to the rescue of the merchants by requesting the Admiralty to allow them necessary freight for the Red Sea and Suez in this steamer. Besides, it would be possible for the Government to requisition vessels on the Indian Register for a trade that vitally concerns Indian commercial interests.

The cargo which was taken by the Asiatic Line for Port Sudan and other Red Sea ports per S.S. "Nawab" has been unloaded in Bombay. The Agents hold the shippers responsible and have informed them that they are incurring demurrage and that they should clear the goods as there is no likelihood of their taking this cargo to the Red Sea for the next three months. It is requested that the Government of India should take immediate action with a view to affording some relief to merchants and making the shipping companies realise their unreasonable attitude in the matter and the serious consequences that follow from this attitude.

Air Raid Precautions.

Letter No. 7867(4)-P, dated the 30th December 1940.

From the Deputy Secretary, Government of Bengal, Home Department, (Political), to the Chamber.

I am directed to state that in order to determine which buildings should receive priority of attention in the event of numerous fires being started in Calcutta and the Industrial areas of 24-Parganas, Howrah and Hooghly as a result of a possible air raid, this Government are considering the question of drawing up a list of buildings of public importance the destruction of which would amount to a serious national calamity.

As will be appreciated it is not unlikely that in the event of an air raid a large number of fires would be started simultaneously which would necessitate a decision being taken by the Air Raid Precautions and Fire Brigade authorities as to the order in which the fires should be dealt with.

I am now to request that this Government may be furnished as soon as possible, and in any event not later than the 7th of January, 1941, with a list of buildings under your control arranged in order of importance which in the opinion of the Muslim Chamber of Commerce should be considered as falling under the above category.

Letter No. F-15/41, dated the 7th January 1941.

From the Chamber to the Deputy Secretary to the Government of Bengal, Home Department, (Political), Calcutta.

I am directed to refer to your letter No. 7867(4)P, dated the 30th December, 1940, regarding buildings which receive priority of attention in the event of fires being started as a result of a possible air raid.

My Committee have considered this problem and desire to point out that the Government should take into consideration effective measures of protection in the case of air raids for such areas and godowns that are the means of supply of food besides public utility companies such as, Electric Supply, Water works and etc.

Besides the well-known industrial areas of 24-Parganas, Howrah and Hooghly there are numerous godowns on the outskirt of the City and some areas in Calcutta with big godowns which should receive priority of attention in the event of outbreak of fires, for instance, Ezra Street, Amratolla Street and Amratolla Lane, Zakaria Street, Canning Street in the City and Godowns in Howrah, Chitpore, Ultadanga, Beliaghata, Chetla, Tollygunge, Ramkristopur, Kidderpore Docks.

Manufacture of Dymethylaniline.

Letter No. CS/212/4005, dated the 30th October 1940.

From the Controller of Supplies, Bengal Circle, to the Chamber.

I am directed to forward for the information of the Associates of your Chamber a copy of the Director-General of Supply letter No. CH-0336 of the 24th October 1940 on the question of manufacture of Dymethylaniline.

I am to add that if there is no objection it is proposed to invite the Indian Chemical Manufacturers' Association to consider this matter and prepare proposals as to how the Bengal Circle (including Bengal, Assam, Bihar and Orissa) can assist. The Director-General of Supply has invited the co-operation of all Provinces in this matter.

Copy of a letter No. CH-0336. dated 24th October 1940.

From the Director-General of Supply, New Delhi, to the Controller of Supplies, Bengal Circle.

Dimethylaniline is required by the Defence Authorities for the manufacture of an explosive known as tetryl.

Dimethylaniline is prepared from benzene and methyl alcohol. There are ample supplies of benzene available in the country and the Mysore Iron & Steel Company can produce considerable quantities of methyl alcohol.

Present requirements of Dimethylaniline are estimated about 6 tons per month. This may eventually be increased to about 40 tons per month.

It is requested that you may please make exploratory investigations with the object of ascertaining whether there are any chemical manufacturers in your area who would be interested in the production of Dimethylaniline and if so, in what quantities and when production could commence.

Letter No. R-27/40, dated the 14th November 1940.

From the Chamber to the Controller of Supplies, Bengal Circle, Calcutta.

I am directed to acknowledge receipt of your letter No. CS/212/4005, dated the 30th October, 1940, and its enclosure on the question of manufacture of Dimethylaniline.

I placed your letter before the Committee of this Chamber in their meeting held on the 12th instant and the Committee have directed me to inform you that they have no objection to the proposal of inviting the Indian Chemical Manufacturers' Association to consider the question of manufacture of Dimethylaniline.

Production of Flax in India.

Letter No. CS/43/4289, dated the 26th November 1940.

From the Controller of Supplies, Bengal Circle, Government of India, Department of Supply, to the Chamber.

At the beginning of this year Government of India, Department of Supply, decided to encourage the production of Flax, and with the co-operation of the Governments of Bengal and Bihar a scheme was drawn up which envisaged the planting of 1,600 acres and the provision of adequate plant to handle the crop. A small Flax Committee—comprised of the Directors of Agriculture of Bengal and Bihar, Dr. Nodder, Director, Indian Central Jute Committee and the Controller of Supply, Bengal Circle with Mr. Carbery, Director of Agriculture, Bengal as Chairman was appointed to control the scheme. 64 tons of pedigree seed was imported from Belgium and that part of the machinery which had to be obtained from England was purchased. Unfortunately the imported seed has proved to be almost useless and over the comparatively small area sown there has been practically no germination. The scheme for the Rabi Crop 1940-41 is therefore a failure and the Government of India have reluctantly decided to cancel the purchase of some of the machinery.

Flax is an important war commodity and a large proportion of the normal sources of supply are now denied to us. Efforts are being made in various parts of the Empire to grow it and a decision will have to be made in the near future as to the extent to which India is to co-operate in this war effort next year. Flax was grown successfully in and around Bengal during the last war and the fact that it can be grown here is indisputable. We have therefore a definite responsibility to exploit possibilities.

It is understood that certain firms in this area and perhaps some individuals apart from the Directors of Agriculture of Bengal and Bihar, are already interested in the growing of Flax. The Committee wish to ascertain the extent and the views of these interests before submitting proposals to the Government of India for 1941-42. Information is required as to what areas have been sown this year on an experimental basis or otherwise, what plant exists and lastly what assistance and co-operation the Government can expect. Apart from war needs the possibility of establishing the growing of Flax on a commercial basis should afford an added incentive to extensive development.

It would be appreciated if this note could be circulated among the Members of your Chamber with the request that those interested will please get into touch with the Controller of Supply, Bengal Circle (Lt.-Col. J. R. Marriott). If it is so desired a Meeting could be held on about December 4th 1940 to discuss the matter. The Directors of Agriculture of both Bengal and Bihar will be in Calcutta on or about this date.

Letter No. CS/43/4487, dated the 5th December 1940.

From the Chairman, Flax Committee, Government of India, Department of Supply, to the Chamber.

I am directed to refer to letter No. CS/43/4289 of the 26th November 1940 on the question of Flax which was addressed to the Chambers of Commerce.

The response to this letter was considered by the Flax Committee at their Meeting on the 4th December 1940, and it has been decided that a Conference should be held to discuss ways and means of developing and exploiting this important war commodity. They are of the opinion that it is unreasonable to rely entirely upon the support of the Government of India and are anxious to obtain the support of local interests. With the whole-hearted co-operation of these interests much can be done.

The Conference will be held at 11 o'clock on the 12th December 1940 in the room of the Hon'ble Minister, Agriculture & Industries, Writers Buildings, Calcutta. Would those who propose to attend kindly inform Lt.-Col. J. R. Marriott, Controller of Supply, 6, Esplanade East, Calcutta.

CUSTOMS.

Port Commissioners wharfage on goods: Goods detained by Enemy Control Board or Censor.

Letter No. Com-1-8/40, dated the 19th September 1940.

From the Chamber to the Chairman, The Commissioners for the Port of Calcutta, Calcutta.

I am directed by the Committee of this Chamber to invite your attention to the fact that goods imported from foreign countries are detained by Enemy Control Board or Censor for inspection and after the inspection a detention certificate is granted for them which entitles the holder to get refund of wharfage from the Port Commissioners for the period of detention. It has been brought to the notice of the Committee that the Port Commissioners charge Fairlie Place charges for these goods. These charges are very high and as the importers have no option in the matter of detention whatever the charges they have to pay are a burden to them and in some cases it is beyond their means to pay these charges as they are extremely disproportionate to the price of the goods.

My Committee have considered the subject carefully and request you to make it possible for importers to get their goods passed after paying the minimum charges which can be done if these goods are charged at the rate of bonded warehouse charges. I shall be obliged if you could kindly write to me at your earliest convenience if some such arrangements is possible to reduce the rate of wharfage for such goods as are detained by Enemy Control Board or Censor.

Letter No. 5071/28, dated the 20th September 1940.

From the Chairman, The Commissioners for the Port of Calcutta, to the Chamber.

With reference to your letter No. Com.-1-8/40 dated the 19th September 1940, I beg to point out that you are not quite correct in stating that a detention certificate entitles the holder to a refund of wharfage, but it is quite true that the Commissioners do ordinarily base their remissions of rent on these certificates.

You state that the Fairlie Warehouse charges are very high and ask that rent should be assessed at Bonded Warehouse rates. These are the same as far as the Commissioners are concerned, but possibly you are referring to the rates charged by the Bengal Bonded Warehouse Association. These are however higher than Fairlie Warehouse rates for some articles and as far as I am aware are lower for none.

Complaint against the Excise Staff of the Esavi India Match Manufacturing Co.

Letter No. T.2-1/40, dated the 3rd August 1940.

From the Chamber to the Secretary, Central Board of Revenue, New Delhi.

I am directed by the Committee of this Chamber to invite your attention to the serious nature of complaints that this office has received against the Inspector in charge of the Esavi India Match Manufacturing Co., who has been creating difficulties in the way of smooth and normal working of the Factory by objecting to perfectly legitimate operations and demanding explanations from the management. The practices to which he seems to have taken exception appear to be in order, and his interpretation of the Rules in this regard seems to be inconsistent with the letter and the spirit of the Matches Excise Duty Order (1938).

The nature of the specific instances mentioned by the management may well be illustrated by the manner in which the Inspector tried to ascertain the average number of sticks in a match box. He selects boxes from a tray in the filling department or in the banderol department and the boxes which appear to him to be slightly overfilled are picked up. If these boxes alone are taken into consideration and the number of sticks which they contain are counted, the average may exceed the limit. But this method of pick and choose is quite irregular. In fact it is in contravention of Rule 39 of Matches Excise Duty Order, 1938 wherein it is laid down that the method of arriving at an average should be to count sticks of each box in every ten gross of boxes the procedure of arriving at an average which the Inspector has adopted therefore is not only illegal but also gives rise to disputes of a most vexatious nature which may ultimately affect the production as well as the smooth working of the factory. There are about 400 men working in this department of the Factory and as the filling is done entirely by hand it is not a matter of surprise that a few sticks in any one or some boxes should exceed the required number. But if the total number of boxes are taken into consideration the average would not exceed the limit imposed by the Rules, particularly when the work is carried on under expert supervision.

Again, the Inspector insists that all match boxes, as soon as banderolled, must be removed to the bonded warehouse. It is another instance of the use of his discretionery powers in an arbitrary manner. The Supplementary Order Clauses 18 and 19 indicate that as soon as banderolled matches are packed, they should be removed immediately but there is certainly no bar against banderolled matches remaining in the Finishing Room if they are not actually packed till then. This is however a Rule which was not interpreted as is being done now by the present Inspector and matches banderolled at the closing hours of the day were allowed to remain in the Finishing Room for the night but invariably removed next day at the earliest opportunity. If a different interpretation is allowed to be put on the wording of this Rule, it may mean considerable loss of excise duty to the Government and reduction of working time by at least one hour and a consequent lowering of the wages of the worker.

The Committee of this Chamber have taken a serious view of the matter especially in these days of stress and it appears to them that the lack of co-operation displayed by Government Officials, particularly those who are placed on duty on the premises, is a matter that deserves the immediate attention of Government. The various aspects of the problem are within the knowledge of the Government and the Committee do not desire to enter into details of the implications involved. It may however be pointed out that the Esavi India Match Manufacturing Co. contributes about 25 lakhs of rupees annually to the Government in the shape of excise duty. The management has been noted for efficiency and their attitude has always been helpful to the Excise Department. It is therefore a matter of regret that the present departmental staff should disregard facts and clear provisions of Rules and use their discretionary powers in a manner which is open to serious objections.

I hope you will kindly treat the matter as urgent and give it the consideration it deserves and also inform me of the action you propose to take in this regard.

Letter No. 190-C.Exc./40, dated the 9th August 1940.

From the Secretary, Central Board of Revenue, New Delhi, to the Chamber.

I am directed to invite a reference to a letter No. T-2-1/40, dated the 3rd August 1940, from the Secretary, The Muslim Chamber of Commerce, Calcutta, a copy of which has been sent to the Assistant Collector concerned direct and to request that the Board may be furnished with a report thereon at an early date.

Letter No. 190-C.Exc./40, dated the 28th October 1940.

From the Secretary, Central Board of Revenue, New Delhi, to the Chamber.

With reference to your letter No. T.2-1/40, dated the 3rd August 1940, I am directed to say that the Board understands that the working of the Esavi India Match Manufacturing Company is now being carried out in a manner satisfactory both to the factory and the Central Excise staff.

No further action is therefore necessary.

Transfer of Blank Quota for Exporters—Indian Tea Control Act, 1938.

Letter No. T-13-4/40, dated the 16th May, 1940.

From the Chamber to the Secretary, Government of India, Department of Commerce, Simla.

I am directed to refer to the subject of transfer of blank export quotas for tea which the Committee of this Chamber discussed with the Hon'ble the Commerce Member when he visited Calcutta last year in November.

The Committee pointed out that the blank export quota is transferable amongst the planters but the same concession is not allowed to exporters of tea. Owners of tea gardens can transfer their internal quota to export and *vice versa* and the Tea Control Act permits transfers of blank quotas freely and the owners of gardens can transfer such quotas as many times as they like among themselves. But the exporters are denied these facilities. They are only allowed to sell internal tea as internal and export tea as export and the transfer of blank export quota is entirely prohibited. The Committee of this Chamber requested the Hon'ble the Commerce Member to remedy this defect in the Act and to make some provision with a view to giving same facilities of transfer of blank quota to exporters of tea as are already enjoyed by the planters. I am directed to add that, since the position was explained to the Hon'ble the Commerce Member, the difficulties of exporters have increased considerably on account of the present war and their inability to transfer blank quotas to the trade has made it increasingly difficult for them to adjust themselves to the serious dislocation of the export trade. It is an urgent matter and I shall be obliged if you would kindly give it your earnest consideration and accede to the request of tea exporters by allowing them to transfer blank quota to trade.

Assessment of Piece-Goods on Market Value Basis.

Letter No. 229/40, dated the 23rd April 1940.

From the Collector of Customs, Calcutta, to the Chamber.

I have the honour to state that considerable difficulty is still being experienced by the Appraisers in ascertaining the market value of non-standard brands of piece-goods for purposes of assessment to duty under section 30(*a*), Sea Customs Act, and it has been suggested that non-standard brands should be removed from the market value list and assessed under section 30(*b*), and that only standard brands be retained on that list and assessed under section 30(*a*). In the present conditions of the market it is suggested that this could be done without prejudicing fair competition between different brands.

I enclose a relevant extract of the existing market value list and should be grateful if you would kindly let me have your opinion in the matter and your suggestions as to any consequential modifications considered necessary in the present list.

Extract of the existing market value list.

Indian Customs Tariff.

Item No.

47 (6) Cotton twist and cotton yarns of single and two-fold counts in bundles.

,, Cotton sewing thread on reels, cards or balls.

48 (3) Dhoties (other than those bleached, dyed, striped, checked or coloured woven).

Dukries (other than coloured striped or coloured).

Jeans (dyed or printed).

Jaconets.

Longcloths.

Mulls white, of Japanese manufacture only.

Nainsooks, white.

Poplins (other than those for loongies).

Shirtings (Plain woven), grey, white, striped, dyed, checked or printed.

Twills, white.

Venetians (dyed or printed).

48 (9) Sateens (dyed or printed).

Letter No. GB-12-5/40, dated the 30th May 1940.

From the Chamber to the Collector of Customs, Calcutta.

I am directed to acknowledge receipt of your letter No. 229/40, dated the 23rd April, 1940, on the above subject.

My Committee discussed your letter in their last meeting and have directed me to inform you that they welcome the proposal of removing the non-standard goods from market value list to Invoice Value *i.e.*, from Section 30(*a*) to 30(*b*) of the Sea Customs Act, and that the following lines should be so removed :—

Jeans (Dyed or Printed)

Poplins (Dyed, Printed or Woven)

Shirtings (Striped, Dyed, Checked or Printed)

Venetians (Dyed or Printed)

Sateens (Dyed or Printed)

It is very difficult to ascertain the correct market value for the above goods as they are fancy goods. An importer may order goods specifying colour, design and assortment according to his particular choice but he cannot be sure of the prices his goods will fetch in the market for with the change of season and fashion the prices also change. It is therefore advisable that they should be removed from the market value list.

Preferential rate of duty for Betelnuts imported from Johore.

Letter No. C-7-2/40, dated the 23rd April 1940.

From the Chamber to the Secretary, Central Boord of Revenue, and the Hon'ble the Commerce Member, Government of India, New Delhi.

I am directed by the Committee of this Chamber to invite your attention to the representation of Messrs. Adam Hajee Peer Mohammad Essack regarding their inability to get the preferential rate of duty for betelnuts imported from Johore (Federated Malay State) due to the conflicting decisions given by the Calcutta Customs and the change in the policy of the Central Board of Revenue regarding admission of Johore betelnuts at preferential rates.

In September 1938, 100 bags of betelnuts were imported from Johore. The Assistant Collector of Customs decided that preferential treatment under the Ottawa Agreement can only be given to Kalantan betelnuts. Certain regulations were, however, prescribed to enable importers of betelnuts from Johore to have the benefit of the preferential rate of duty. These regulations were complied with but in June 1939, the Assistant Collector informed the importers that the Central Board of Revenue have decided that goods from Johore could not be admitted to preferential rates. In January 1940, however, this decision was reversed and it has been decided finally to admit Johore betelnuts at the preferential rates.

The conflicting nature of the orders given by the Assistant Collector of Customs and the delays and vascillations of the Central Board of Revenue in coming to a decision regarding the vexed question rendered the position of the Importer of betelnuts from Johore State very precarious and his business suffered both on account of the uncertainty of the situation as well as from actual losses on the transactions which he continued to make for no fault of his, as the decisions taken by the Customs authorities did not give him an indication to adopt a contrary course of action.

The history of the case has been summarised in the enclosed Note which, I hope, will clearly indicate the conflicting nature of the decisions and as a consequence the grave injustice done to the importer. It is a matter which affects a large number of importers who are trading on a large scale with Johore and other places in the Malaya States. The Committee of this Chamber therefore feel that the Central Board of Revenue will kindly give their urgent attention to the question and afford the much needed relief to the importers.

The Case of Adam Hajee Peer Mohamed Essack. Betelnuts.

Betelnuts are imported at 45% duty, or 37½% *ad valorem* if the betelnuts are a produce of a British colony.

100 bags were imported in September 1938. The certificate of origin was produced certifying that the goods were the produce of Johore.

In December 1938 the Assistant Collector said that under the Ottawa Agreement the preferential rate could be applied when the Collector of Customs was satisfied that the goods were the produce of a British colony and that the Government of India had decided not to apply the preferential rate to betelnuts from the Straits Settlement except in the case of Kalantan betelnuts.

The Assistant Collector then went on to detail the steps which the importer would have to take in order to secure the 37½% duty. After that the importer complied with all the details laid down by the Assistant Collector and proceeded to import a large number of consignments from Johore. In each case on asking for the preferential rate of duty he received a reply that the matter was under consideration.

There was no point at all in such a reply unless the matter was under consideration and the matter could not have been under consideration if the orders had been settled.

In June 1939 the Collector, in his order No. 42 refers to the appeal and says that a decision was kept pending because the orders of the Government of India were awaited. That makes it perfectly clear that there were no final orders. The Collector goes on to say that "the Central Board of Revenue have now intimated" that goods from Johore could not be admitted into the preferential rate.

Therefore, the matter was under consideration and was not settled until June. The Assistant Collector did not inform the importer that until Government orders were received the preferential rate would not apply. On the other hand, he detailed the means by which it could be made to apply. The importer could very well have got his betelnuts from Kalantan but having made his connections in Johore he complied with the Assistant Collector's order and went on importing.

The Collector refused to allow him this special rate of duty and a reference was then made to the Government of India setting forth the above facts.

The Government of India orders dated 1st November 1939.

The points raised are dealt with now.

(1) The Government of India says that if an importer imports and is charged a low duty and then sells the goods and later a higher duty is demanded there may be some hardship, but this was not so in this case.

This simple statement seems to embody every possible misconception about trade in general which could be condensed into a few words. If an importer imports goods he is able to sell them at the market rate as a maximum. He may be in need of money or he may think that the demand will disappear or he may think that the goods are below quality. For any of these reasons he may choose to sell them at below the market rate in order to get a quick sale but he can never go above it.

What the importer's costs are is a matter of no interest whatever to the buyer. The buyer finds out the market rate and unless any particular importer meets that rate or gives a better rate he will not sell. If the market rate is Rs. 100, whether the importer's goods have cost him Re. 1 or Rs. 500 does not alter the fact that he can sell at Rs. 100 or at something below Rs. 100.

These facts are so elementary that it seems remarkable that one should have to restate them in dealing with an order of the Government of India.

If an importer imports at a low rate of duty he can either sell at the market rate or, in consideration of the fact that he thinks he is getting a good profit, he may make certain of that profit by selling at something below.

If an importer is charged more duty than he has been let to expect it cannot make one iota of difference to the price at which he sells at and the whole of the Government of India order seems to be based on a complete misconception.

(2) The Government of India says that there is nothing to show that the importer was in fact misled by a somewhat ambiguous communication from the Assistant Collector.

This is a simple question of fact and there is the fact that the importer continued to import from Johore and continued to claim the lower rate of duty.

It may be taken for granted that ambiguous letters from officials are bound to mislead but not only was the letter of 23rd December 1938 ambiguous but subsequent letters saying the matter was under consideration simply emphasise the point that the Assistant Collector himself meant the importer to understand that if he complied with the procedure laid down in para. 3 of the Assistant Collector's letter, he would get the preferential rate. It is clear that the Assistant Collector himself thought that would be the case and from the fact that the Collector of Customs delayed matters in order to await the instructions of the Central Board of Revenue or Government of India, it seems clear that the Collector himself was under that impression.

The importer was thoroughly misled by the Customs and his case is made all the harder by the fact that in January 1940 it has been decided finally to admit Johore betelnuts at the preferential rate.

Letter No. 604-Cus.1/40, dated the 18th May 1940.

From the Central Board of Revenue, the Government of India, New Delhi, to the Chamber.

With reference to your letter No. C-7-2/40, dated the 23rd April 1940, I am directed to say that the Government of India have already passed orders on this case, after full consideration of all the facts and arguments adduced.

Midyear Revision of Tariff Values.

Letter No. 5664-C.I.C., dated the 27th April 1940.

From the Director-General of Commercial Intelligence & Statistics, India, to the Chamber.

The annual revision of tariff values was held last year only a few weeks after war was declared and the unsettled condition of the markets due to speculation and panic prevailing at the time made the task of anticipating the future trend of prices a difficult one. The problem of the determination of appropriate tariff values was further complicated by the fact that the war started at the beginning of September 1939, and as the average prices taken for tariff valuation are for the twelve months, October to September, the rise in price during September could not appreciably affect the annual average. I therefore recommended to the Government of India the deletion of such of the tariff valued items for which it was extremely difficult to anticipate the future trend of prices and the fixation of tariff values for the other classes of goods on the basis of the data available at the time, making due allowance for any probable increase that could be reasonably anticipated. It was felt however that if after five or six months, it was found that the tariff values fixed proved too high or too low, then the whole question should be reviewed and a fresh examination undertaken, not only to revise the tariff values of these articles but also to restore the tariff-valued items which were temporarily deleted if it was found that imports started coming in regularly and the market was more stablished. Such a revision is now under consideration and I enclose for the confidential information of your Chamber a copy of the provisional revised tariff rates for 1940. I may add that although the provisional proposals are marked "Confidential, not for publication", there is no objection to your Chamber consulting its affiliated bodies. Additional proof copies of these rates will be sent to you as soon as they are received from the Press.

I shall be glad to meet the representatives, not exceeding five in number, of your Chamber along with those of Bengal National Chamber of Commerce, Marwari Association, Bengal Mahajan Sabha, Indian Chamber of Commerce, Marwari Chamber of Commerce, for the discussion of these values at my office at No. 1, Council House Street, Calcutta, on Tuesday, the 28th May, at 3 P.M., if that date and hour will be convenient to the representatives of your Chamber.

In this connection I would draw the particular attention of your Chamber to the following classification changes which have been adopted provisionally—

(*i*) Amendments of the head "Spirit from Java denatured before clearance"—Item 22(6).

(*ii*) Amendment of the head "Calcium Carbide"—Item No. 28(8).

(*iii*) Deletion of the heads "Caustic potash other than electrolyte", "Chlorate of potash", "Oxalic acid", "Potassium bichromate" and "Sodium bichromate"—Item No. 28(8).

(*iv*) Deletion of all the heads under item Nos. 31(4), 44(3), 56, 63(16) and 70(1).

Fixation of Tariff Values—Agricultural Produce.

Letter No. S-14-827/40E, dated the 25th May 1940.

From the Assistant Collector of Customs, Custom House, Calcutta, to the Chamber.

It is probable that tariff values will shortly be fixed for purpose of levying duty on agricultural produce specified in the schedule to the Agricultural Produce Cess Act, 1940. The work in connection with the fixation of tariff values has now commenced.

I understand that the members of your association are interested in the exports of articles covered by the marginally noted items.

> (1) Bones, (2) Bristles, (3) Butter, (4) Cereals other than rice and wheat, (5) Drugs, (6) Fibres for Brushes (7) Fish, (8) Fruits, (9) Ghee, (1) Hides-raw, (11) Manures, (12) Oil-cakes, (13) Pulses, (14) Seeds, (15) Skins-raw, (16) Species, (17) Tobacco-unmanufactured, (18) Vegetables, (19) Wheat, (2) Wheat flour, (21) Wool-raw.

I would therefore request you to elicit the opinion of the members of your association on the following points *viz.* (1) the present market values of the articles (2) the average market values for the past eleven months *i.e.* from June to April, month by month.

I would wish to explain to you that the tariff value for an article is fixed with reference to the average whole-sale market valuation for the article during the past twelve months, and I would therefore deem it a great favour if you would kindly supply me with the information on or before the 15th June next.

Letter No. GI-10-3/40, dated the 15th June 1940.

From the Chamber to the Assistant Collector of Customs, Custom House, Calcutta.

As desired by you in your letter No. 14-827/40E, dated the 26th May, 1940, I send you herewith the information you asked for, for wheat-flour and Hides and Skins, that I have so far received from the members of this Chamber. I shall, however, send you the information for other articles when it is available in this office.

Wheat-Flour for the past eleven months from June 1939 to April 1940.

Months.	Household. Per Md. Rs. A. P.		Rs. A. P.	Superfine. Per Md. Rs. A. P.		Rs. A. P.
June 1939 ...	4 10 0			5 0 0		
July 1939 ...	4 10 0			5 0 0		
August 1939 ...	4 8 0			4 14 0		
September 1939 ...	4 12 0	to	5 8 0	5 2 0	to	5 14 0
October 1939 ...	5 8 0			5 14 0		
November 1939 ...	5 12 0	to	6 8 0	6 2 0	to	6 14 0
December 1939 ...	7 0 0			7 6 0		
January 1940 ...	7 0 0	to	6 4 0	7 6 0	to	6 10 0
February 1940 ...	6 4 0	to	5 14 0	6 10 0	to	6 4 0
March 1940 ...	5 12 0			6 2 0		
April 1940 ...	5 12 0			6 2 0		

The above rates are per Maund for Ex-Mills' delivery and include value of gunny bags.

Agriculture Produce Cess Act, 1940: Tariff Values.

Commodity.	Ars. Framed Cowhides			Ars. Unframed Cowhides.			Dry Salted Cowhides.			Ars. Agra Buffhides.			Goat Skins.		
Present market value.	Rs. 10 per 20 lbs.			Rs. 7 per 20 lbs.			Rs. 5 per 20 lbs.			Rs 5 per 20 lbs.			Rs. 70 per 100 pcs.		
Average market value for—	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
June 1939 ...	7	0	0	4	8	0	4	4	0	3	8	0	90	0	0
July 1939 ...	7	0	0	4	4	0	4	4	0	3	8	0	80	0	0
August 1939 ...	7	8	0	4	0	0	4	8	0	3	8	0	95	0	0
September 1939 ...	7	8	0	4	8	0	4	8	0	3	8	0	90	0	0
October 1939 ...	7	8	0	4	8	0	5	8	0	4	4	0	100	0	0
November 1939 ...	8	12	0	6	12	0	6	12	0	5	12	0	110	0	0
December 1939 ...	10	8	0	8	8	0	6	12	0	6	0	0	125	0	0
January 1940 ...	10	8	0	8	8	0	7	4	0	6	8	0	120	0	0
February 1940 ...	10	8	0	8	8	0	7	4	0	6	0	0	130	0	0
March 1940 ...	11	0	0	9	8	0	7	8	0	5	0	0	135	0	0
April 1940 ...	10	8	0	8	8	0	7	4	0	4	8	0	115	0	0

Annual Revision of Tariff Values.

Letter No. 12900-C.I.C., dated the 18th October 1940.

From the Director-General of Commercial Intelligence & Statistics, India, Calcutta, to the Chamber.

In connection with the annual revaluation of articles bearing fixed values in the Import Tariff Schedule, I enclose, for the confidential information of your Chamber a copy of the provisional tariff rates for 1941. I may add that although the provisional proposals are marked "Confidential, not for publication" there is no objection to your Chamber consulting its affiliated bodies. Additional proof copies of these rates will be sent to you as soon as they are received from the Press.

I shall be glad to meet the representatives, not exceeding five in number, of your Chamber along with those of Bengal National Chamber of Commerce, Marwari Association, Bengal Mahajan Sabha, Indian Chamber of Commerce and Marwari Chamber of

Commerce for the discussion of these rates at my office at No. 1, Council House Street, Calcutta, on Tuesday, the 19th November, at 3 P.M.

In this connection I would draw the particular attention of your Chamber to the following classification changes which have been adopted provisionally without prior circulation to Chambers of Commerce etc. Suggestions for these changes were received too late for circulation :

(*i*) Amendment of the head "Kap-Kapa, Shekra Chharra, Chupchap, Sakina and Brami"—Item No. 8.

(*ii*) Amendment of the head "Aerated Water bottles, empty"—Item No. 60.

It would be convenient if you could kindly furnish me, by the 11th November at the latest, with a statement of the cases, which the members of your Chamber are likely to discuss with me at the meeting. The points on which the provisional tariff value is criticised may be briefly stated so that I can have them fully examined before I meet the Chamber. This cannot be done properly if the criticisms are made at the time of the meeting when there is little time to examine them.

Letter No. GI-10-11/40, dated the 5th November 1940.

From the Chamber to the Director-General of Commercial Intelligence & Statistics, India, Calcutta.

I am directed to acknowledge receipt of your letter No. 12900-C.I.C., dated the 18th October, 1940, marked "Confidential" and the enclosed provisional rates for 1941, in which you have expressed a desire to meet representatives of this Chamber along with other Chambers of Commerce, at your office on Tuesday, the 19th November, 1940 and to inform you that the Committee of this Chamber have nominated the following member-firms to represent this Chamber at the discussion :—

1. Messrs. C. A. Mohammad,
   15, Synagogue Street, Calcutta.

2. Messrs. Dawjee Dadabhoy & Co.,
   67, Canning Street, Calcutta.

3. Messrs. Hoosen Kassam Dada,
   26, Amratolla Street, Calcutta.

4. Messrs. Ahmed Abdul Karim Bros., Ltd.,
 9A, Zakariah Street, Calcutta.

5. Messrs. Kassim & Ismael,
 5-2, Garstin Place, Calcutta.

LEGISLATION.

Bengal Non-Agricultural Tenency Bill, 1939.

Letter No. 90(6)-L.A., dated the 6th January 1940.

From the Secretary to the Bengal Legislative Assembly, to the Chamber.

I am directed to forward herewith a copy of the Bengal Non-Agricultural Tenancy Bill, 1939 by Mr. Nishitha Nath Kundu, M.L.A. with the Statement of Objects and Reasons and to request that you will be so good as to favour this office with an expression of opinion of your Chamber on the provisions of the Bill.

2. I am to request that reply may be sent so as to reach me by the 31st March, 1940.

Letter No. L-4-12/40, dated the 2nd April, 1940.

From the Chamber to the Secretary, Bengal Legislative Assembly, Calcutta.

I am directed to refer to your letter No. 90(6)-L.A., dated the 6th January, 1940, with which you have kindly sent me a copy of of the Bengal Non-Agricultural Tenancy Bill, 1939 by Mr. Nishitha Nath Kundu, M.L.A., and have requested the Committee of this Chamber for an expression of opinion on the provisions of the Bill.

My Committee have considered the Bill in their meeting held last week and have directed me to inform you that the Bill has been drafted with little care to precision and does not fully take into view the issues involved in a measure of this nature which cover a large field pertaining to the legal status of tenants and landlords in the province of Bengal. The definition in clause 2 is loosely worded and the Committee do not think that it would serve the purposes for which it is intended. Clause 3, which renders all tenancy heritable and transferable is open to serious objections and may perhaps bring the provision in conflict with other existing laws of the country.

The Committee of this Chamber are therefore constrained to oppose the introduction of this Bill and do not feel inclined to offer detailed criticism on its provisions.

Banking Legislation.

Letter No. D/7553-F., dated the 5th January, 1940.

From the Joint Secretary, Government of India, Finance Department, New Delhi, to the Chamber.

I am directed to forward herewith a copy of a letter from the Reserve Bank of India, No. ACD.C.56/36-39, dated the 1st November 1939 and of its enclosures embodying the tentative proposals of the Bank on the question of banking legislation. The proposals have not so far received any examination on the part of the Government of India, but it is considered desirable at this stage to elicit public opinion and criticism thereon. I am accordingly to request that you will kindly communicate your views on the proposals, classified as suggested in paragraph 10 of the Bank's letter, to the Reserve Bank of India, Central Office (Agricultural Credit Department), Bombay, with a copy to the Finance Department of the Government of India, within a period of six months from the date of this letter.

Letter No. ACD. No. C.56/36-39, dated the 1st November 1939.
From the Reserve Bank of India, Central Office, Bombay.

For many years public opinion in this country has been exercised by the desirability of having legislation which will do for banking what the Companies Act and the Insurance Act as recently amended do for companies generally and for insurance. The problem has, however, presented exceptional difficulties, because banking in India is an indigenous product of long standing which has developed on its own lines with its own instruments for the transfer of value and recording of obligations, so that it is not merely a question of applying models which might be suitable for other countries.

The matter has again been brought to public notice by certain recent bank failures which have led to considerable uneasiness, particularly in Southern India, and the Board of the Reserve Bank after giving the matter their careful consideration have come to the conclusion that a detailed and practical consideration of the problem should be no longer delayed.

In coming to this conclusion they have given due consideration to the fact that the question was considered in detail by the Legislature comparatively recently in the legislation culminating in the amendments of the Indian Companies Act in 1937 and 1938, and that it might be argued that further time should be given in order to enable practical experience to be gained of these amendments before fresh legislation is undertaken. Even the limited period which has elapsed since the coming into force of the Indian Companies (Amendment) Act has, however, given the Reserve Bank what it considers adequate grounds for recommending fresh consideration of the problem. The definition of banking has, it is understood, created considerable difficulties of interpretation, particularly in respect of smaller institutions describing themselves as banks. Out of a total of 1,421 concerns, which may be considered to be non-scheduled banks operating in British India, only about 672 are providing the returns or maintaining the cash balances required by the new Act, the others claiming that for various reasons they do not fall within the definition of banking companies set out in the Act, and in several cases it is understood that their contention has been upheld by the court. The administrative difficulties of interpretation which are thereby thrown on the Registrars, particularly in such provinces as Bengal where such institutions are numerous, can be easily imagined, as also the increasing difficulty which it imposes upon them of carrying out the functions imposed by the Act of watching the affairs of such institutions as are definitely recognised as banks.

A further reason for early consideration of the problem is the differentiation of treatment which the debt restriction measures recently passed or under consideration by Provincial Governments make between scheduled and the non-scheduled banks. The Board agree that it is important that some such differentiation should be made between the larger banks which may be assumed to keep proper accounts, and the smaller in respect of which further local regulation may be necessary to prevent money-lending practices. Unfortunately, however, where such differentiation has been made one result is that certain banks which did not in the past possess sufficient capital resources to bring them within the five lakhs limit prescribed for the second scheduled have made such increases as will bring them over the border line, and there are indications in certain cases that this has been effected by manipulations or other transactions which do not really add to the strength of the institution.

A further important consideration is that recently brought to the notice of the Central Government by our letter No. C.199 of the 18th May 1939 which Government agreed with us should be communicated to the public. It is apparent from it that though the penal clauses imposed by section 42 of the Act are amply adequate to ensure that any really solvent institution will maintain its balances at the prescribed level, the Act does not provide sufficient deterrent for those which are in real difficulty, and it is in such cases that in the interest of the depositors special measures would appear to be more particularly required.

In the light of the information which we have collected, we have formulated certain tentative conclusions in a memorandum which forms an annexure to this letter. They are based on the general principle that the primary objective must be to safeguard the interest of the depositor. It probably never will be possible by legislation to prevent simpletons from being deceived by specious promises of high profit. A depositor, however, stands on a different footing when he places his money with a bank on current account at a very low rate of interest or without interest at all, because he thinks that it will be safe. If the Legislature wishes to protect him, and it is obviously in the interest of the development of the country that he should be protected, so as to encourage him to save and to deposit his money with banks as a preferable alternative to hoarding and as a preliminary to investing his money in Government loans or industrial enterprises, we must take such measures as will ensure that any institution calling itself a bank which receives money on current account should first have sufficient resources to enable it to operate on a scale large enough to make it humanly possible for it to make a reasonable working profit even if it has to confine itself to proper banking business; secondly, that certain minimum restrictions should be imposed on its investments to ensure that there are limits to the loss which the depositor can incur if it fails; thirdly, provision must be made to expedite liquidation proceedings so that if a bank does fail the depositor will get what is left with the minimum delay and litigation expenes.

From this it would follow that the definition of a bank should be made as definite and limited as possible. It is not practicable in a single act to cover all credit operations or to include all institutions which take deposits, nor does it seem necessary to do so, so long as they do not call themselves banks. This will give plenty of scope to institutions under other names which exist for the purpose of financing industries, money lending, and the like. There is no immediate need to interfere with those so long as they do not call themselves banks and thus attract deposits under the misleading pretence that they really are such.

These principles are elaborated in the annexure, but the Board would like to emphasise that they are at this stage merely of a preliminary and tentative character, and set out in this form with the primary object of focussing discussion, because in view of the importance of the question the proposal will have to be widely circulated, so that detailed opinions from all concerned can be received and tabulated before recommendations are made to the legislature.

With the object of making clearer the scope of these preliminary proposals the Board has embodied them in the form of a draft bill with cross references to the memorandum. It is not their intention that the draft bill should be regarded as more than merely explanatory at this stage, as they recognise that the comments and suggestions which are likely to be received from the public will in all probability necessitate considerable modifications. In particular, they would like to make it clear that they consider it premature at this stage to come to a decision on the question which was considered by the Legislature in framing the Indian Companies (Amendment) Act, namely, whether the proposals should be embodied in a separate Bank Act or added to existing acts such as the Indian Companies Act. This is a decision which obviously can only be made when the full scope of the proposals which it is intended to present to the Legislature has been more fully determined. If they are comparatively few in number it might be simpler to add them to the Companies Act rather than to frame a separate measure which will incidentally, as the draft bill makes clear, involve the transfer from the Companies Act to the new Act of a certain number of the sections recently added by the Amendment Act. The Board would therefore prefer that attention in the present instance should be concentrated on practical proposals designed to promote banking in India on sound lines and that the question of the most suitable form of embodying them in the law might be left over till later.

If the Government are in agreement with this procedure, the Board would be grateful if they would take as early steps as possible to have this letter and its enclosure circulated to elicit the comments and criticisms of the public. To facilitate the examination of the replies they would suggest that those consulted should be invited to classify their replies as far as possible so as to correspond with the paragraphs of the memorandum, fresh proposals being grouped at the end, under paragraphs 38 and 39. To expedite the submission of a considered scheme to the legislature, they would further suggest that a reasonable time limit should be fixed for the receipt of replies, which should give ample time for banks to consult their head offices wherever situated, even in spite of the delays that may be occasioned by the war.

Letter No. L-4-20/40, dated the 28th June 1940.

From the Chamber to the Governor, Reserve Bank of India, Central Office, Bombay.

I am directed to refer to your letter No. ACD.C.56/36-39, dated the 1st November, 1939, and enclosures addressed to the Government of India, Finance Department, embodying the proposals of the Reserve Bank for banking legislation which was forwarded to this Chamber by the Government of India. As desired by the Government of India, Finance Department, I am sending you hereunder the views of this Chamber on the proposals.

The Reserve Bank of India has set out their proposals for an Indian Bank Act in a letter which they have addressed to the Government of India on the 1st November, 1939. The proposals mainly deal with the present banking conditions in the country and the main object with which these proposals have been framed are (*a*) to protect the depositors (*b*) to control and limit banking operations to well-defined banking companies and (*c*) to restrict their working to the use of cheques. The proposals therefore do not go beyond certain limits. The definition of banking which is based on the use of cheques is the foundation on which these proposals are made. It is therefore difficult for the Committee of this Chamber to decide whether they should confine their remarks to the proposals that have been laid before the public or to take a broader view and enter into a plea for a more comprehensive Bank Act which the Indian public opinion as well as the Banking Enquiry Committee and also the recent events connected with the banking business in India, urgently demand.

The indigenous system of banking in India is, as has been admitted by the Governor of Reserve Bank, "of long standing which has developed on its own lines with its own instrument for the transfer of value and recording of obligations". This system has been tried under various situations and for such a long-time that there remains very little doubt about its efficacy. This system has been and is even today the main source of supplying credit to the rural areas and agricultural industry. If there is a real need for change in the indigenous system of banking on account of modern changes in the practice and usage of international trade, it would be advisable to bear in mind the banking systems followed in different other countries of the world. If changes have to be made the object of the change should be to extend the benefits of banking and offer credit facilities to every section of the people in the country by introducing improvements on the lines that have been followed and found successful in some other countries of the world.

The Reserve Bank of India, however, has not entered into the larger field and has confined its proposals to the existing system of banking alone but there is at least one aspect of the question which should have engaged its serious attention and the proposals that it has formulated should have included some reference to this aspect. The Government of India has laid an obligation on the Reserve Bank of India to draw a scheme for supplying credit to the agriculturists of the country. The public has been expecting a clear indication of the policy from the Reserve Bank in this sphere of banking. There is evidence of the fact that the Bank made some researches in the subject but so far it has not found even a tentative scheme for providing credit to the agriculturist. The procedure and the ways and means to provide the much needed finance to the agricultural industry of India has not yet been defined and the problem remains still unsolved. Looking at the proposals of the Bank from this point of view, it appears that the changes and the improvements that it desires to make in the present working of the existing banks in India will be a small gain or may not be of any benefit at all to the millions of this country to whom the Banks should provide credit facilities if it aspires to render service to the public and supply credit to those who need it most. It must be clear to everyone who follows these proposals with care that the anxiety of the Reserve Bank to protect the depositor is the only object which has actuated it to offer these proposals. And this is a worthy object. But India is an agricultural country for all time to come. Agriculture itself may be a highly organised industry, and India, too, will see that her agricultural industry runs on better lines and therefore the need for agricultural finance and supply of credit to the peasant will be still greater. As it is, the peasant's need of credit facilities to finance the crop from harvest to harvest is so acute and so urgent that the Reserve Bank should have given first and foremost thought to this problem and done something to relieve the burden and the anxiety of the tiller of the soil who is even today the mainstay of the economic fabric of the country.

The indigenous system of banking, too, cannot be dismissed lightly by assigning the Mahajans and Banias a role outside the orbit of Joint Stock Banking, which the proposals of the Reserve Bank clearly suggest. The abuses attached to the money-lending business in India are so well-known that they need no reiteration here. But the fact remains that it is after all the *bania* who supplies the much needed finance to the cultivator and enables him to put his plough to ground. If it is not possible to absorb the *banias* into a very wide circle of the activities of the Reserve Bank, it should at least be possible to improve the system of indigenous banking by introducing changes which should induce the *banias* and *mahajans* to maintain their service by offering credit facilities to the agriculturists without some of the glaring abuses attached to money-lending.

In short, in these proposals the Reserve Bank has studiously avoided any reference to the deliberations and recommendations of the various Banking Enquiry Committees and particularly the guidance given by the Central Banking Enquiry Committee regarding the the future trend of banking legislation in India. It appears to the Committee of this Chamber that a comprehensive Indian Banking Act is very urgently needed and now that the Indian Companies Act and the Indian Insurance Act have been placed on the Statute Book, it is but natural that an Indian Banking Act —a comprehensive measure to include all aspects of banking activities in the country, should soon be passed by the Central Legislature. The Committee would now offer in the following paragraphs their considered opinion regarding the provisions of the Draft Bill.

The Committee desire at the very outset to observe that they are in general agreement with the Reserve Bank of India so far as the principle underlying these proposals is concerned, namely, protecting the depositors and eliminating some of the glaring drawbacks and sources of weakness of the Banks. It should therefore be suggested that the Draft Bill should have prescribed a standard from a balance sheet for banks which must be submitted and scrutinised by the Auditors of the Reserve Bank of India. Such a recommendation, in the opinion of the Committee, would eliminate chances of manipulation of figures which, it is feared, is not an uncommon practice.

As the proposals are confined to such joint stock companies as are registered under the Indian Companies Act and the foreign banking companies, the definitions in the Bill do not require any comments.

Clause 4(1).

Clause 4 is comprehensive except in one respect. It does not mention cheques in clause 4(1), where a long list of credit instruments such as hoondees, bill-of-exchange, promisory notes, coupons and etc., has been given. The word 'cheques' should also be added to the names of these instruments of credit.

Clause 4(2).

In this clause the Banks are allowed to carry on "agency business of any description", which in the opinion of the Committee includes insurance also. But the experience of the business community is that banks who are themselves agents of some insurance companies do not extend ready help and credit facilities to clients who offer cover notes of other insurance companies and do not accept these covers. It is therefore very undesirable that banks should be allowed to become agents of insurance companies. The clause should be accordingly amended and words "Insurance agents or" should be added after "other than the business of".

Clause 5.

This clause requires companies doing banking business to use the word 'bank', 'bankers' or 'banking' as part of their name. It is also provided that that this provision will take effect after the expiry of two years from the commencement of this Act. The period of two years seems to be unreasonably long and the Committee suggest that it should be one year only, which seems to be reasonable and the clause should be so amended.

Clause 6.

This clause mentions "managing agent" but the term is not defined in the Bill. The Committee therefore suggest that the definition of "managing agent" given by the Indian Companies Act should be incorporated in the Bill.

Clause 7.

It is an important provision and the Committee of this Chamber are in complete sympathy with the Reserve Bank of India in their anxiety to raise the limit of capital for banking companies and therefore minimum capital must be fixed for all banks but the Committee do not feel justified in recommending the minimum of 1 lakh of rupees and consider it a very high figures for a country which is proverbially poor and whose resources are small and the habit of banking is not wide-spread or well developed. There seems to be no reason why the Reserve Bank of India should go back on the recommendations of the Central Banking Enquiry Committee and fix a minimum figure which is double the amount recommended by that Committee. There is no justification whatsoever to disregard the direction given by the Indian Companies Act as well as the Central Enquiry Committee in respect of minimum amount of capital which Banks should possess. It is therefore recommended that the amount of paid-up capital and reserve should be 50,000. The Committee, however, are of the opinion that the amount may be raised for banks who are working in big towns and the principle which the Reserve Bank has followed in this regard should be accepted. But the amount prescribed for big towns should also undergo a drastic change and be fixed at a lower level than the Bank has suggested. The following scale is recommended for fixing the limit of minimum capital.

(1) The minimum capital should be Rs. 50,000.

(a) for Bombay and Calcutta the minimum limit should be Rs. 2 lakhs.

(b) in the towns with a population of over one lakh the minimum capital should be Rs. 1 lakh.

(c) the limit of Rs. 20 lakhs should be reduced to Rs. 5 lakhs.

Clause 7(2).

It is a provision with which the Committee of this Chamber is in perfect agreement. Subscribed capital of a Bank should not be less than half of its authorised capital and its paid-up capital should not be less than half of its subscribed capital.

Clause 10.

This clause requires banking companies to file with the Register a statement showing the amount of cash reserves and has also given certain other details which should appear in the statement. The Committee of this Chamber suggest that the statement should be sent and returns made to the Reserve Bank directly and the Reserve Bank should be made responsible of working the future Indian Bank Act.

Clause 11.

It appears to the Committee that the provision of maintaining in cash or unencumbered securities of the value of 30 per cent. of the total time and demand liabilities is a controversial point. A direct result of this provision would be that the funds of a Bank would be immobilised and banks who do not possess vast resources will find it difficult to do so unless the Reserve Bank is prepared to offer greater facilities for rediscounting and unless this done, it would not be helpful to ask the banks to maintain 30 per cent. of their liabilities in approved securities. The Committee therefore suggest that the Reserve Bank should give an undertaking to offer facilities for rediscounting. If this is done the provision would work well and contribute to the healthy growth of banking.

Clause 15(1).

The period of stay of all action and proceedings against a banking company to a maximum of two months is considered to be harsh. It would create difficulties. The Committee suggest that at least four months should be allowed in such cases.

Calcutta Municipal Amendment Bill.

Letter No. 821(5)M, dated the 20th June 1940.

From the Deputy Secretary, Government of Bengal, Department of Public Health and Local Self-Government, to the Chamber.

I am directed to forward herewith a copy of the Calcutta Municipal (Amendment) Bill, 1940 and to request that you will be so good as to favour this Department with an expression of the opinion of your Chamber on the provisions of the Bill by the 1st of August 1940 at the latest.

Letter No. L-4-28/40, dated the 18th September 1940.

From the Chamber to the Deputy Secretary to the Government of Bengal.

I am directed to refer to your letter No. 821(5)M, dated the 20th June, 1940 and subsequent reminders and give below the views of the Committee of this Chamber on the Calcutta Municipal (Amendment) Bill, 1940.

In expressing their views on the Calcutta Municipal (Amendment) Bill, 1940, the Committee of the Muslim Chamber of Commerce are conscious of the acute controversy raging over some of the provisions of the Bill. In the light of the experience gained of the administration of the Corporation under the Act of 1923 and the broad and generally accepted principles which must be borne in mind while considering legislation which aims at improving the civic affairs of the City and safeguarding the interests of the ratepayers, the Committee are of the opinion that the proposed Bill is not a day too late.

Public criticism of the administration in regard to inefficiency, favouritism and corruption has become loud and persistent. In fact the present Bill, which is a practical step taken by the Government for the first time in the last seventeen years to improve the admittedly unsatisfactory conditions has been welcomed by the merchant community of the City with feelings of gratefulness. The abuses which have crept into the administration of the Corporation appear to be deep rooted.

All efforts to remove them by the elected representatives of the public have ended in dismal failures as the influence exerted by the different parties in the Corporation always proved so heavy a burden as to clog the wheels of progress. It will serve no useful purpose to reproduce here instances of utter disregard of the existing law and of the interests of the ratepayers, unjustified use of authority in the interest of parties in power and carelessness in handling the finances to demonstrate the urgent need of a drastic reform in the administration of the Corporation.

It is, however, strange that while all schools of thought agreed that the house had to be put in order, no one came forward with any definite proposals on the subject. The Committee of this Chamber therefore feel that it was in these circumstances the undoubted duty of the Government to come to the help of the ratepayers of Calcutta and bring forward a measure of reform for eradicating the evils and ensuring a steady and progressive growth and betterment of the civic administration of Calcutta.

There is an aspect of the problem which in the opinion of the Committee of this Chamber is of great importance and which so far has not received the attention it deserves. It has a direct bearing on the economic well-being and the wealth producing section of the population—mostly working classes—living in this City. The insanitary conditions prevailing in areas known as Bustees, are factors which militate against the health of the City and contribute directly in the spreading of epidemics and infectious diseases. The majority of the dwellers in these areas happen to be a class of people who are the mainstay of the economic life of the City. If labour cannot be provided with clean and reasonably comfortable dwellings it reacts directly on the progress and growth of trade and industry. Even unskilled labour working in big cities, which can be replaced without any great difficulty, on humanitarian principles requires sanitary surroundings which must be supplied to them by the municipalities.

The Report of the Royal Commission on Labour in India, throws a lurid light on conditions obtaining in Calcutta and Howrah. "One fact which stands out from the outline we have given is that the action taken by the parties concerned—employers, Government and local bodies—is in inverse ratio of their responsibility. Employers have done most; municipal councils least. The latter are primarily responsible for the health of their citizens, and that responsibility cannot be discharged in the industrial cities unless a vigorous attempt is made to improve housing". The death rate shown in the tables for Tangra and Manicktolla alone show the heaviest toll in deaths, the rate being 52.3 and 50.7 respectively. Ill-fed, ill-housed and therefore unhealthy labour lead to a deterioration of the industrial output which in turn has its repurcussions on trade and commerce. The Committee are also concerned seriously over the condition of roads in the City and especially in its outlying and industrial parts. Transportation of goods and raw material is being interfered with while deliveries at warehouses and the docks are impeded and delayed.

There are some features of the proposed legislation on which it is not possible for the Committee to express their views without some hesitation. The autonomy and freedom from interference of the Government of the day is the most prized and jealously guarded privilege of a Municipal Corporation and it hurts the selfrespect of a citizen to part with it. The present Bill proposes to give certain powers to the Government which, if used, will deprive the Corporation of its autonomous character. But it must be remembered that these provisions do not introduce any new or revolutionary principles. They are emergency powers and have been incorporated in the Bill to clarify and remove difficulties. Such powers Governments have always reserved for themselves and are by no means unknown.

The Committee of this Chamber however feel that the mere fact that such powers are vested in Government and can be used, may act as a warning to those in power in the Corporation, and they earnestly hope that no occasion will ever arise to use them.

The question of recruitment for services through an independent Service Commission is another important matter included in the Bill. The Corporation of Calcutta maintains a large number of employees of different grades but the system of making appointments has given rise to serious complaints and grievances. These have assumed an importance which overshadows all other vital problems. If the Corporation administration has to run efficiently, it is necessary that the executive should be placed above petty intrigues and rivalries. It is the view of my Committee that the Councillors should be legally debarred from exerting any influence in the matter of appointments. If it is desired to cut at the root of the abuses, it would be necessary to take the entire question out of the jurisdiction of the Corporation and entrust this functions to an independent body. The idea of an independent body to select and appoint staff for the Calcutta Corporation is nothing more than acceptance of the principle which governs all public services in the different provinces and at the Centre.

Clauses 15 & 16.—The amount of Rs. 1,000 as security for costs for election petitions is excessive, particularly when the Bill contemplates lowering the franchise and increasing the electorate. It should therefore be reduced to Rs. 500.

Clause 17.—It is proposed that the appointment of the Chief Executive Officer should be made by the Provincial Government and he should be removed from the sphere of influence of individual councillors and aldermen of the Corporation. The provision is not an innovation as Executive Officers of Municipalities in some of the provinces are appointed by provincial governments and are usually officers in the Government service. Bombay, Madras and other large towns follow this practice. It would therefore be a welcome departure from the present practice to have a Chief Executive Officers who is not, so far as the administration is concerned, under the influence or control of the councillors or aldermen. The

Committee of this Chamber however consider it imperative that members of the provincial service should not be eligible for the appointment. If a member of the Indian Civil Service is not available the Government should secure the services of an officer from some other Imperial service for the post. The Committee would urge upon the Government the importance of the fact that the officer lent to the Corporation shall be a servant of that body and will not turn the institution into a department under its own direct control.

My Committee is compelled to draw the serious attention of the Government to the fact that the proposed Bill does not remove the difficulties which the mercantile community and the generality of the citizens have to suffer under the Rules and Regulations governing every branch of the Corporation administration and almost every section of the Act. It is therefore respectfully submitted that steps will be taken at an early date to amend the whole of the Act to satisfy the growing needs of the City.

Drugs Bill.

Letter No. GB-4-11/40, dated the 26th March 1940.

From the Chamber to the Secretary, Government of India, Department of Education, Health and Lands, New Delhi.

I am directed by the Committee of the Muslim Chamber of Commerce to forward for your information their views on the provisions of the Drugs Bill, as published in the *Gazette of India*, dated the 3rd February, 1940.

It may be pointed out that the demand from the commercial community to implement the recommendations contained in the Drugs Enquiry Committee Report, which was published in 1931, resulted in the introduction of a Bill by the Government of India in 1937. That Bill, however, was withdrawn and has now been replaced by the present Bill which appears to possess certain improvements which were lacking in the former Bill. But the Bill does not provide any uniform provision for the standard of quality for Drugs manufactured in the country. The matter, in the view of my Committee, should not be left to the discretion of the Provincial Governments.

The question of the regulation of the manufacture, distribution and sale of drugs in Indian States has not been covered by this Bill. Unless a uniform standard is fixed by the Government of India for the Indian States as well as for British Indian Provinces the difficulties that are facing the drug manufacturing industry at the present day will not be removed. Difficulties of a constitutional nature can be overcome by the Government of India through reciprocal agreements with the States.

It is also advisable that the Government of India should now provide for a uniform policy of excise for all provinces. Free movement of drugs from one Province to another is difficult so long as a uniform excise policy is not adopted. The non-uniformity which has prevailed in this respect so far has been a great handicap to the industry. The matter was brought to the notice of the Government by the Eighth Industries Conference, 1936. As a Conference of representatives of Indian States and Provincial Governments was called in 1937, to discuss the problem of Excise. It is, therefore, necessary that the present Bill should provide for uniformity in respect of excise regulations affecting pharmaceutical preparations.

The Committee also desire to emphasise that the Government should not recognise only British Pharmacopoeia. The Bill specifically mentions this alone to the exclusion of other pharmacopoeias. India imports drugs and medicines from U. S. A., France and continental countries which have been greatly in demand in the Indian market for a considerable time. It is, therefore, advisable to recognise pharmacopoeias of other countries as well and not to limit the scope of the Bill to the British pharmacopoeia alone.

I am directed to give below detailed criticisms of the Bill :—

Clause 1(3).

It is provided that Chapter III shall come into force from such date as the Central Government may fix and that Chapter IV shall come into force on a date fixed by the Provincial Government. It is suggested that the operation of Chapter III, which relates to the importation of drugs, and of Chapter IV, which relates to the manufacture, distribution and sale of drugs if not effected simultaneously may result in creating a disparity of regulations. Chapter III and Chapter IV should be enforced simultaneously by the Central and the Provincial Governments on a date which should be mentioned.

Clause 5(2).

This sub-clause provides for the constitution of the Drugs Technical Advisory Board the main function of which is to advise the Central Government and the Provincial Governments on technical matters only. The Board will consist of 11 members five of whom will hold office by virtue of their holding certain Government offices, two would be nominated by the Government and only four will be elected. The Board thus will be an official organisation and the interests of trade will be represented by a small minority. As the Board contemplates to advise on technical matters relating to manufacture, sale and distribution, it should include members representing these interests while non-officials should form the majority. If this is not done the manufacturing interests and the general public may not repose that confidence in the Board which is essential for its success. At least two seats on the Board out of the five reserved for officials should be exclusively allotted to representatives of trade.

Clause 6(2).

This sub-clause provides that the Central Government after consulting the Board shall make rules prescribing the functions of the Central Drugs Laboratory. It may be pointed out that in making these rules the Central Government should act in accordance with the advice tendered by the Board.

Clause 7(1).

The word "First" in the fourth line of sub-clause (1) of Clause 7, contemplates more than one schedule for the standard quality of drugs. It is suggested that there should be one set of standards and one schedule for imported drugs and drugs manufactured in India. The word 'First' in the fourth line, should be deleted.

Clause 7(2).

Consequent to the suggestion of the above sub-clause the word 'after' should be substituted by 'in' in the 1st line and the word 'First' in line 5 should be deleted.

My Committee also suggest that as three months' notice would be insufficient, the period of notice should be extended to six months.

Clause 9. Proviso 2.

Such imports are likely to jeopardise the interests of the importers of genuine quality. It is, therefore, desirable to delete this clause; and, in case it is necessary to import such drugs, the Central Government should, in consultation with the Board, issue Notifications for this purpose.

Clause 10(2).

This power should be vested in the persons authorised by the Central Government and not by the Provincial Government as proposed in this clause.

Clause 12.

The words 'with imprisonment which may extend to one year' should be deleted.

Clause 15(2).

It has already been suggested that there should be one schedule of standards and the power of adding to or amending the schedule should be vested in the Central Government, after consultation with the Board.

Clause 21.

This clause defines powers to inspect the process of manufacture plant, and means employed for standardising and testing the drug. Such power will cause leakage of trade secrets. Besides, in the case of finished products, it is unnecessary for the Inspectors to inspect the process of manufacture etc. The provision may create difficulties and cause embarrassment to the manufacturers.

Clause 24(3).

Notice of seven days being insufficient it is suggested that 'seven days' should be substituted by 'fifteen days'.

Schedules I and II.

It has already been suggested that there should be only one schedule both for imported drugs and indigenous drugs. If different schedules for imported drugs and indigenous drugs are maintained the interests of indigenous drugs will suffer.

Letter No. F-54-18/39-H, dated the 9th April, 1940.

From the Government of India, Department of Education, Health and Lands, New Delhi, to the Chamber.

I am directed to acknowledge the receipt of your letter No. GB-4-11/40, dated the 26th March 1940.

Insurance business carried on by Trade Unions.

Letter No. 3191(11)-Com., dated the 20th September 1940.

From the Joint Secretary, Governcent of Bengal, Department of Commerce & Labour, Calcutta, to the Chamber.

I am directed to forward herewith a copy of the Government of India, Department of Commerce, letter No. 686-1(1)/40, dated the 4th September 1940, regarding their proposal for applying the Insurance Act, 1938, with certain modifications to insurance business carried on by Trade Unions registered under the Indian Trade Unions Act, 1926, and to request that this Government may be favoured with an expression of opinion of your Chamber on the proposal so as to reach them not later than the 30th September 1940.

Letter No. 686-1(1)/40, dated the 4th September 1940.

From the Secretary to the Government of India, Department of Commerce.

I am directed to invite your attention to the position of insurance business transacted by Trade Unions registered under the Indian Trade Unions Act, 1926. Under the provisions of that Act, a Trade Union is allowed to carry on any form of insurance activity without being under any obligation to secure professional advice as to the actuarial soundness of such insurance business. Moreover, by virtue of section 118 of the Insurance Act, 1938, any insurance business carried on by a Trade Union is not subject to the provisions of that Act.

2. I am to suggest that in the interests of the trade unionists themselves it is desirable that such a highly technical business as insurance should be carried on as a side activity by Trade Unions without the protection of supervision by any Department of Government having the necessary technical staff to exercise it. There is also a possibility that persons who have in the past been carrying on unsound schemes of insurance now banned by the Insurance Act may seek the shelter of the exemption granted to Trade Unions for the purpose of continuing their unsound methods from within the Trade Union Movement.

3. The most common example of unscientific schemes carried on in the past and prohibited by the Insurance Act, 1938 is what is

known as insurance business on the dividing principle. A description of such business may be found in section 52 of the Insurance Act, 1938 which section prohibits insurers from indulging in such schemes. Similarly section 69 of that Act prohibits provident societies from doing business on the dividing principle. This form of insurance business has no scientific basis, is inherently unsound and has been condemned by the actuarial profession. It offers a large scope for fraud on the part of agents and the persons in charge of the business. Although the business might superficially report progress at the initial stages as long as the membership is increasing, past experience and actuarial considerations show that when membership falls, as it eventually must, the members existing at the time the decline sets in are left with little or no protection to show for their contributions. In the past, many insurers and provident societies carrying on such business have failed, involving a loss of large sums of money to a considerable number of policy holders.

4. There is nothing at present to prevent Trade Unions carrying on insurance business on the dividing principle and some Trade Unions appear to be actually doing so. There has moreover been a case of an insurer transferring all his insurance business on the dividing principle to a Trade Union which is carrying it on unhampered by the restrictions imposed by the Insurance Act in the interests of policy holders.

5. It appears therefore that it is necessary to consider carefully the question of controlling the insurance activities of Trade Unions. Objections may be anticipated on the ground that any such control will curtail the privileges of Trade Unions, but in fact supervision of the business by qualified persons is actually not a curtailment of the privileges of a trade Unionist but a benefit conferred on him. In the interests of the members of trade unions and to afford proper guidance to and supervision over managements, who have little knowledge of the proper conduct of insurance activities, the Central Government therefore proposes to consider the application of the Insurance Act, 1938, with such modifications as may be necessary to insurance business carried on by Trade Unions.

6. It appears that the following modifications in the provisions of the Insurance Act, 1938 may be necessary or desirable before applying it to the insurance business of a Trade Union :—

(a) Deposit provisions may be the milder ones provided for Mutual Companies and Co-operative Societies in Section 98 and not the more onerous ones in section 7. This is a concession to the Trade Unions in view of their financial resources and of the fact that they resemble mutual concerns rather than proprietory ones.

(b) The minimum limits prescribed in section 4 may not apply to Trade Unions which may want to encourage insurance business among the poorer members equally with members who can afford to insure for more than Rs. 500.

(c) Section 6 relating to working capital may not apply, which is again a financial concession as (a) above.

(d) The provisions of part III may apply to the insurance business conducted by a Trade Union if the limits set in section 65 and 66 are strictly conformed to. The provision relating to the working capital may, however, be dispensed with. It is suggested that so far as they are not inconsistent with the concessions already proposed in this paragraph the other provisions of the Act, its schedules and the Rules framed under the Act should apply in *toto* to the insurance business carried on by the Trade Unions in view of the considerations set out in the previous paragraphs.

7. I am to request that the Provincial Government will favour the Central Government in this Department with an expression of their opinion on the above proposal and suggestions and with the opinions of such selected individuals, Trade Unions etc., as they may think fit to consult on the subject.

8. The reply to this letter may be sent so as to reach this Department by the 1st November 1940.

Letter No. L-4-31/40, dated the 26th September 1940.

From the Chamber to the Joint Secretary, Government of Bengal, Department of Commerce & Labour, Calcutta.

I am directed to refer to your Circular letter No. 3191(11)-Com., dated the 20th September, 1940, and to say that the Committee of this Chamber are in complete agreement with the views of the Government that the insurance business carried on by Trade Unions should be controlled and supervised and that relevant provisions of Part III of Insurance Act, 1938 be modified and applied to Insurance undertaken by Trade Unions. Accordingly sections 70, 71, 72, 73, 81 and 85 of Part III of Insurance Act will have to be suitably amended to suit the cases of insurance undertaken by

Trade Unions and section 118 shall have to be amended to make the Insurance Act applicable to Trade Unions.

Industrial and Labour Statistics Act.

Letter No. 2301(11)-Com., dated the 9th July 1940.

From the Secretary, Government of Bengal, Department of Commerce, to the Chamber.

I am directed to forward for the information of your Chamber a copy of a letter No. 140-S & I(19)/39, dated the 12th June, 1940, from the Government of India, Department of Commerce, regarding the proposed Industrial and Labour Statistics Act, and to request that this Department may kindly be furnished with an expression of the views of your Chamber on the general provisions of the proposed measure as contained in para. 2 of the letter, as early as possible.

Letter No. 140-S & I(19)/39, dated the 12th June 1940.

From the Secretary, Government of India, Department of Commerce.

I am directed to say that the question of collecting certain statistics concerning labour and industry is engaging the attention of the Central Government for some time past. As the Provincial Government are no doubt aware, the Eleventh Industries Conference, held at Mysore in December 1939, recommended that the Central Government should undertake legislation in the matter on the basis of the proposals submitted by Dr. Matthai in this connection, *vide pages* 25-31 of the Proceedings of the Conference (Bulletins of Indian Industries and Labour, No. 69). The Labour Ministers' Conference, held at new Delhi in January 1940, before which the subject was placed was also of the opinion that the collection of certain statistics with reference to industries and labour was most desirable, that the collection could be done in the form required if there was statutory backing or compulsion behind it and that the best method by which statutory compulsion could be exercised was by an act passed by the Central Legislature. The Conference also laid emphasis on the fact that the value of the statistics would depend almost entirely on the uniform procedure and uniform methods adopted for their collection and that if this uniformity were to be achieved, the power of making rules under the Act should be subject to the control of the Central Government.

2. In the circumstances explained above, the Central Government propose to undertake the necessary legislation in the matter. They intend framing a general statistics bill whose main features will be—

(1) a provision authorizing the Provincial Government, by notification in the Official Gazette, to direct the collection of statistics relating to all or any of the following matters by an authority prescribed in this behalf :—

(*a*) factories or any class of factories; factories being concerns defined as such in clause (*j*) of Section 2 of the Factories Act, 1934 as well as those declared to be factories under section 5(1) of that Act;

(*b*) welfare and conditions of labour; and

(*c*) industrial and labour disputes;

(2) provisions relating to the issue of notices by the prescribed authority to employers to furnish returns and authorising that authority to have access to documents in the custody of the employer and to enter, at any reasonable time, any factory, shop or place of business of the employer :

(3) Provisions for the publication of the statistics compiled from the said returns, subject to arrangements which will secure that without the employer's consent particulars relating to any person or business shall not be disclosed, together with a penalty for unauthorized disclosure.

(4) A provision conferring rule-making powers upon Provincial Governments, which powers would be exercised (if His Excellency the Governor General in his discretion is pleased to give his previous sanction to this provision) subject to directions issued from time to time in this behalf by the Central Government, this rule-making power would cover, in particular, the following matters, namely—

the particulars to be furnished in relation to any matter in respect of which statistics may be collected; the manner in which notices calling upon employers to submit returns may be issued; the time within which such returns shall be furnished.

3. The Government of India consider that it would be within the competence of the Central Legislature to enact such a measure as the subject matter thereof would be covered by the entries in

Part II of List III in the Seventh Schedule to the Government of India Act, 1935. Before, however, they proceed with the necessary legislation, they would be glad to have the opinion of the Provincial Government on the Provisions of the proposed measure. I am accordingly to request that, if there is no objection the views of the Provincial Government on the various provisions may be obtained and communicated to this Department at a very early date.

Letter No. L-4-27/40, dated the 6th September 1940.

From the Chamber to the Secretary, Government of Bengal, Department of Commerce.

With reference to your letter No. 2301(11)-Com., dated the 9th July, 1940, I am directed to inform you that my Committee have no comments to offer on the proposed Industrial and Labour Statistics Act.

The Proposed Bengal Sales Tax Bill.

D. O. No. 2397(10)F, dated the 19th September 1940.

From the Government of Bengal, Finance Department, to the Chamber.

I am directed to say that the Government of Bengal intend to introduce into the Legislative Assembly in November next a Bill to authorise the levy of a sales tax; it is intended to be a one-point tax and, broadly speaking, to be a tax on retail sales; as far as possible the tax will be levied on sales to actual consumers, subject to two important considerations :—

(1) The cost of collecting the tax must be kept as low as possible;

(2) The degree of disturbance to business or of interference with the normal flow of trade must be reduced to a minimum.

2. Certain proposals for this purpose have been framed and are now under technical examination prior to being embodied in the form of a Bill. In the meantime I enclose a copy of a note in which these proposals are described in some detail, together with a schedule of goods which it is proposed to exempt from the tax and copies of some draft forms which will be required for the

administration of the Act. These forms will follow in three or four days. These papers will indicate how the Act would be worked in practice, and I am to ask if you will kindly arrange to have these proposals considered by the Committee of your Chamber and if you will favour Government by October the 3rd with their opinion generally whether the proposals are calculated to give effect to Government's intentions outlined in paragraph 1 above, and in particular upon any point about them which they consider calls for criticism or comment.

It is realised that the time is probably too short for consulting your members individually : perhaps your committee could make a preliminary review of the general principles of the proposals and furnish their views by October 3rd, and further comments or suggestions on any points of detail might be sent later, by the 10th of November.

Letter No. L.4-30/40, dated the 25th September 1940.

From the Chamber to the Secretary, Government of Bengal, Calcutta.

I am directed to acknowledge receipt of your D. O. No. 2397(10)F dated the 19th September, 1940, enclosing a Note on the proposed Bengal Sales Tax Bill for the consideration of the Committee of this Chamber.

These proposals have been examined at the first instance by the Committee and they have desired me to express their views on the general principles underlying the levy of a sales tax. The proposals shall subsequently be examined in detail by the Committee and, it is hoped that a further communication on the subject will follow in due course.

The Committee of this Chamber are opposed to the introduction of a sales tax on different grounds. The tax on retail sales or sales to actual consumers necessrily requires complicated machinery for regulation of sales and realisation of the tax and the measure is extremely unpopular with all sections of trade and the general public. Attempts made in this direction in some other provinces have not produced gold results. The cost of collecting the tax, inspite of all efforts is not likely to be reasonable and may run into figures which should be regarded prohibitive and inadvisable.

The other main factors, to which the Government of Bengal have drawn the attention of the Committee is the risk of interference with the normal flow of trade. Conditions in this country, particularly in retail trade, are such that merchants and tradesmen will find it very difficult to organise their business on modern lines and bear extra expenses involved in making necessary adjustments for purposes of the sales tax. The extra labour and cost involved would not be realised by them in the shape of profits because the margin of profits in the trade is so low that there appears to be no chance of any increase if a small percentage of extra expenses is borne by the trade.

The Committee would like to go into greater details of these problems but they feel they would not be able to find grounds of supporting a measure of this nature, particularly at a time when trade and commerce of the country is passing through a crisis of the biggest magnitude and an element of uncertainty pervades the entire field.

Bengal Finance (Sales Tax) Bill, 1941.

Letter No. L-4-32/40, dated the 30th November, 1940.

From the Chamber, to the Government of Bengal, Finance Department, Calcutta.

I am directed by the Committee of this Chamber to submit their views on the "The Bengal Finance (Sales Tax) Bill, 1941, which has been introduced in the Bengal Legislative Assembly.

The Committee of this Chamber are unable to appreciate the urgency of a measure of this nature at a time when due to war the markets are already definitely disturbed. The necessary restrictions imposed on trade of every description have not only made normal trading extremely difficult but have also caused uncertainty regarding the future of trade and retail business which is difficult to overcome. The acute depression of the past few years and the disturbance of the natural channels of trade and commerce as a consequence of the outbreak of war have made the prospects of retail trade gloomy and the total sales and the average profits have been so meagre that an additional burden will only mean the proverbial last straw on the camel's back. The Committee therefore do not find any justification for an additional impost of such a wide application at this juncture. It would only add to the difficulties of the petty traders and the general public. The Committee are also of the opinion that the additional revenue required by the Government is not in itself a justification for imposing a tax of this nature which affects not only the petty shop-keeper but is also a great handicap in the way of the poor cultivator and the general public alike who shall have to bear ultimately the burden of this impost.

It is not the object of this communication to offer detailed criticism of the proposals formulated in the Bill, but there are a few outstanding features to which the Committee desire to invite the serious attention of the Government, namely, the rate of taxation at 2 per cent. is considered very high and might affect the demand for low priced articles. The incidence of the new tax is extremely objectionable as it is on sale and not on profit. It is obvious that the rate of 2 per cent does not leave any margin of profit to the retail shop-keepers and, if an exhaustive survey of the market is taken, it would appear that the average profit of a tradesman on several commodities taken together will not amount to more than 2 per cent and as the incidence is not on profits it would directly affect the consumer and in some cases the producer. The Committee are unable to support the principle on which the incidence of tax and the rate of the tax is based.

I may be permitted to refer to my letter No. L-4-30/40, dated the 25th September, 1940 and invite the attention of the Government to the following paragraph :—

Conditions in this country, particularly in retail trade, are such that merchants and tradesmen will find it very difficult to organise their business on modern lines and bear extra expenses involved in making necessary adjustments for purposes of the sales tax. The extra labour and cost involved would not be realised by them in the shape of profits because the margin of profits in the trade is so low that there appears to be no chance of any increase if a small percentage of extra expenses is borne by the trade.

In view of the above I am directed to request the Government to withdraw the present Bill or at least modify the basis on which the entire proposal is based. If, however, the taxation of this nature is at all necessary the schedule of exemptions attached to the Bill should be completely recast. There should be a schedule of specific commodities the sales of which would be liable to taxation, otherwise the list of exemptions should be so exhaustive that there should remain no doubt whatsoever as to the commodities and articles to which it refers.

Bengal Shops and Establishments Bill, 1939.

Letter No. 3842(15)-Com., dated the 19th December, 1939.

From the Secretary, Government of Bengal, Department of Commerce & Labour, to the Chamber.

I am directed to forward for the information of your Chamber a copy of the Bengal Shop and Establishments Bill, 1939, which was introduced in the Bengal Legislative Council on the 11th December, 1939 and referred to a Select Committee of the House with instruction to submit their report by the 28th February, 1940. I am to say that any opinion on the provisions of the Bill which your Chamber may submit to this Department by the 31st January, 1940 at the latest will be placed before the Committee for consideration.

Letter No. L-4-5/40, dated the 3rd February, 1949.

From the Chamber to the Secretary, Government of Bengal, Department of Commerce & Labour, Calcutta.

I am directed by the Committee to acknowledge receipt of your letter No. 3842(15) Com., dated the 19th December, 1939, forwarding for an expression of opinion, a copy of the Bengal Shop and Establishments Bill, 1939, which was introduced in the Bengal Legislative Council on the 11th December, 1939, and referred to the Select Committee of the House.

I am directed to submit to the Government the views of my Committee on the provisions of this Bill as under :—

Section 5 of the Bill deals with Holidays in Shops and makes it compulsory to observe at least one and a half day's holiday in each week. My Committee suggest that there should be holiday for one day only in each week and the Section should be accordingly amended. It is also suggested that as Fridays and Sundays are days on which different sections of the population would like to be free, it would be resonable, if option is given to the employer to divide, if he finds feasible, the one day of holiday into two parts. For instance, shops can observe half holiday on Friday forenoon and half holiday on Sunday afternoon. The employer will be in a better position to decide as to how he should split up one day of holiday in each week.

Section 6(1) My Committee suggest that the closing time for the shops should be 9 o'clock and not 8 P.M. and this section should be accordingly amended.

(2) The hours of work in one day should be 11 and not 10 as proposed by the Bill. The number of hours in any one week will therefore be 66, which should be provided in the Bill.

Section 7(1) Holiday in Commercial Establishments too should be for one day only in each week and not one and a half day as proposed by the Section. In this case too it should be left to the employer to decide whether one full day will be observed as holiday or half on Friday and half on Sunday.

Section 8. My Committee desire to suggest that after deducting one day in a week for holiday the working hours in a day throughout the month should be 11 hours.

Section 17(*b*) the words in the 4th line 'as he thinks' may be omitted and 'as may be necessary' should be substituted.

Section 18. Penalty Clause should be revised. The punishment of imprisonment is open to serious objections in a Bill of this nature. It is, therefore, suggested that after the word punishable in Section 18(1) 'rigorous imprisonment which may extend to six months, or' may be omitted. It may also be pointed out that the purpose of punishment shall be adequately served if the Government adopts the following procedure while framing the Rules under the Bill :—

(1) In case of first offences only warning should be given to the offenders. In case of offences under the Act committed a second time after the warning, a penalty not exceeding Rs. 50/- should be imposed by way of punishment. For the same offender who was awarded punishment as above in the first and second instances, if the offence is committed by him a third time, he may be punished under this section, and after taking into consideration the evidence for and against as also the other extenuating circumstances and the position of the firm and the employer, a penalty may be imposed which should not exceed Rs. 500.

Section 18. In Clause (2) of this Section it is again recommended that the words in sixth line beginning from 'be punishable' to 'one month', should be omitted.

Section 21. In the opinion of the Committee of this Chamber it is a section which does not come within the purview of this Bill. Privileges, amenities and concessions allowed to the employees by the employer, are a matter which rest solely on the good-will of the employer. The Section therefore should be so amended "Any privilege or amenities provided by the employer, at his good-will will not be claimed by the employee as a matter of right."

The Committee of this Chamber desire to say that further facilities for Muslims during the month of Ramzan should be provided in the Bill. The month of fasting is observed generally by all classes among the Muslims and it is usual practice among the employers to relax the working hours during the day. Besides, most of the purchases for the House hold and family requirements are done during the night. Restaurants and eating houses remain open till late in the night and re-open again at the early hours of the morning. A provision should, therefore, be added in the Bill to relax the working hours in the shops and establishments for Muslims during the month of Ramzan. It is not possible to suggest particular hours in this case and it would, therefore, be advisable to exempt Muslims from observing the hours of work laid down by the Act during the month of Ramzan.

Ordinance to close up shops on Sundays.

Letter No. 1491(45)-Com., dated the 19th April 1940.

From the Joint Secretary to the Government of Bengal, to the Chamber.

I am directed to say that since the introduction of the Bengal Shops and Establishments Bill, 1939, in the Bengal Legislative Council in December last, it has been suggested to Government that in as much as the Bill itself would take a considerable time to be passed into law, Government should, in the meantime, pass an ordinance closing the shops on Sundays. Before the matter is taken into consideration, Government would be glad to have your views on the proposed ordinance.

A reply by the 10th May next is requested.

Letter No. L.4-14/40, dated the 27th April, 1940.

From the Chamber to the Secretary, Government of Bengal, Department of Commerce and Labour, Calcutta.

I am directed to refer to your letter No. 1491(45)-Com., dated the 19th April, 1940 on the proposal of passing an ordinance to close the shops on Sundays.

My Committee discussed the question in their last meeting and have directed me to inform the Government that they are not opposed to the passing of an ordinance for the purpose of closing shops on Sundays. But they desire to impress upon the Government the need of giving Muslim merchants and shop-keepers an option to close the shops either on Fridays, if they so desire, or half-day on Fridays and half-day on Sundays, if so arranged with the employees.

This suggestion was made by the Chamber while offering its views on the provisions of the Bengal Shops and Establishments Bill, 1939 and the Committee are of the opinion that the Government will not find any difficulty in giving effect to this suggestion. In some quarters Muslims close their shops in the forenoon on Fridays. They may also close in the afternoon on Sundays, giving one day off in a week to their employees. It may be mentioned that an option of this nature to the Muslim shop-keepers will only add to the convenience of the general public.

Trade Marks Act.

Letter No. 104-D.R.(1)/40-1101, dated the 28th October, 1940.

From the Deputy Registrar of Trade Marks, Government of India, Bombay, to the Chamber.

I have the honour to enclose a copy of a letter No. 4086/94 dated the 25th September, 1940, from the Bombay Millowners' Association, regarding the constitution of the Advisory Committee to be set up under Section 66 of the Trade Marks Act, 1940, and to say that this office would be glad to the furnished with any observations your Chamber may have to offer on the subject.

Copy of a letter No. 4086/94 of 1940, dated the 25th Sept., 1940.

From the Secretary, the Millowners' Association, Bombay, to the Deputy Registrar of Trade Marks, Bombay.

I am directed to acknowledge the receipt of your letter dated the 18th instant in connection with the constitution of the Advisory Committee. The matter has been considered by the Trade Marks Sub-Committee of the Association, and they feel that, so far as cotton marks are concerned, there should be only one Advisory Committee for the whole of India which should be stationed in Bombay.

Turning to the constitution of this body, my Committee are of opinion that, in the interest of business economy and efficiency, it should consist of persons who, apart from their business experience, could be depended upon to attend the meetings of the Advisory Committee fairly regularly. The people who are likely to be interested in the working of the Act may be classified under the following broad heads :

Manufacturers, *i.e.* Mills in India,

Importers,

Bazar Traders.

This Association, which has an all-India membership, represents about 50% of the productive capacity of the country. Seventy per cent. of the working looms in the country are installed in the Bombay Province and if adequate representation is afforded to the Bombay and Ahmedabad Millowners' Associations, the position could be regarded as satisfactory so far as Indian manufacturers are concerned.

With regard to importers, my Sub-Committee feel that the Bombay Chamber of Commerce and the Indian Merchants' Chamber, Bombay, would be in a position to represent their interests satisfactorily. The custom and usage, so far as the foreign trade marks are concerned, appear to be one and the same all over India so far as Cotton Marks are concerned, and it is thought that the interests of importers generally could be served by the two organisations mentioned.

Coming to the Bazar which includes dealers in both Indian and imported goods, some of whom are also proprietors of trade marks, it is thought that they could be sufficiently represented through the three Piecegoods Merchants' Associations which exist in Bombay and the Maskati Piecegoods Merchants' Association, Ahmedabad.

My Committee have carefully considered the quantum of representation to be given to the respective parties on the Advisory Committee and they suggest that it should be afforded as under :

The Millowners' Associations of Bombay and Ahmedabad	3 each
The Bombay Chamber of Commerce and the Indian Merchants' Chamber ...	1 each

The Native Piecegoods Merchants' Associa-ciation, Ahmedabad	1 each
The Bombay Country, Fancy & Grey P. Merchants' Association, Bombay. ...	
The Hindustani Native Piecegoods Merchants Association, Bombay ...	
The Maskati Piecegoods Merchants Assotion, Bombay	

A Committee constituted as suggested above would function more efficiently and quickly than a body drawn from all parts of India; but of course, it would always be open to you to consult up-country Piecegoods and Millowners' Organizations not represented on the Advisory Committee on questions connected with particular local areas or any matter of importance which is not of a very urgent character.

Letter No. L-4-40, dated the 29th November, 1940.

From the Chamber to the Deputy Registar of Trade Marks, Bombay.

I am directed to refer to your letter No. 104-D.R.(1)/40, dated the 28th October, 1940, on the above subject and to thank you for the enclosed copy of a letter from Bombay Millowners' Association regarding the constitution of the Advisory Committee to be set up under Section 66 of the Trade Marks Act, 1940. My Committee have considered the subject carefully and are of the opinion that considering the important functions which the proposed Advisory Committee is intended to perform, it would not be advisable that all the members who constitute the Committee should be drawn from one particular area however important it may be at present from the view point of the textile industry. The Advisory Committee is intended to be an impartial board of wide out-look and independent character and its decisions are likely to influence the growth and expansion of the industry not only in a particular province but all over the country. It is therefore advisable to bear this in mind when the question of the constitution of a Advisory Committee under Section 66 of the Trade Marks Act, 1940 is under contemplation. The Committee of this Chamber therefore suggest that if it is proposed to constitute one Committee for the whole of India it should be located at Nagpur which is a central place and in many respects suitable to be the headquarters of the Advisory

Committee. If, however, the Government decides to set up two Advisory Committe then it would be convenient to have one at Bombay and the other at Madras.

Bengal Village Self-Government (Amendment) Bill, 1939.

Letter No. 1620(16)-L.A., dated the 16th April, 1940.

From the Secretary to the Bengal Legislative Assembly, to the Chamber.

I am directed to forward herewith a copy of the Bengal Village Self-Government (Amendment) Bill, 1939, by Maulvi Mohammad Israil, M.L.A., with the Statement of Objects and Reasons and to request that you will be so good as to favour this office with an expression of opinion of your Chamber on the provisions of the Bill.

2. I am to request that reply may be sent so as to reach me by the 30th of June, 1940.

Letter No. L.4-15/40, dated the 27th April, 1940.

From the Chamber to the Secretary, Bengal Legislature Assembly, Calcutta.

I am directed to acknowledge receipt of a copy of the Bengal Village Self-Government (Amendment) Bill, 1939 by Maulvi Mohamed Israil, M.L.A., which you have so kindly sent me. The provisions of the Bill were considered by the Committee of this Chamber in their last meeting and I have been directed to inform you that the Chamber accepts the principle underlying the Bill. But the Committee do not think that a detailed criticism of the provisions of the Bill would serve any useful purpose at this stage.

Set off of Bad-debts.

Letter No. GB-11-2/40, dated the 19th March, 1940.

From the Chamber to the Commissioner of Income-Tax, Bengal.

With the introduction of the Excess Profit Tax Bill the matter of set off of bad-debts has assumed greater importance and enquiries have been addressed to this office for clarification.

At present the Income-Tax Officers disallow the bad-debts written off until according to them it matures in the third year after such writing off and continue in the meantime to consider them as profits liable to income-tax.

With the advent of Excess Profit Tax this method will have an adverse effect on the merchants. The bad-debts written off will be added to profits and the Excess Profit Tax will be charged on it.

The Excess Profit Tax may be abolished next year when in the third year the bad-debts mature. In this case the assessee will not be able to get refund of Excess Profit Tax. With regard to income-tax, of course, the matured sum of bad-debts is deducted in the third year out of the profits shown in the return.

I shall be obliged if you will kindly let me know if the same procedure will be followed regarding bad-debts when assessment is made for Excess Profit Tax. As it is a technical point I shall be obliged if you will please enlighten me.

Letter No. 595/2L/6C.T. dated the 8th April, 1940.

From the Commissioner of Income-Tax, Bengal, Government place, West, Calcutta, to the Chamber.

With reference to your letter quoted above, I have the honour to say that under section 10(2)(xi) of the Income-Tax Act it is the duty of an Income Tax Officer to allow such sums in respect of bad and doubtful debts as he may estimate to be irrecoverable but not exceeding the amounts actually written off in the books of the assessee. The question as to whether a particular debt is bad and when it became bad is therefore entirely a question of fact to be decided in the circumstances of each particular case. As to the effect of the Excess Profits Tax, on the question of bad debts all I can say at present is that so far as I am aware—the Excess Profits Tax Bill has not yet become law and no copy of the Act has yet been received here. I am therefore unable to say at present how the question of bad debts will be dealt with for the purpose of Excess profits.

Profits made in Burma prior to its Separation from India.

Letter No. GB-11-9/40, dated the 18th June, 1940.

From the Chamber to the Secretary Central Board of Revenue, New Delhi.

I am directed to invite your attention to the assessment of incomes arising in Burma before the separation of that country from India under section B of the Form of return of total income and total world income under sub-section (1) or (2) of Section 22 of the Indian Income-Tax Act, 1922 as amended in 1939.

The working of the Indian Income-Tax Act appears to be the same for remittances from Burma as from other countries, although Burma was part and parcel of India upto 31st March, 1937 and the same Income-tax system worked in both the countries till the financial year 1936-37. It is only from the financial year 1937-38 that there has been separate assessment. Therefore all the incomes that arose before the separation of Burma from India or more correctly all the incomes till the financial year 1936-37 in Burma were assessed either in Burma or in India but the Income-Tax Officers do not recognize this contention of merchants and they consider incomes which accrued or arose in Burma after 1st April, 1933, liable to tax, if brought into India now. It is unjust and inequitable to tax the same income twice *e.g.*, to tax such incomes that accrued or arose in Burma after 1st April, 1933 but before separation and which has already been assessed by the Government of India in the assessment year 1936-37, and is now brought into India.

I am therefore directed to request you to kindly issue instructions to the Income-Tax Officers in this connection for exempting from tax such remittances from Burma as has already been assessed by the Government of India before the separation of Burma and which are now brought into India, in order to save ratepayers from double taxation.

Letter No. 26-(20)-I-T./40, dated the 7th August, 1940.

From the Secretary, Central Board of Revenue, New Delhi, to the Chameber.

With reference to your letter Ref. No. GB-11-9/40, dated the 18th June, 1940, I am directed to say that the Board agrees with the views of your Chamber that income which accrued or arose in Burma before its separation from India, is not liable to tax when brought into British India. Necessary instructions have been issued to the Commissioners of Incme-tax.

Income-Tax Manual—Inclusion of Instruction Regarding Assessment.

Letter No. GB-11-19/40, dated the 10th December, 1940.

From the Chamber to the Secretary, Central Board of Revenue, New Delhi.

I am directed by the Committee of this Chamber to invite reference to the correspondence of the Indian Chamber of Commerce, Calcutta, on the question of the inclusion of certain instructions regarding allowances to General Insurance Companies for reserves, in the Income-Tax Manual as well as instructions relating to certain other important matters which are not included in the Manual. The subject has been engaging the attention of my Committee who desire to support the views of the Indian Chamber of Commerce in this regard.

Besides, the points noted above, there are certain other matters also to which my Committee directed me to invite your attention.

The new Income Tax Act and the introduction of the Excess Profits Tax Act has given rise to many problems on which instructions issued by the Department are not very clear to a layman and this adds to the difficulties of an assessee. The Committee are therefore of the opinion that all instructions and regulations relating to assessment should be clearly laid down in a language which is intelligible to an ordinary man. The Committee are given to understand that confidential instructions have been issued to Excess Profits Tax Officers in connection with the assessment of this tax by the Department. Unless these instructions are published, the assessee will not be able to have an idea of the requirements of law and his position will remain uncertain to some extent. It has also been brought to the notice of the Committee that instructions on certain other points connected with assessment are so varied and perhaps confusing that neither the solicitors and accountants nor the Income-Tax advisers can guide the general public as to their meaning and implications. It therefore becomes exceedingly difficult to have a correct idea of the taxes payable and the procedure which is to be followed for such payments. These difficulties have been generally felt by members of this Chamber and the Committee consider it advisable that the Central Board of Revenue should seriously consider the matter and issue instructions in clear language which may be of use to the general public and help in removing some of the ambiguities of the language and the consequent divergence of interpretations of the Income-Tax Law. It is also essential that such instructions should be published in full and includes in the Income Tax Manual. The Committee earnestly hope that the Central Board of Revenue will kindly consider the matter as urgent and relieve the taxpayer of his anxieties in this regard.

Letter No. 30(21)-I.T./40, dated the 23rd December, 1940.

From the Secretary, Central Board of Revenue, New Delhi, to the Chamber.

With reference to your letter No. GB-11-19-40, dated the 10th December, 1940, on the above subject, I am directed to state that the suggestions made by your Chamber have been noted.

Bengal Shops and Establishments Rules.

Letter No. L-4/41, dated the 10th February, 1941.

From the Chamber to the Secretary, Government of Bengal, Department of Commerce, Calcutta.

With reference to your Department Notification No. 64-Com., dated the 7th January, 1941, I am directed to submit the views of my Committee on the Draft Bengal Shops and Establishments Rules, 1941, as under :—

Rule 3(1).—The members of the Chamber have expressed a desire that the announcement regarding suspension of the operation of the provisions of the Act at the time of the holidays enumerated in Rule 3 should be made in advance and the suspension of the Act should also be declared for a day or days previous to the holidays.

Rule 3(2).—During the month of Ramzan the extension of the working hours at least up-to 11 p.m., would be necessary. If the Government could consent not to fix time limit, it would be more convenient because in a big town like Calcutta merchants, businessmen and others who are busy usually change their routine of work during the month of Ramzan and some of them would start work soon after *Sahr* or early hours in the morning while others may not do so and start later in the day.

Rule 7.—The Registers are to be maintained in several languages in which Guzrati is not included. It is a language which is generally used by a large section of the commercial community here and should be allowed by the Government and added to the list of languages.

I am also directed to point out that half day holiday on Fridays and one day holiday on Sundays should be definitely stated in these rules to enable all establishments to observe the holiday on same days of the week.

Forms A. B. C. D.—These forms should be published in several vernacular languages so that shop-keepers who not conversant with English may not have to employ English knowing clerks or may not commit mistakes due to lack of knowledge of English.

RAILWAYS AND TRANSPORT.

Congestion at the E. B. RY. Yards at Chitpore and Cossipore Railway Goods Booking Depot at Howrah Bridge Approach.

Letter No. 1622(6)-Com., dated the 1st May 1940.

From the Secretary to the Government of Bengal to the Chamber.

I am directed to say that the congestion of consignments of raw jute at the Eastern Bengal Railway yards at Cossipore and Chitpore has been engaging the attention of Government for some time past. From the proceedings of the informal quarterly meeting of the Presidents of the Bengal, Bengal National, Indian, Marwari and Muslim Chambers of Commerce, the Master of the Calcutta Trades Association and the General Managers of the Eastern Bengal, East Indian and Bengal Nagpur Railways held on the 13th December 1939, (relevant extracts enclosed), it appears to Government that with a view to remove this congestion, the Eastern Bengal Railway authorities are prepared, without altering the existing rule which lays down that Sundays are not to be considered in calculating wharfage and demurrage, to make arrangements for the delivery of jute consignments on Sundays, provided a general agreement in this respect can be reached with the Jute mills and jute presses concerned. It also appears from these proceedings that the representatives of the Chambers of Commerce present at this meeting were sympathetically inclined towards this proposal, but expressed their inability to accept the proposal as jute presses are prevented under the Factories Act from receiving consignments on Sundays. Apparently they refer to the restriction in para. (a) (11) of this Government's notification No. 52-T/Com. and No. 94-T/Com., both dated the 10th September 1936 (copies enclosed for ready reference), read with notification No. 2169-Com., dated the 25th March 1936 declaring most of the jute presses in the districts of Calcutta, Howrah and 24-Parganas not to be seasonal factories. This restriction prohibits employment on Sundays as a condition of the exemptions allowed in these notifications. Government have considered the position carefully, but in view of the fact that these exemptions already deprive the jute press workers of a great deal of the protection vouchsafed to ordinary factory workers, they do not feel justified in relaxing this restriction. They are inclined to the view that the best way to permit these jute presses to take delivery of consignments on Sundays will be to withdraw these notifications and leave the presses at liberty to take advantage of the provisions of rule 7 of the Bengal Factories (Exemption) Rules, 1940 and section 35 of the Factories Act, 1934, under which it is possible to make the necessary adjustment of the working hours of such employees as it may be necessary to employ for the purpose of taking delivery of consignments on Sundays.

2. I am to request that Government may be furnished, as early as possible, with the views of your Chamber as to whether the Chamber will be agreeable to unloading on Sundays on the terms proposed by the Eastern Bengal Railway if the prohibition against the jute presses is withdrawn.

Letter No. L-4/17/40, dated the 17th May, 1940.

From the Chamber to the Secretary, Government of Bengal, Department of Commerce and Labour.

I am directed to refer to your letter No. 1622(6)-Com., dated the 1st May 1940, on the subject of removing the congestion of Jute consignments which are not taken delivery of on Sundays at Chitpore, Cossipore Road and other mill siding of the Eastern Bengal Railway. The congestion at these places has been causing considerable inconvenience to merchants and also made it difficult for the Railways to arrange for prompt supplies of wagons for jute consignments. It is the considered opinion of the members of this Chamber that steps should be taken to remove this congestion at Chitpore and Cossipore and other points and they appreciate the readiness of the Eastern Bengal Railway Administration to make arrangements for the delivery of jute consignments on

Sundays without altering the existing rules regarding wharfage and demurrage. The suggestion of the Government to remove all possible hindrances in the way of taking delivery of consignments on Sundays will be welcomed by the trade and if labour is allowed to work on Sundays the Chamber feels that merchants would wholeheartedly co-operate in removing the congestion by taking delivery of consignments on Sundays and any measures that may be adopted to facilitate working on Sundays for this object would have their full support.

Goods Booking Depot for Barabazar Area.

Letter No. R.O./216, dated the 22nd April 1940.

From the Traffic Manager, Eastern Bengal Railway, to the Chamber.

When the new Howrah Bridge is open, the site of the present Howrah Bridge will be available and from its position it would appear that it would be the most suitable site for the traffic of the Barabazar area.

Will you please let me know if the opening of a railway Goods-Booking depot at the site will, in any way, benefit the members of your Association.

Letter No. RT-2-1/40, dated the 27th April 1940.

From the Chamber to the Traffic Manager, Eastern Bengal Railway, Calcutta.

I have to acknowledge your letter No. R.O./216, dated the 22nd April, 1940, on the above subject which was placed by me before the Committee of this Chamber. I am directed by the Committee to inform you that after consulting interested members, they are inclined to believe that the proposal of opening railway goods booking depot at the site of the present Howrah Bridge is not likely to serve any useful purpose, as booking facilities are available in the vicinity and an additional booking office in the same area will not make great difference in the convenience of the business community.

Mileage Coupons for Mercantile Firms.

Letter No. RTC.45/187, dated the 29th February 1940.

From the Commercial Traffic Manager, Bengal Nagpur Railway to the Chamber.

At a recent Informal Quarterly Meeting between various Chambers of Commerce and General Managers of the Calcutta Railways, the Bengal National Chamber of Commerce made a request that the Bengal Nagpur Railway should introduce the mileage coupon system which is in force on the East Indian and Eastern Bengal Railways.

The B. N. Railway would be prepared to consider the introduction of the mileage coupon system experimentally provided there is a sufficient definite demand for the system from individual business concerns.

To enable me to consider the introduction of the mileage coupon system over this Railway, I should be obliged if you would let me have the following information :

(*a*) The number of firms who are members of your Chamber.

(*b*) The names of those firms who agree to buy mileage coupon books for travel over the B. N. Railway.

(*c*) The approximate mileage likely to be travelled over the B. N. Railway by representatives of these firms per annum.

Letter No. RT-3-1/40, dated the 2nd April 1940.

From the Chamber to the Commercial Traffic Manager, Bengal Nagpur Railway, Calcutta.

I am directed to refer to your letter No. RTC.45/187, dated the 29th February, 1940 on the above subject.

My Committee have given careful consideration to the points raised in your letter and have directed me to inform you that they consider it advisable to introduce mileage coupon system for mercantile firms on the Bengal Nagpur Railway. The system has been of considerable advantage to merchants and travellers connected with mercantile firms on other Railways and there is every reason to believe that the mercantile community would take advantage of the system, if introduced by the Bengal Nagpur Railway. The Committee are also of the opinion that sufficient demand would justify the introduction of the mileage coupons.

I may now refer to certain points on which you require information. The membership of the Muslim Chamber of Commerce consists of about 100 firms and enquiries made from members have convinced the Committee that a large number of the members will make use of the mileage coupons during their travels on behalf of their firms. About 50% of the members will require mileage coupons. The approximate mileage likely to be covered by such travellers may reach a big figure as only one member of this Chamber has informed the Committee that his travels during one year will cover more than 5,000 miles.

Alteration to Trains on East Indian Railway.

Letter No. OMT-286, dated the 7th June 1940.

From the Chief Operating Superintendent, East Indian Railway, to the Chamber.

In connection with the revision of train service from the 1st October 1940 which will be taken in hand shortly I shall be glad to have your suggestions, if any, as early as possible. These suggestions should reach this office by the 20th June 1940 at the latest so that they can be dealt with in time.

I would however beg to mention herein that though it is not always possible to be able to adopt all the suggestions put forward by you since we have so many varied interests to meet, closest consideration will be given to all proposals and endeavours will be made to comply with them as far as possible.

Letter No. RT-1-2/40, dated the 20th June 1940.

From the Chamber to the Chief Operating Superintendent, East Indian Railway, Calcutta.

With reference to your letter No. OMT-286, dated the 7th June, 1940, regarding the revision of train service from 1st August, 1940, I am directed to make the following suggestions for your consideration :—

1. The Delhi-Kalka Mail at Delhi be so arranged that the passengers may be able to take Frontier Mail from there which at present leaves Delhi a few minutes earlier.

2. A train direct from Calcutta to Lahore *via* Delhi should be arranged. It would be convenient to Punjabees having connections, business or otherwise at Delhi, Cawnpore, Allahabad etc., but living in Calcutta.

3. The departure time from Calcutta of the Madras Mail and North Bengal Express, if possible, should be delayed a little.

Letter No. OMT-289, dated the 14th December 1940.

From the Chief Operating Superintendent, E. I. Railway, Howrah, to the Chamber.

In connection with the revision of the train service from the 1st April 1941, which will be taken in hand shortly, I shall be glad to have your suggestions, if any, as early as possible. These suggestions should reach this office by the 3rd January, 1941 at the latest so that they can be dealt with in time.

I would, however, beg to mention herein that though it is not always possible to be able to adopt all the suggestions put forward by you, since we have so many varied interests to meet closest consideration will be given to all proposals and endeavours will be made to comply with them as far as possible.

Letter No. RT-1-1/41, dated the 2nd January 1941.

From the Chamber to the Chief Operating Superintendent, East Indian Railway, Calcutta.

With reference to your letter No. OMT-289, dated the 14th December, 1940, regarding the revision of the train service from the 1st April, 1941, I am directed to make the following suggestions for your consideration :—

1. Toofan Mail should reach Howrah before sunset.
2. The Punjab Express should reach Howrah earlier than at present.
3. Third Class Passenger service on the Punjab Mail to be extended upto Howrah (at present it is between Saharanpur-Moghul Sarai). It should be between Howrah-Saharanpur.

4. Separate bogies should be reserved for passengers of Inter Class and Third Class for long distance travel. Bogies should be reserved for the Howrah-Punjab passengers on the Punjab Mail and Punjab Express.
5. More Inter Class accommodation should be provided on the Howrah-Delhi-Kalka and the Punjab Mails. At present there is insufficient accommodation for this class of passengers on these trains.

Revision of Time Table from April, 1941, over the Eastern Bengal Railway.

Letter No. 785/T/24, dated the 3rd January 1941.

From the Traffic Manager, Eastern Bengal Railway, to the Chamber.

Prior to the revision of the Time Table, suggestions are invited from the Members of the Local Advisory Committee in which there are some members of your Chamber.

I shall, however, be glad to have any suggestions that you may have for inclusion, if possible, in April issue of the Time Table, as early as possible, as the revision is already in hand.

Letter No. RT-2/.41, dated the 24th January, 1941.

From the Chamber to the Traffic Manager, Eastern Bengal Railway, Calcutta.

With reference to your letter No. 785-T/24, dated the 3rd January, 1941, inviting suggestions for the revision of Time Table from 1st April, 1941, I send you herewith the following suggestions for your consideration :—

(1) That there is no train from Baruipur to Sealdah (South Station) between Train Nos. 383 Up and 139 Up, *i.e.*, between the hours 6-12 A.M. and 8-1 A.M. or for more than one and three quarters of an hour. This causes a great deal of inconvenience and we suggest that an additional train be added to start from Baruipur at about 7 A.M.

(2) That Train No. 150 Down to Diamond Harbour has no stoppage at Mallikpur, which causes a good deal of inconvenience to passengers to Mallikpur and it is suggested that an additional stoppage be allowed for this train at Mallikpur Station.

Informal Quarterly Meetings.

Letter No. RT-4-2/40, dated the 26th February 1940.

From the Chamber to the Secretary, Informal Quarterly Meeting between Agents and Chambers of Commerce, Calcutta.

With reference to your letter No. CR/IM/CC/24, dated the 15th February, 1940, I send you the following subjects for inclusion in the Agenda of the 24th Informal Quarterly Meeting between Chambers of Commerce and Railways.

1. Free allowance for Inter Class Passengers should be increased from 30 seers to 1 maund. Since the difference between third class and Inter Class fares is something like over 50%, with no adequate facilities to the Inter Class Passengers over the 3rd class Passengers, they deserve some concession by way of Free Allowance for their luggage.
2. The prices charged for food-stuff supplied at Muslim and Hindu Dining Rooms on the Railways are high and it is suggested that uniform reduction in rates should effected.
3. During summer more adequate arrangements should be made for the supply of drinking water at Railway Stations specially at the arrival of a train. One or two water-carriers cannot supply drinking water to 200 or 300 passengers within a space of 2 or 3 minutes.
4. The Railway Freight on rape seeds is too high in comparison with that of Rape Seeds Oil, calculating on the following basis :—

   To produce 1 Md. of Oil requires 3 Mds. Rape Seeds.

Railway Freight on R. S. per Maund from Bharthna to Calcutta is	Rs. 0- 9-10
For 3 Mds.	,, 1-13- 6
While Freight for 1 Md. R. S. Oil is ...	,, 1- 1- 4
The difference is	,, 0-12- 2

   which means a drain on the oil industry of Calcutta and also the income of Rape Seeds is being decreased to a great extent; therefore, the freight for Rape Seeds should be reduced.

5. On account of lower rate of freight of the steamers for Wheat which is being imported *via* Karachi to Calcutta which makes the market of lower basis against the import of Wheat from Punjab by Railways, on account of higher railway freight; therefore, the Railways should reduce freight from Punjab to Calcutta. It would facilitate the Punjabi Wheat trade in Calcutta and increase the income of Railways.

Extracts from the Minutes of the 24th Informal Quarterly Meetings between the Agents of the Railways and Presidents of the Chambers of Commerce, held on the 27th March, 1940.

1. *Increase in free allowance of luggage for Inter Class Passengers.*—The Muslim Chamber of Commerce urge that the free allowance of luggage for Inter Class passengers should be increased from 30 seers to one maund in consideration of the fact that while Inter class fares are over 50 per cent. more than third class, the travel facilities enjoyed by both classes are about the same at present.

The East Indian Railway remark that the existing scale of free allowance for luggage on Railways is as follows :—

First class	60 seers.
Second class	40 seers.
Inter class	30 seers.
Third class	25 seers.

and in addition small articles such as bedding, food as may be required on the journey, umbrellas and walking sticks are also allowed free.

The East Indian Railway remark that their investigations into the matter have shown that the existing free allowance for Inter class passengers is sufficiently liberal and meets requirements. They are not in favour of the proposed increase and point out that in any case the matter is one that affects all railways and not particular railways only.

In regard to the contention that the free allowance of luggage for Inter class passengers should be increased in proportion to the higher fares paid by them in comparison to third class, the East Indian Railway remark that there is not, and cannot be any direct relationship between the fares paid and the amount of luggage allowed free. This will be clear from the following table which shows the ratio between the average rates of fares paid per passenger per mile and the ratio between the existing free allowances of luggage—

	1938-39 Average fares per passenger per mile Pies	ratio	free allowance of luggage Seers	Ratio
Third ...	2·76	100	25	100
Inter ...	3·65	132	30	120
Second ...	7·49	271	40	160
First ...	15·0	576	60	240

An enhancement in the scale of free allowances for Inter class traffic would lead to claims for corresponding increases in the other classes and inevitably reduce the exising earnings from the carriage of luggage which loss of revenue Railways are unable to face. It should be noted that the income from luggage is already small being in the case of the East Indian Railway in the ratio of only Re. 1-7-0 per cent. of earnings from passenger traffic and Rs. 1·5 per hundred passengers carried.

In regard to the contention that adequate facilities are not provided for Inter class passengers commensurate with the higher fares charged than those enjoyed by Third class passengers, it is suggested that Inter class travel does in fact provide additional comforts and other conveniences as compared with the Third class.

The Bengal Nagpur Railway remark that the scale of free allowance of luggage for different classes of passengers is laid down in the Indian Railway Conference Association Coaching Tariff and applies to all Railways and any proposal for change in the scale would have to be put forward by a Railway to the Indian Railway Conference Association for consideration. It is not a matter in which any individual railway or railways would make any alteration independently.

As regards the merits of the proposal itself, the Bengal Nagpur Railway point out that the scale of free allowance of luggage is not based on the scale of fares charged in the different classes. A case to justify putting forward the proposal to the Indian Railway Conference Association has not in the opinion of the Bengal Nagpur Railway been made out.

The Eastern Bengal Railway remark that prior December 1929, the free allowance of luggage of different classes of passengers was as follows :—

First class	...	...	...	60 seers
Second class	...	...	...	30 seers
Inter class	...	...	...	20 seers
Third class	...	...	...	15 seers

With effect from December 1929, the free allowance on Second, Inter and Third class tickets increased by 10 seers to the present scale of 40 seers, 30 seers and 25 seers respectively, but the free allowance on first class tickets was allowed to remain unaltered. The free allowance for Inter class passengers cannot reasonably be increased to 40 seers, as suggested, unless the free allowance of first and second class passengers is also correspondingly increased.

The quantity of luggage allowed free on different classes of tickets is not proportionate to the basis of fares. The present free luggage allowance for the Inter class is reasonable and cases in which the free allowance fails to cover the entire luggage carried by Inter class passengers are about 5 per cent. of the total.

The scale of free luggage allowance is the same on most of the Indian railways and changes can only be made with the approval of the Indian Railway Conference Association. In view of the foregoing facts, however, there appears to be no justification for increasing the free luggage allowance for Inter class passengers and the Eastern Bengal Railway does not therefore agree to refer the matter to the Indian Railway Conference Association.

Result of Discussion.

The views of the railways were noted and the matter dropped.

2. *Reduction in Prices at Hindu and Muslim Dining Rooms on Railways.*—The Muslim Chamber of Commerce state that the prices charged for foodstuffs supplied at Hindu and Muslim dining rooms on railways are high and should be uniformly reduced.

The East Indian Railway remark that the charges for meals have been standardized and uniform rate lists have been adopted for the three Upper and three Lower Divisions separately in compliance with the requests of the Advisory Committees of both the United Provinces and Calcutta.

The policy on the East Indian Railway is to fix prices in consultation with the nearest local authoritits (*i.e.*, Municipality or District Board) whenever there is a substantial variation in the prices of commodities mainly used. The Local Advisory Committees are also freely consulted and are advised when important charges are contemplated.

Moreover, the Administration also takes into consideration the fact that the reduction in rates should not be such as to lead to a deterioration in the quality of foodstuffs and consequent complaints from the public and for this reason the rates might be found a little higher than the market rates in certain cases.

The Eastern Bengal Railway remark that their authorized charges for meals, *etc.*, in Hindu and Muslim refreshment rooms compare favourably with those obtaining on the East Indian and Bengal Nagpur Railways.

On account of War conditions, the prices of raw materials used in such refreshment Rooms have gone up and there is a likelihood of a further increase in the prices. It is, therefore, doubtful whether the Catering Contractors will agree to a uniform reduction in rates, as proposed by the Muslim Chamber of Commerce. If, however, they are forced to accept a reduced Tariff, it will only be at the cost of the quality and quantity of the meals served to passengers.

Further according to the suggestion of the Central Advisory Council of Railways, the prices of foodstuff sold at stations are fixed on the basis of rates prevailing in the locality and a revision of such prices is only undertaken if and when there is a substantial variation in the prices of the commodities used.

As there has been a marked increase in the commodity prices, as stated above the Tariff of charges for meals ought perhaps to be enhanced instead of being reduced.

It is, however, proposed to allow the existing Tariff to continue in force until conditions render necessary an enhancement in the Tariff rates.

The Bengal Nagpur Railway remark that it would appear that the Muslim Chamber of Commerce have based their comparison of the prices charged for foodstuffs supplied at Indian dining rooms on railways on the prices prevailing in local markets. If such is the case the Bengal Nagpur Railway point out that the principle has been accepted that the rates at stations might be slightly higher than market rates in consideration of the fact that they are fixed, for the railway system as a whole, for six months at least, and cannot be revised within that time in conformity with market fluctuations. Another argument in favour of the prices being slightly higher is the fact that Contractors have to keep more staff than bazar shopkeepers.

Finally the purity of foodstuffs at stations is guaranteed by medical inspection and proper supervision whereas this is not always the case with foodstuffs available at bazar shops.

In these circumstances the Bengal Nagpur Railway consider there is no justification for a general reduction in prices of the foodstuffs supplied on that railway.

Result of Discussion.

The views of the railways were noted. The General Managers emphasized that this subject reecived the closest attention of the Administrations. Dr. Sanyal remarked that he hoped the Eastern Bengal Railway would not allow prices to be increased—a possibility which was suggested by their remarks.

3. *Increased Arrangements for Supply of Drinking Water at Stations during Summer.*—The Muslim Chamber of Commerce state that arrangements for the supply of drinking water at railway stations should be augmented during summer. One or two water carriers cannot supply drinking water to two or three hundred passengers within two or three minutes.

The East Indian Railway remark that suitable arrangements are made to supply drinking water to passengers in trains at road-side stations as well as the larger stations. The number of staff employed for the supply of drinking water to passengers is increased each year during the hot weather.

The Eastern Bengal Railway remark that the question of the appointment of sufficient watermen for supplying drinking water to passengers at various stations on that railway is reviewed every year before commencement of the summer season.

There are already 99 watermen permanently posted for the purpose and for the ensuing hot weather it has been proposed to appoint 16 additional men temporarily and it is considered that these measures will fully meet the requirements of the travelling public on the Eastern Bengal Railway.

The Bengal Nagpur Railway remark that during the summer months extra watermen, about 60 per cent. over and above the permanent establishment, are appointed.

Watermen are posted at frequent intervals on districts where the station-to-station runs are lengthy.

Although at certain stations trains stop for a very short time only, water is served to as many passengers as possible, and the majority of passengers are able to procure drinking water from watermen and drinking water taps at the larger stations where halts are for a long period.

Any complaints received are dealt with at once, and where necessary, extra facilities are provided.

Result of Discussion.

The views of the railways were noted. The General Managers emphasized that the arrangements made by the railways were the most satisfactory that could be adopted. If, however, any concrete and practical suggestions for improvements could be put forward these would be carefully considered.

4. *Reduction in Rate of Freight for Rape Seed to Calcutta.*—The Muslim Chamber of Commerce consider that the rate of freight on rape seed to Calcutta is high in comparison with the rate of freight on rape seed oil and constitutes a drain on the oil industry of Calcutta. The Chamber, therefore, ask for a reduction in the rate of freight on rape seed.

The East Indian Railway remark that the same issue in regard to the relative rates for rape and mustard seed and oil was raised by the Bengal Oil Mills Association. The matter was fully investigated by the Railway Rates Advisory Committee. The Committee's report and recommendations are now under consideration by the Government of India.

Result of Discussion.

Noted. It was agreed that the decision of the Government of India in this case would be tabled for information at the next meeting.

5. *Reduction in Rate of Freight for Wheat from the Punjab to Calcutta.*—The Muslim Chamber of Commerce state that on account of lower rate of freight by sea, wheat is being imported to Calcutta from the Punjab *via* Karachi. The Chamber, therefore, urge a reduction in the rate of freight by rail on the ground that this would facilitate the Punjab wheat trade in Calcutta and increase railway revenue.

The East Indian Railway remark that they are aware of the position to which much attention has been given in recent years.

For several years past special rates for wheat to Calcutta from the area on the North Western Railway affected by the competition of the sea route *via* Karachi have been in operation and these have been successful in attracting the bulk of the traffic from Northern Western Railway stations to Calcutta to the direct rail route. The following is a table of comparative movements of wheat to Calcutta :—

	By rail direct from N. W. Ry. stations	From Karachi
	Tons	Tons
1937-8	28,018	18
1938-9	83,616	24,792
1939-40	101,982	35,371
(up to end of February)		

In many cases the existing rail rates over the East Indian Railway for Punjab wheat are at the minimum permissible level and there is no scope for further reduction, nor is such action considered necessary particularly in view of present conditions.

Shipments of wheat by sea from Karachi to Calcutta are influenced by many factors and rate reduction on rail-borne wheat from the Punjab cannot effectively stop all such shipments.

Result of Discussion.

The remarks of the East Indian Railway were noted.

Classification of Amba Turmeric.

Letter No. T97/XXIX/8, dated the 10th May 1940.

From the Secretary, Indian Railway Conference Association, New Delhi, to the Chamber.

In continuation of this office letter No. T97/XXIX/7 of 29th April, 1940, I am directed to forward, for your information, particulars of a subject which will be discussed by the Commercial Committee at their July (1940) Meeting and to request you to favour me with the views of your Chamber thereon before 15th June, 1940.

Copy of letter No. R.112.T.48/52, dated the 30th April, 1940.

From the Chief Traffic Manager, Jodhpur Raiway, Jodhpur, to the General Secretary, I.R.C.A.

Classification of Amba Turmeric,

There is traffic in Amba Turmeric on this railway. This is used as a plaster for the alleviation of pain caused by injuries and is accordingly charged on this railway as "Drugs crude or raw, N.O.C."

In a recent case of through booking, it was discovered that the B. B. & C. I. Railway charge this commodity as "Turmeric" and accordingly a reference was made to all railways to ascertain how it was being charged.

No uniformity exists. Some railways charge it as "Turmeric" and some as "Drugs crude or raw, N.O.C."

As uniformity is desirable, and as this commodity is used purely as a drug and not as a foodstuff as ordinary turmeric is, the following draft resolution is submitted for the consideration of the Commercial Committee :—

The Commercial Committee recommend that Amba Turmeric be included in the list under "Drugs crude or raw" at page 250 of the I.R.C.A. Goods Tariff No. 23.

Letter No. RT-5-7/40, dated the 30th May, 1940.

From the Chamber to the General Secretary, Indian Railway Conference Association, New Delhi.

With reference to your No. T97/XXIX/8, dated the 10th May, 1940, regarding the classification of Amba Turmeric and I am directed to inform you that the Committee of this Chamber discussed the subject in their last meeting.

The classification as proposed by the Commercial Committee is intended to include Amba Turmeric in the list under "Drugs crude or raw". It was pointed out during the discussion in my Committee that difference in the quality of "Amba Turmeric" and "Turmeric" is negligible. As there is a separate classification for "Turmeric" my Committee suggest that "Amba Turmeric" should also be included in it.

The use of "Amba Turmeric" as a drug is doubtful. It is used entirely as a household remedy and the use is restricted to a class of people who seldom consult a qualified medical man. It is not sold as a drug and should not be treated as such. In fact the difference in quality, if any, is so little that both are generally used as foodstuff.

POSTS AND TELEGRAPHS.

Air Mail to Japan via Bangkok.

Letter No. GI-8-16/40, dated the 16th December, 1940.

From the Chamber to the Director-General of Posts and Telegraphs, New Delhi.

I am directed by the Committee of this Chamber to invite your attention to the need of expediting the Air Mail Service to Japan which, under the present arrangements, usually takes fourteen to twenty days in transit. It appears that advantage is not taken of the regular Air Service between Bangkok and Japan for carrying the mails from India. This service has now been established between Bangkok and Japan and Air Mails from Japan can reach Calcutta via Bangkok in 8 or 12 days only. If the Government decided to take advantage of this service it would be a great help to the commercial community as it would save considerable time in transit and the commercial houses having connections with Japan will be greatly benefitted.

The Committee of this Chamber expect that your Department would consider the matter at an early date and take such steps as may be necessary to make use of the facilities offered by the Air Service at Bangkok and thereby save time in transit of Air Mails to Japan.

Letter No. Mails 114/40, the 20th December, 1940.

From the Assistant Deputy Director-General, Indian Posts & Telegraphs Department, to the Chamber.

With reference to your letter No. GI-8-16/40, dated the 16th December, 1940, I am directed to say that the question of sending air mails to Japan and Mànchoukouo by the above service is under consideration.

POSTAL NOTICE, dated the 13th January, 1941.

From the Director-General of Posts and Telegraphs, to the Chamber.

Utilisation of the Tailand-Japan-Manchoukouo Air Mail Service.

At present air mails for Japan and Manchoukouo are sent by air from India to Singapore and thence by surface route to destination.

In addition to this, arrangements have now been made to send air mails to these countries by the eastbound British Overseas Airways' service upto Bangkok and thence by the Tailand-Japan-Manchoukouo air mail service to destination. The use of the latter service ensures a through air mail link between India and Japan or Manchoukouo. The transit time taken by air mails for Japan is expected to be about a week. The rate of air mail fee and the superscription required on correspondence for transmission by this service are indicated below :—

Country.	Superscription.	AIR MAIL FEE. Letters and Packets per half ounce in addition to ordinary postage,	Postcards inclusive of postage.
		Rs A. P.	Rs. A. P.
Japan ...	... India-Thailand-Japan ...	1 8 0	0 10 0
Manchoukouo	... India-Thailand-Manchoukouo ...	1 11 0	0 11 0

A blue air mail label should be affixed to the top left-hand corner of all air mail correspondence.

Delays in Transit of Cables.

Letter No. GI-8-1/41, dated the 27th January, 1941.

From the Chamber to the Director-General, Posts & Telegraphs, New Delhi.

I am directed to invite your attention to the frequent delays in transit of cables which in some cases have caused heavy losses to firms negotiating business with foreign buyers. In cases where all regulations have been complied with and messages sent out in good time, delays in transit become inexplicable. If the public is required to co-operate with the Department by strictly observing the various new regulations on account of the war situation, the Government should equally be vigilant to do their utmost to accelerate the speed with which routine work is handled in the offices and the Department should devote sometime and thought to the needs of the moment which are peculiar because of the present emergency. Members of this Chamber have frequently complained against delays in transit of their messages to their constituents abroad. These delays vitally affect business transactions in these days of difficult trading and it is expected that the Post and Telegraph Department will take sufficient precautions to obviate these delays. Several instances have come to the notice of this Chamber where members have suffered considerable losses through no fault of theirs and mainly because the cables were delayed in transit.

I shall be highly obliged if you will kindly take immediate measures to prevent such delays in future and enable me to inform my members as to the steps you have taken in this regard.

Letter No. TTL/41, dated the 10th February, 1941.

From the Deputy Director-General, Indian Posts and Telegraphs Department, New Delhi.

With reference to your letter No. GI-8-1/41, dated the 27th January, 1941, I am directed to say that in the absence of specific cases being cited, this Department is not in a position to make any investigations into the alleged delays to foreign telegrams referred to by you. As far as this Department is aware telegrams are not subjected to any avoidable delay within India, and as regards delays beyond Indian limits it will be realised that this Department is unable to exercise any effective control though the matter is always taken up with the authorities concerned in cases where excessive delay has been brought to our notice. The Director-General will be pleased to investigate any specific cases of delay which may be reported and to take all action in his power to prevent if possible such delays in future.

Private Telegraphic Address Between India and Burma.

Letter No. 169/537, dated the 18th January, 1941.

From the Secretary, Federation of Indian Chambers of Commerce and Industry, to the Director-General, Posts & Telegraphs, Government of India, New Delhi.

I am directed by the Committee of the Federation of Indian Chambers of Commerce & Industry to invite your attention to the great deal of hardship that is being experienced, particularly by the commercial community, owing to the prohibition placed by the Government of India on the use of registered abbreviated telegraphic addresses between India and foreign countries. Under the same Notification are included the neighbouring countries of Ceylon and Burma. The Committee while appreciating the grounds for the prohibition of the use of abbreviated telegraphic addresses in respect of telegraphic commmunications between India and foreign countries other than Ceylon and Burma, they feel that such precautions may not be necessary in respect of communications between India on the one hand and Ceylon and Burma on the other, particularly when it must be remembered that strict censorship is being maintained on all communications between India and these two countries. As the Government of India are aware, the trade between India on the one hand and Ceylon and Burma on the other has been of a very substantial character, necessitating frequent telegraphic communications between these countries. The Notificatoin, referred to above, has, therefore, unduly restricted these communications and the Committee feel that relaxation in respect of the use of the abbreviated addresses could be permitted, without exposing India to any undue risk.

The Committee further beg to point out that the Burma Indian Chamber of Commerce, Rangoon, also felt the necessity of securing the relaxation of similar restrictions against the use of abbreviated telegraphic addresses and was in correspondence with the Government of Burma on this question. The Government of Burma, in their letter No. 265-D (W) 40, dated Rangoon, the 20th November, 1940, addressed to the Burma Indian Chamber, stated that the Government of India were strongly opposed to the proposal to admit the use of abbreviated telegraphic addresses in telegrams between India and Burma, and, in view of that attitude of the Government of India, the Governor of Burma was unable to accept the suggestion of the Burma Indian Chamber of Commerce. It seems to the Committee that the Government of Burma would agree to the relaxation of the said Notification if the Government of India would concur with them. The Committee, therefore, suggest that the question should be fully examined by the Government of India, in consultation with the Censorship Authorities in India and the Notification should be relaxed to the extent of allowing the use of abbreviated telegraphic addresses between India on the one hand and Ceylon and Burma on the other. The Committee trust that the Government of India would accede to their suggestion, at an early date.

Letter No. GI-8/41, dated the 31st January, 1941.

From the Chamber to the Director-General, Posts & Telegraphs, New Delhi.

I am directed to refer to your Notification prohibiting the use of registered abbreviated telegraphic addresses between India and foreign countries. As the Notification applies to Burma and Ceylon, I am afraid the Government of India have not fully considered the hardship to which the Indian commercial community has been subjected. The trade relations between India and Burma are so close and extend over such a long period, covering a very wide range of commercial activities that a restriction of this nature is an impediment in the way of frequent cable communications. The losses which the merchants shall have to bear due to the enhanced charges may also not be negligible.

I am directed to request you to kindly revise your decision in the regard and allow the use of abbreviated address and an option to mention or not the name of the sender as was the usual practice with firms having large business connections in Burma before the prohibition was enforced by the Government.

Letter No. TTL-48/41, dated 11th February, 1941.

From the Director-General, Indian Posts and Telegraphs Department, to the Chamber.

I am directed to acknowledge receipt of your letter No. GI-8/41, dated 31st January, 1941 and to say that the matter is receiving attention. A further reply will be sent in due course.

TRADE, INDUSTRY AND FINANCE.

Indo-Burma Trade Regulation Order.

Letter No. F-14-2/40, dated the 5th September, 1940.

From the Chamber to the Secretary, Government of India, Department of Commerce, Simla.

I am directed by the Committee of this Chamber to invite reference to the announcement made by the Government of Burma of their decision to terminate the existing trade arrangement with India. In the absence of any information as to the steps the Government of India propose to take in this regard, it is not possible to submit definite suggestions for a fresh Trade Agreement between the two countries. It is however expected that the Government will consult the commercial interests in the country on all matters affecting the vital interests of Indian trade.

It may, however, be pointed out that the trade between India and Burma before the separation was on a different footing altogether as Burma formed a part of British India. And even after the separation, the recommendation of the Joint Select Committee (1934) for promulgating the Indo-Burma Trade Agreement Order (1937) was made with a view to preventing undue disturbance of trade between India and Burma in the period immediately following separation. If a fresh trade Agreement has to be made between the two countries, it would be necessary to examine in retrospect the relative position of the two countries before the separation as also their present capacity and willingness to enter into a fresh trade Agreement to their mutual advantage. This may not be found possible at this moment when the abnormal conditions of trade and commerce due to War have made it difficult to foresee future trends of trade movements both in India and Burma. As it is, both the countries are trying to alter their basis of trade and commerce according to the exigencies of war, the natural outlets of trade are closed up and the future is uncertain. It would be difficult in these circumstances to give due consideration to the vast and varied problems affecting commercial relationship of the two countries.

The Committee of this Chamber are therefore of the opinion that the question of the termination of the Indo-Burma Trade Regulation Order, 1937 should be considered at a time when the two countries are in a position to take a clear view of their economic conditions and commercial possibilities. As this Chamber pointed out in a communication to the Government of Bengal dated the 6th April, 1939, "the Government of India should examine the entire question of Indo-Burma trade relationship in all its aspects and make an attempt to put it on a sound lasting basis". The Committee, while adhering to this view, do not find the present an appropriate time for a thorough investigation of future trade relationship between the two countries and are of the opinion that the Government should continue the present arrnagements under India and Burma (Trade Regulation) Order, 1937 to enable the inevitable adjustments possible during the present trade difficulties and postpone concluding a fresh Trade Agreement till such time that the commercial and economic position of the two countries could be viewed in right perspective and the conclusions arrived at could ensure lasting and mutual benefit.

Indo-Burma Trade Negotiations.

Letter No. F-14/41, dated the 23rd January, 1941.

From the Chamber to Nalini Ranjan Sarker, Esqr., Kasturbhai Lalbhai, Esq., M. A. Master, Esqr., The Secretary, Federation of Indian Chambers of Commerce and Industry, New Delhi and the Secretary, Government of India, New Delhi.

I am directed to enclose herewith a Note concerning some important commodities of Indo-Burma trade and invite your attention to the views expressed therein which are shared by the Indian merchants interested in these lines of trade.

I hope you will kindly place before the Government these views in the course of the Indo-Burma Trade Negotiations.

Note on Commodities of Indo-Burma Trade.

(1) *Betelnuts.*—This is entirely a Bengal produced (Barisal District) and the value of shipments to Burma amounts to Rs. 25/30 lakhs yearly, and is sold there in competition with the betelnuts imported there from S. Settlement and F. M. States. Now the duty on foreign betelnuts in Burma is Rs. 45 and on British Empire Products Rs. 37/8/-. If the duty on Indian Betelnuts is levied at Rs. 30 it will prove prohibitive and result in diversion of trade from India to foreign Ports—to the great loss of Indian merchants and even greater loss and hardship to the agriculturists of Bengal,

as the trade and cultivation of betelnuts depends greatly on Burma trade which takes up 75% of the total production of Bengal. If duty is at all to be levied on betelnuts it should not exceed 5 to 10% as it is very difficult even for duty free betelnuts of Bengal to compete with foreign betelnuts. It would be impossible if a duty of say 25% to 30% is imposed.

(2) *Tobacco.*—The duty on foreign tobacco in Burma is Rs. 3/4/- and on Empire Products Rs. 2/12/- per lb. Now if a duty of Rs. 2/4/- is imposed on Indian unmanufactured tobacco the price will come up to Rs. 184 per maund and the present rate of tobacco there is Rs. 12 per maund. Annual export of this commodity from Bengal is about Rs. 25/30 lakhs and 95% of the total export goes from Rangpur District. What the position of these agriculturists will be can well be imagined than described.

(3) *Perishable goods.*—Potatoes from Burma are imported here to the extent of Rs. 28 lakhs and Onion, Garlic, dry fruits, fresh fruits, vegetables etc. exported from here worth about Rs. 30/32 lakhs. These commodities should be treated as "free goods" as it would be in the best interest of agriculturist of both the countries. Export of potatoes from Burma solely depends on Indian demand and hence a good bargain can be made with the Burma Government in respect of Indian perishable goods including dry fish and prawns.

(4) *Flour.*—This is an article in which trade is carried on a very small margin of profit and even a small percentage of duty will deprive India of its trade with Burma, and divert the trade to Australia—the flour from which country, inspite of duty, tends to drive Indian flour out of the market.

(5) *Ghee.*—Any duty on this produce will mean direct hit to the agriculturists of India and a burden on the consumers of Burma who have to depend solely on India for this vital supply.

In short, there are other items of oil-seeds, oils, spices, chillies, which are included in daily necessities of life requiring very careful survey from the point of view of India's overseas trade and its bearing on agricultural life of the country. Such being the case it is the duty of the Government of India to see that interests of India's trade and agriculture are well protected.

Conference at Darjeeling on Jute Trade.

Letter No. D.O.-12(24)-T.Com., dated the 25th April 1940.

From the Government of Bengal, Department of Commerce and Labour, to the Chamber.

Government are anxious to secure to the cultivators a fair, adequate and reasonable price for their jute this season, and they view with great concern the lower prices which are now being offered for the new crop. Therefore Government desire to consult all those interested in the jute trade to ascertain their views as to what steps might be taken in order to secure a price for the agriculturist for his jute, which is justified by the world conditions which prevail to-day. I shall therefore be greatly obliged if one or two representatives from your Association can make it convenient to attend a conference on the subject in Darjeeling on Saturday the 4th May at 11 A.M. in the Council Chamber at the Town Hall.

His Excellency the Governor has kindly consented to open the conference.

Letter No. T-1-7/40, dated the 29th April 1940.

From the Chamber to the Government of Bengal, Department of Commerce and Labour, Darjeeling.

I have to acknowledge with thanks your D.O. No. 12(24)-T.Com., dated the 25th April, 1940 informing me of the Government's intention to hold a Conference in Darjeeling on Saturday the 4th May, at 11 A.M. to consider the ways and means to secure fair price of Jute for the cultivators.

I am directed to inform you that Mr. M. A. Ispahani and Sir Adamjee Hajee Dawood, representatives of the Chamber will attend the Conference.

Their addresses are given below :—

M. A. Ispahani, Esq.,
51, Ezra Street, Calcutta.

Sir Adamjee Hajee Dawood, Kt.,
5, Dalhousie Square, Stephen House, Calcutta.

Stabilization of Jute Prices.

Letter No. 122(19)-T.A.I., dated the 9th May 1940.

From the Secretary, Government of Bengal, Agriculture and Industries Department, to the Chamber.

I am directed to address you with regard to the proceedings of the Conference convened by Government in Darjeeling on the 4th and 5th instants and the questions which were placed before that Conference for consideration.

As indicated by His Excellency the Governor in his speech at the opening of the Conference, those questions may be summarised as follow :—

(1) Whether special measures were, in present circumstances, necessary to maintain the price of jute for the 1940 crop, and

(2) what preparation is now necessary to be made to secure the stability of the industry as a whole?

His Excellency added that he was advised that Government, in present circumstances, must either take action or be convinced that action was not necessary. If action was necessary the question also arose as to how far the various sections interested in jute could co-operate in putting them into effect.

Government have given the most careful consideration to the views of all interests as expressed by their representatives at the Conference and have come to the conclusion that the case made out for non-intervention by Government at the present stage was not convincing.

The object of Government's policy in relation to jute was clearly stated to be the securing to the Bengal grower of a reasonable price for his jute while at the same time securing to the industry a reasonable margin of profit without raising the prices of manufactured goods to a level which would be injurious to the industry and thus ultimately to the grower. It was further stated that Government had decided that they must intervene if prices fell or there was reasonable apprehension that they would fall below a certain level, which, in the opinion of Government, was injurious to the interests of the grower.

As a result of the discussions at the Conference, it would appear that the present levels of prices of raw jute and of jute manufactures were, generally speaking, satisfactory to all concerned. No view to the contrary was expressed by any representatives of the interests present. This impression was strengthened by the statement of the representative of the Indian Jute Mills Association to the effect that mills would be prepared to continue paying present prices for raw jute provided they were assured of the offtake of their manufactures at a reasonable margin of profit. No indication was given that the present prices for manufactures did not afford such a reasonable margin of profit. A reasonable inference from the foregoing statement appears to be that the mills would not suffer if raw jute prices and prices for manufactures were to be fixed in corelation with each other.

As regards the immediate question with which Government are concerned, namely, the securing of prices for the 1940 crop at a level which would be reasonable for the grower, the arguments advanced against the necessity for any action by Government followed the general lines given below :—

The 1940 crop is now estimated by all sections of the industry to be likely to yield about 125 lakhs of bales; mill stocks are short and ill-assorted therefore mills are anxious to replenish their stocks; the war and general world demand together will probably absorb nearly the whole of the crop and the prospects of any serious slump in raw jute prices during the next season are remote.

Government have carefully considered this argument and have also taken into account the fact that no practical suggestions were forthcoming as to how, in the event of the failure of the above forecast of supply and demand to materialise, Government could prevent a collapse of raw jute prices except by the method which Government already had in mind, that is to say, the fixation of new crop prices. Further, no assurances were forthcoming that any interest or interests in combination would undertake to buy the jute of the 1940 crop at or above a certain reasonable price or between any given limits.

In these circumstances, Government feel that the case against intervention by Government has failed to satisfy them and must be rejected.

Those interests represented at the Conference who appeared to favour intervention by Government for the purpose of preventing a fall in prices argued that fixation of prices would not in itself suffice to achieve Government's object. In some cases it was stated that Government intervention would only be justified if Government formulated a comprehensive scheme and it was said that support might be accorded to such a scheme even if it contained proposals for fixation of minimum prices. Suggestions were made from some interests that Government's intervention should take the form of (*a*) price control and (*b*) purchase of surplus crop. No comprehensive scheme was placed before the Conference nor were any practical suggestions made as to the method of putting into operation the special measures of price control and purchase of surplus crop. Concrete proposals on these subjects were however invited by Government for consideration.

As a result of the Conference and after careful consideration of the views expressed thereat, Government have decided to intervene to prevent prices from falling and to secure the future stability of the industry in the interests of all concerned.

For the latter purpose a comprehensive scheme is being prepared. For the immediate purpose of maintaining prices, steps will be taken to fix minimum and maximum prices for jute and for hessians in the Futures Market. The object of the fixation of a minimum price for hessians is to prevent the depression of hessian prices by speculation in the immediate future, and to secure to the industry a reasonable margin of profit. Government intend to fix Rs. 60 and Rs. 13 as the minimum and Rs. 90 and Rs. 21 as the maximum prices for jute and hessian futures respectively. This step is not to be regarded as an isolated act on the part of Government but in furtherance of their general scheme.

The comprehensive scheme which is at present engaging the attention of Government is a scheme fundamentally based on the principle of regulation of production and the relentless application of that principle over a long term. It will deal with the following, amongst other, matters :—

(1) Regulation of Futures Markets.

(2) Arrangements for purchase by Government of all offerings of jute at a minimum price.

(3) Fixation of grades of jute and jute goods for internal and export markets.

(4) Steps to be taken to eliminate adulteration, particularly the watering of jute.

The above list of items is not exhaustive but merely indicative of the scope of the scheme contemplated. Government further desire it to be generally understood that their policy in relation to jute is a long term policy and must not be regarded as one applicable only to the next crop or two.

As has already been stated, Government have invited the practical suggestions of all interests towards the formulation of their comprehensive scheme and all such suggestions received in due time will be given careful consideration.

Lastly, I am to express the thanks of Government to your Association for having agreed to send their representatives to Darjeeling to attend the Conference and to those representatives for their assistance and advice. I am to express the hope that Government may rely on your continued co-operation with them in the formulation and in the carrying out of measures for the safeguarding of the interests not only of the growers but of all sections of the trade and industry in jute.

Suggestions for Stabilization of Jute Prices.

Letter No. T-I-10/40, dated the 14th May, 1940.

From the Chamber to the Secretary, Agriculture and Industries Department, Government of Bengal, Darjeeling.

With reference to your letter No. 122(19)-T.A.I., dated the 9th May addressed from Darjeeling, we are pleased to note that the views expressed by the Government are in conformity with the views held by this Chamber except in connection with the suggestion of fixing maximum prices at a high level. In case the market works its way up to the maximum price there will be fear again of substitutes, and therefore, our suggestion is that Rs. 19 should be the maximum price for Hessians and Rs. 85 for Jute.

With regard to maintaining the minimum price of Jute it is absolutely necessary for the Government to buy the surpluses that the cultivators have grown this year at the minimum fixed rate.

The following is a comprehensive scheme that we are putting forward for the Government to consider in case the consumption does not increase sufficiently to absorb the surplus jute grown this year.

The Indian Jute Mills Association who are definitely in opposition to any type of intervention by the Government, will as far as possible, lay obstacles in the way of success being achieved by the Government in their scheme. The Jute Mills Association may advise their members to buy from hand to mouth, but this will not assist them, because when the mills sell forward goods they will be compelled to buy Jute against their sales.

Since the news of Government fixing the minimum price of Jute at Rs. 60 and Hessians at Rs. 13 has been communicated to the consuming markets of the world there has been a definite wave of confidence and optimism and the foreign markets are now purchasing their requirements months ahead. Even the Government of Australia have commenced purchases through their Controller. Most of the Mills on the River have been able to sell manufactured goods up till the end of this year. Such sales have definitely improved the jute situation for the benefit of the cultivators because the Jute Mills will have to buy Jute when they sell goods.

The control that the Argentina Government had fixed on prices has been removed, because their price level was Rs. 15/8/- for 11 porters but yesterday they paid the exporters here Rs. 17/8/- which is the ruling rate of the day.

The mode of trade in Jute and Jute products with the Allied as well as Neutral countries should be carefully watched by the Government of Bengal specially now when a Controller of Export is being appointed. There should certainly be no attempt either by the Supply Department or the Government of India to unduly depress the prices of Jute and Jute products, by restricting exports in order that Government requirements may be purchased more advantageously. There is enough raw jute this year to meet war requirements as well as the needs of the consumers to whom export is not prohibited or restricted. There is ample machinery and labour to meet any large demand in this country.

The way in which North America has been purchasing Hessians since the Norwegian episode, makes us believe that consumption has considerably increased.

With reference to the Government purchases at the minimum prices we put before you our scheme.

If this year's jute crop according to the estimate is roughly 125 lacs of bales, the following quantities are expected, in the course of normal events, to arrive in Calcutta for the trade :—

July	... ...	3 lacs of bales.
August	... ...	7 ,,
September	... ...	12 ,,
October	... ...	20 ,,
November	... ...	22 ,,
December	... ...	18 ,,
January	... ...	10 ,,
February	... ...	9 ,,
March	... ...	8 ,,
April	... ...	6 ,,
May	... ...	5 ,,
June	... ...	5 ,,
		125 lacs of bales.

For the three months, namely July, August and September, the arrivals will hardly meet the requirements of consumption, because the Mills will consume during these three months 16½ lacs of bales to 17 lacs provided the working hours remain the same. The balance 3½ lacs of bales or more will be exported.

During October, November and December the Mills usually effect their largest purchases because arrivals are usually large and the quality, good. We anticipate that the Mills will purchase during these three months at least 40 lacs of bales. The quantity that will be exported during the three months may roughly be calculated at 8 lacs of bales. Put together the total stands at 48 lacs of bales. To this we should add the holdings of balers and dealers in Calcutta during that part of the year, namely, 8 lacs of bales—bring the total to 56 lacs of bales whereas the actual arrivals are estimated at 60 lacs of bales during these three months. Hence 4 lacs of bales only must be accommodated in Government warehouses at the minimum rate up to the end of December provided the trade is not prepared to take it.

The surplus that accrues during the next six months, namely, January to June, in case the cultivators do not hold back the crop on the face of the announcement that the Government will enforce compulsory restriction for the 1941 crop, will have to be taken over by the Government of Bengal at the fixed minimum price.

The purchasing scheme should work as follows :—

The Government should buy from each seller not less than 1,000 bales at a time, or 5,000 maunds of Loose Jute. It will be further advisable to divide the purchases into 8 lacs of Pucca Bales and 70 lacs maunds of Loose Jute.

According to the minimum price of Rs. 60 per bale L. J. A. Firsts which is baled from Northern Middles, could be worked as follows:—

Northern Middles Jute—Rs. 10/4/- a maund × 5¾ =	Rs.	58	15	0
Plus baling charges	,,	4	15	6
Total ...	Rs.	63	14	6
Less Value of Cuttings approximately	,,	3	14	6
Therefore, the price of Pucca Bale is	Rs.	60	0	0

We attach a statement showing the details of the cost of pucca bales at Rs. 4/15/6.

When the Government is fixing the minimum price of baled L. J. A. Firsts Jute at Rs. 60/- they should fix the following prices for Loose Jute in the Calcutta market :—

Northern Middles	...	Rs. 10/4/-	Calcutta delivery.
Northern Bottom	...	Rs. 9/6/-	,, ,,
District Middles	...	Rs. 10/8/-	,, ,,
District Bottom	...	Rs. 9/10/-	,, ,,
Jat Middles	...	Rs. 11/-	,, ,,
Jat Bottom	...	Rs. 10/-	,, ,,

If the Government will take this as the minimum price at which business on Loose Jute should be transacted in the Calcutta Market, the standards on which this transaction will be made, should be simultaneously fixed with the prices by the Government. There is so much difference in the standards of various purchases that makes it quite impossible for the cultivator to get a uniform price on his sales.

When prices are fixed at Calcutta for Loose Jute, as stated above, the Government should advise the cultivators and also fix a price at which a "Pharia" can sell to the Kuchha baler, dealer and the Arathdar in the district.

We are giving below the parity prices according to the Calcutta fixtures :—

Northern Middles—

Pharia being paid Rs. 9/6/-. Therefore, Re. -/14/- being expenses to cover agency charges, commission, interest, baling charges, godown rent, Railway freight, etc. Rs. 10/4/-.

Northern Bottoms—

Pharia being paid Rs. 8/8/-. Therefore, Re. -/14/- being expenses to cover agency charges, commission, interest, baling charges, godown rent, Railway freight, etc. Rs. 9/6/-.

District Middles—

Pharia being paid Rs. 9/12/-. Therefore, Re. -/12/- being expenses to cover agency charges, commission interest, baling charges, godown rent, railway freight, etc. Re. 10/8/-.

District Bottoms—

Pharia being paid Rs. 8/14/-. Therefore, Re. -/12/- being expenses to cover agency charges, commission interest, baling charges, godown rent, Railway freight, etc. Rs. 9/10/-.

Jat Middles—

Pharia being paid Rs. 10/-. Therefore, Re. 1/- being expenses as stated above, it comes to Rs. 11/-.

Jat Bottom—

Pharia being paid Rs. 9/-. Therefore, Re. 1/- being expenses as stated above, it comes to Rs. 10/-.

Statement as mentioned in page 155.

	Rs.	As.	P.
Assorting	1	0	9
Importing	0	1	0
Packing	1	0	0
Ropes	0	13	0
Boat hire	0	2	9
Toll Pass	0	1	0
Brokerage	0	9	0
Establishment	0	6	0
Short Weight	0	6	0
Allowance	0	8	0
	4	15	6

After Government has standardised the qualities on which they will purchase the whole trade should be made to adopt these standards.

Government should appoint a Tribunal to pass their purchases. The Tribunal should consist of three persons, two from the Jute trade—one European and one Indian and the third, an Indian Civil Servant. There are many in the trade, Indians and Europeans, who will be willing, for a nominal fee, to inspect the qualities and make awards. Supposing they are given Rs. 20/- each head, it is worth while getting their experience for passing the quality on which alone the Government should make payment. The Civil Servant would make the award according to what the traders views would be on comparing the quality delivered with the standards which the Government will be stabilising for the whole trade. This system will be less costly, safer, cleaner and more efficient than that of employing assistants to pass quality for the Government.

The Government should only pay after the goods bought are examined by the Tribunal and are passed or allowanced according to quality.

The weights should be properly taken for which a competent and reliable staff would be necessary.

Government will therefore actually pay for their purchases after inspection and weighment of the goods in Calcutta.

There is enough accommodation at Salkia and Hatkhola to store all that the Government may buy.

Storing charges per annum will not exceed one anna per maund because it is essential that the Government should at least carry their purchases right into 1942, before they release their holdings to the trade.

Insurance charges round about Calcutta will be one per cent. which will roughly work out to Re. -/1/6 per maund.

With regard to weight shortages that the Government may have to face due to dryage, even after they make a law to eliminate adulteration particulrly the watering of Jute, the dryage per annum on an average is estimated as follows :—

Jat	...	$2\frac{1}{2}$% dryage per annum.
Northern ...	...	$2\frac{1}{2}$% „ „ „
Districts ...	...	$3\frac{3}{4}$% „ „ „

	Rs.
GODOWN RENT for storing 110 lacs of maunds of Jute at one anna per maund will be ...	6,87,500
INSURANCE on the basis of one per cent. on 12 crores of rupees	12,00,000
TRIBUNALS FEES on the basis of Rs. 40 for each lot of goods costing over Rs. 50,000 ...	96,000
INTEREST at three per cent. per annum on 12 crores of rupees	36,00,000
The Government expenditure for watchmen to look after the warehouses, the staff for weighing the goods and seeing that the minimum price is maintained in Calcutta and mofussil with the Pharias	9,16,500
The average shortage that the Government may expect on their storage—3% ...	36,00,000
INCIDENTALS	9,00,000
ENFORCEMENT on Jute Restriction Scheme for the crop 1940-41	40,00,000
SINKING FUND on a loan of 12 crores of rupees	50,00,000
	Rs. 2,00,00,000

To realise this sum there should be a Sale Tax on Jute at four annas a maund which would give Rs. 1,25,00,000 and another Sale Tax on the manufactured goods, Hessians, Sackings etc., at two annas per hundred yards which would roughly come to Rs. 75,00,000. If the proposition of taxing both may be difficult to carry out, then, the Tax on Jute should be raised from four annas to six annas a maund, to cover expenses, and the tax on manufactured goods should be dropped.

After the scheme for curtailment of crop is enforced many an item suggested above will not be recurring, hence six annas should be an ample provision which would roughly being an income of Rs. 1,85,00,000.

The sum of 12 crores of rupees will not be needed at a time and there will not be any necessity for raising a loan for the whole amount. Five crores of rupees may be raised in the form of loan and the balance as and when necessary, by Treasury Bills, on which at the moment the Government can borrow on the basis of 1.3/8 per cent. per annum.

The following items should be necessary in the Bill, namely, (1) the minimum price should be subject to changes in case of emergency, (2) the Sale Tax should also be subject to changes in case of emergency.

Return of Stocks of Jute and Jute Manufacture.

Letter No. 150(7)-J., dated the 6th August 1940.

From Government of Bengal, Agriculture & Industries Department, to the Chamber.

I am directed to invite your attention to Sections 7 & 9 of the Bengal Jute Regulation Act, 1940 (Bengal Act V of 1940). To enable Government to arrive in due time at a decision regarding the extent of the regulation of the 1941 crop and to take such action as may be necessary under Section 9 of the Act, it is necessary now to take steps for the collection of the information which Government is empowered to procure under the provisions of sub-section 1 of Section 7 of the Act. To ensure that the information regarding the supply of jute may be as complete and as accurate as possible, it will be necessary to ascertain the stocks of jute and manufactured jute products held by all sections of the trade within the province. It is realised that it is administratively impracticable to obtain returns of stocks, if any, in the hands of growers and these may for present purposes be left out of consideration. In so far as the stocks held by jute mills are concerned, separate action is being taken and the Indian Jute Mills Association is being consulted. The purpose of this letter is to invite the suggestions of your Chamber regarding the methods by which and the form in which the necessary information may most expeditiously and conveniently be collected from all other interests concerned, both in the Calcutta area as well as in the mofussil. In particular, the suggestions of your Chamber are invited upon the following points :—

(1) The persons or classes of person from whom returns of stocks should be demanded.

(2) The Channel or channels through which submission of such returns would be most convenient.

(3) Whether one comprehensive form of return may be prescribed for all concerned. If so, what exact form would be suitable and convenient. If not, what forms would be suitable for what classes.

(4) What is the shortest period of time which should be allowed for the submission of these returns.

These matters are now under active consideration by Government and the favour of a reply before the 27th instant is requested.

Letter No. T-1--18/40, dated the 30th August 1940.

From the Chamber to the Special Officer (Jute), Government of Bengal, Calcutta.

I am directed to refer to your letter No. 150(7)-J., dated the 6th August, 1940, regarding the necessary information for stocks of jute may most expeditiously and conveniently be collected.

I give hereunder the suggestions of my Committee on the points mentioned in your letter :—

(1) My Committee suggest that the return of stocks of jute should be demanded from the following persons :—

(*a*) Pucca Balers *i.e.* those who bale in Calcutta for export to foreign countries.

(*b*) Merchants holding stocks in their godowns at Hatkhola, Cossipore, Phulbagan etc.

(*c*) Kutcha balers or Loose Jute dealers in Mofussil.

(2) These returns should be demanded from the above persons through the following channels :—

(a) Calcutta Baled Jute Association—2, Clive Street.

(b) Hatkhola Banijya Hitaisini Sabha—Hatkhola.

Cossipore Jute Sellers Association—Cossipore.

Marwari Jute Sellers Association—Phulbagan.

(c) Calcutta Jute Dealers Association—2, Clive Street.

Bengal Jute Dealers Association—4, Commercial Buildings.

(3) In the opinion of my Committee on comprehensive forms of return would serve the purpose for all concerned.

(4) A fortnight's time should be sufficient for the submission of these returns.

Bengal Paddy and Rice Enquiry Committee Report.

Letter No. 14(7)-T/Mne., dated the 13th May, 1940.

From the Secretary, Government of Bengal, Department of Commerce & Labour, Calcutta, to the Chamber.

I am directed to invite reference to the recommendations made by the Bengal Paddy and Rice Enquiry Committee in paragraphs 66-71 of their Report (Volume I). The Committee recommend that the export duty on rice should be abolished if budgetary conditions permit it and that the import of rice from Burma should be regulated by

(a) a free import quota calculated in the manner indicated in paragraph 71 of the Report and

(b) a duty on imports in excess of the prescribed quota. I am to request that you will be so good as to favour Government with an expression of the views of your Chamber on the proposals made by the Committee.

A very early reply will be much appreciated.

Extract from the Report of the Bengal Paddy and Rice Enquiry Committee.

66. It follows from the above summary of our findings that our commercial policy should be directed to the encouragement of exports and to the regulation of the volume of imports, having

regard to the nature of our annual requirements. As regards exports, our attention was drawn to the duty on rice. We, in this Committee, are concerned with the duty only in so far as it affects the price of rice, either directly or indirectly through the discouragement of exports. The duty is a long-standing one, and the amount of it is also small. If the price of rice were as high as it was immediately after the war, the burden of the duty would have been very small indeed. But, with the gradual decline in prices, the burden has also been increasing. Besides, with the separation of Burma from India, the latter has ceased to be a large exporter of rice. She can now secure a market for her precarious exports only in competition with the three great rice producing countries across the Bay of Bengal. It would thus appear that two of the three conditions, which the Indian Fiscal Commission, (1920-21) laid down in paragraph of their report as justifying the duties on exports have ceased to exist. It is difficult to resist the conclusion that the duty on Taxation Enquiry Committee of 1924-25 supported this duty on the further ground that, as both Indo-China and Siam had levied an export duty on rice, the Indian duty imposed no differential handicap on the Indian producer. "Its remission" they argued, "would in fact put an equivalent amount of money into the hands of producers and the middlemen." The circumstances of our export trade have changed beyond recognition since the Taxation Enquiry Committee reported in 1924-25. India no longer controls nearly half of the Export trade in rice, as she did before. She is on balance an importing country, and her exports have to fight for their markets with those of Burma Siam and Indo-China. As we pointed out in paragraph 49, the exports have showed a steady tendency to decline in recent years; and the problem before us is not merely the maintenance of parity with the other great exporting countries of the world, but of definitely encouraging exports as a method of raising the price of paddy and rice. What is wanted is a positive competitive advantage. We believe this can be achieved by the abolition of the export duty. We note that the proceeds from this export duty in India proper were as follows :—

Year.	Lacs.
1935-36	8,82
1936-37	9,47
1937-38	10,65

As regards the financial implications of our recommendation we recognize that the question of remission of the export duty is essentially a budgetary one, and is one that concerns the Government of India. On this aspect of the matter, we are unable to express any opinion. But we strongly recommend that the entire question should be thoroughly re-examined in the light of the altered circumstances of our export trade.

67. There is another important direction in which an improvement in the export trade can be expected. Our exports of paddy and rice are generally of a higher quality than the exports of Burma and other countries. It is here that our competitive advantage lies. Unfortunately however, no recognized system of grading in the export trade exists at present. The following excerpts from the reply of the Director of Statistics to our questionnaire sets out the defects and deficiencies of the present arrangements in the export trade :—

"There appear to be no clearly defined or generally accepted commercial description used in the trade in Indian rices. In India transactions are very largely governed by fair average quality terms. A considerable volume of trade is also done on the basis of samples, particularly in the higher qualities. Where a firm uses its own brands or marks or where sales are made according to certain trade descriptions, each firm adopts its own standards. For example, Seeta No. 1 (Patnai) as marketed by one firm would not necessarily be the same as Seeta No. 1 handled by another, and would differ in respect of polish or general appearance and proportions of brokens present. This is not sold under any uniform qualities. By long experience, traders get to know what kind of rice to expect from certain exporting areas, and apart from examining samples of early arrivals, these dealers usually order the fair average quality of the season." While the present system might work, without any serious hitch, in relation to our existing trade-connections, it definitely hinders the development of the export market, and unnecessarily increases the difficulties in the way of establishment of new connections. We suggest that the matter is important enough for Government to take a hand in it. This question is, of course, bound up with that of grading, and is not easily tackled. We shall discuss this matter further in due course, when we have occasion to examine the existing system of marketing. For the present, we merely emphasize the need for early action in this direction in the export market.

68. Some of the witnesses examined by us suggested the constitution of a central organization, similar to the Rice Trade Advisory Committee, the establishment of which was recommended by the Rice Export Trade Enquiry Committee of Burma. While we are impressed by the possibilities of a central organization, we are of opinion that the initiative for its formation should come from the rice trade itself. No organization foisted by Government on the trade is likely to achieve much good. Besides, in the present unorganized state of the rice industry in this province we are not sure if the establishment of a central export organization at Calcutta will serve any really useful purpose. Be that as it may, it is primarily a question for the trade to decide; and if the initiative

comes from the trade, we suggest that Government should examine the proposal closely and carefully in the light of its possible bearings on the export trade.

69. The problem of the Burmese imports presents fewer complexities, but raises more far-reaching issues of commercial policy. We argued in paragraph 62 that by far the most potent cause of the disproportionately low level of paddy and rice prices was the large excesses of rice production in Burma, in recent years, the existence of which, we found, acted as a perpetual drag on the level of domestic prices. *Prima facie* the remedy for this situation would be to restrict the imports of paddy and rice into Bengal. There is however one fundamental consideration, which should not be overlooked in this connection. We have emphasized it in paragraph 43, Chapter IV of our report. It will follow from the analysis of that chapter that the imposition of restrictions on the imports of rice, by the rise in price that they will induce, will prejudicially affect that interests of a substantial percentage of the population of the province. It should be the objective of our policy to limit the extent of this deleterious consequence as much as we can. We believe this can be best achieved by the allotment of a free quota together with a duty on imports, which exceed this quota. The determination of the size of the free quota will not be free from difficulties. It could not be obviously based on the estimated annual deficit of the production of rice in Bengal, calculated on the basis of hypothetical consumption standards, which have no relation to actuals. The size of the free quota must necessarily be determined by the average volume of imports during the post depression years. All imports over and above this free quota should pay an import duty equivalent to the difference in the average cost of up-country rice at Calcutta, and the average cost of Burmese rice at Rangoon.

70. The allocation of a free quota will ensure that the actual supply position will not be abruptly disturbed, causing a precipitious rise in prices. At the same time, the imposition of a duty on imports that may exceed this quota will serve the purposes of—

(*a*) safeguarding the domestic market against the uncertain and incalculable arrivals of unregulated Burmese imports.

(*b*) preventing speculative action by the dealers of Burma rice such as might, otherwise, raise prices to an abnormal height. The possibility of imports of rice exceeding the free quota will also act as a safety valve in times of sudden and unforeseen emergency, when a volume of imports exceeding the free quota may concievably be required; and

(c) an incidental advantage of this scheme will be the increase in the revenue from customs, which will partially offset the loss resulting from the abolition of the export duty, if our recommendation in this regard is given effect to.

71. We have purposely refrained from making and attempt to calculate the proper size of the free quota, or the rate of duty that should be appropriate to imports which enter the province over and above the free quota. These are matters outside the competence of the Provincial Government, and must necessarily be decided on an All-India basis. The interests of other rice-producing and rice-importing provinces of India will also have to be taken into account, and the general structure of the trade between India and Burma in all commodities—not merely the trade in paddy and rice—will form the basis of negotiations that must be started on this subject. No useful purpose will therefore be served by our trying to prescribe figures based on a limited and sectional view of the trade between the two countries. If the general principles which we have sought to lay down are borne in mind the consequential details will not be difficult to work out. We understand that the Government of India propose shortly to initiate talks regarding the revision of the existing Indo-Burmese Trade Agreement. We suggest that the considerations that we have set out in this sub-secion should be pressed upon the Government of India at the earliest possible time. There is however, one point of detail which we desire to mention here. If our recommendation of a free quota together with a duty on imports in excess of this quota is accepted it will be necessary to provide for the increase of the quota or the reduction of the import duty in times of scarcity and distress. In other words, the trade arrangements that we may enter into this subject must be of a sufficiently elastic nature to meet the special requirements of abnormal times. In Chapter IV, we have already argued the necessity for a price-policy for paddy and rice which would take due account of not only normal conditions but also of abnormal circumstances like droughts and floods. No further elaboration of this point is therefore called for.

Letter No. T-5-3/40, dated the 31st July, 1940.

From the Chamber to the Secretary, Government of Bengal, Department of Commerce & Labour, Calcutta.

I am directed to refer to your letter No. 14(7)-T/Mne., dated the 13th May, 1940, and a subsequent reminder of the 20th July, 1940, inviting reference to the recommendations made by the

Bengal Paddy and Rice Enquiry Committee in paragraphs 66-71 of their Report.

The Committee of this Chamber have considered the subject carefully and I am directed to convey their views as under :—

Export Duty.—The Committee agree with the recommendation made by the Bengal Paddy and Rice Enquiry Committee that the export duty on rice should be abolished to encourage export and help in checking the import of Burma rice to a certain extent.

Although the amount of the duty is small, its abolition will attract buyers to a great extent. We agree with the suggestion that the entire question should be thoroughly re-examined.

As regards qualities of rice and its grading, the Committee agree with the suggestion that the matter is important enough for Government to take it in hand. Proper grading will help both the shippers and the foreign buyers.

Paragraph 69.—The free export of Burma rice is desired by the importers. But it will be helpful to Bengal rice if the Government introduces some quota system and if the imports exceed the fixed quota a duty may be imposed.

Jute Futures Market.

Letter No. T-1-6/40, dated the 5th March 1940.

From the Chamber to the Secretary, Government of Bengal, Department of Commerce & Labour, Calcutta.

I am directed to submit herewith the views of the Committee of this Chamber on the Hessian and Jute Futures Market for consideration of the Government of Bengal.

Since 1933 the Muslim Chamber of Commerce has been advocating control and reform of the Futures Market with a view to put it on a sound basis as a hedge market for Raw Jute and it is the considered opinion of the Chamber that the Futures Market in its present form is a grave menace to the interests of Jute-growers.

It is therefore proposed that :—

(1) the small Fatka which deals in lots of 50 bales as well as katni which deals in one or two bales should be closed at once,

(2) Rules and Regulations for the Futures Market for Jute should be framed on the following lines :—

(a) The basis for dealing in the Futures Market should be loose Jute instead of pucca bales.

(b) A Committee should be appointed to control dealings in the Jute Futures Market. This Committee should be so constituted as to include representatives of (i) Mill-owners (ii) Shippers (iii) Cultivators, and (iv) representatives of Chambers of Commerce.

(c) A Committee of experts should be appointed who may study and investigate conditions of Futures Markets for raw commodities in other parts of the world and then frame rules for the Jute Futures Market at Calcutta. The main object of this investigation should be to put the Futures Market here on a sound basis which should provide the need of a properly constituted hedge market for loose Jute and eilminate all chances of wide fluctuations and speculations which is now prevalent in this market, without rhyme or reason on most occasions.

(d) All brokers of the so constituted Futures Market must hold licenses from the Government.

Future Market for Hessian.

It has been proved that the Futures Market for Hessian has no parallel in the world as no Futures Market exists for manufactured goods in any other country. The Chamber recommends that it should be abolished immediately.

Standard Contract Form for Piece-Goods.

Letter No. 877, dated the 5th March 1940.

From the Secretary, Marwari Chamber of Commerce, Calcutta, to the Chamber.

I am directed by the Committee to forward you herewith four copies of the above proposal made by this Chamber with a request to send in your cossidered views and suggestions, if any, at your earliest opportunity. You are aware that this subject has been engaging the attention of this Chamber for quite a long time and it has resolved to arrive at a definite conclusion. With this end in view it seeks the opinion of your Association for the standardization of the contract in Indian Piece-goods Trade. Your co-operation in this behalf will be deeply appreciated.

I shall be only too glad to send you more copies on request.

Letter No. T-21-2/40, dated the 29th November 1940.

From the Chamber to the Secretary, Marwari Chamber of Commerce, Calcutta.

I am directed to refer to your letter No. 7/2100, dated the 30th July, 1940, and the subsequent reminder of the 3rd October, 1940.

The Committee of this Chamber have considered in detail the proposal for a standard contract form for Indian Piece-goods trade which your Chamber has formulated and circulated for opinion. I am directed to state hereunder the views of my Committee on the subject :—

This Chamber would willingly agree to the terms of this contract to be the basis of sale and purchase of goods for all interested in Indian piece-goods trade, namely, manufacturers, importers and their buyers provided they are made on an all-India basis as it is apprehended that great difficulties in actual working will be found if they are made applicable to some sections of the trade only or made applicable to any particular locality.

Clause 8. The clause 8 seems to be redundant for clause 10 has made ample provision in this respect. But there is no objection if this clause is retained in a modified form to avoid ambiguity on this point. It appears that the scale of allowance to meet such cases provided for in 8(*a*) and (*b*) leaves room for defeating the purpose of the contract itself. As a matter of fact instances are not wanting in which manufacturers would gladly pay 1¼ or 2½ per cent. allowance to secure delay in executing the contract when they find that they could in the meantime manufacture more profitable class of goods and get better returns by paying this small allowance. For the same reason the manufacturers in the event of rise in the market prices say by 5 or 10 per cent. would rather sell these goods to a third party by securing delay in executing the orders of the original buyers at the expense of only 1¼ and 2½ per cent. allowance. It is therefore suggested that this clause should be made more drastic with a view to ensuring that cases cited above may not occur.

Re-adjustment of Salt Prices.

Letter No. F-16/41, dated the 25th January 1941.

From the Chamber to the Chief Controller of Prices, Calcutta.

I am directed by the Committee of the Muslim Chamber of Commerce, to say that since the fixation of rates for Salt on the 16th October, 1939 at Rs. 98 per 100 mds. ex Ship for Aden and Indian Salts when the rates of freight were about Rs. 15 per ton, the position of the trade has greatly altered and unless these rates are revised at an early date it would seriously affect salt supplies for Bengal and cause an acute shortage.

It has also been brought to the notice of the Committee of this Chamber that whilst rates were fixed for most of the Indian and Aden Salts, Government have exempted from the controlled rate some of the other qualities, which the trade considers not only unreasonable but also unjustified. It can be seen that on account of the increase in the rates of freight, which has been continuous, steamers can be chartered for such qualities which are not controlled at enhanced rate of freight, whilst the manufacturers of controlled salts would not be able to do so unless the prices were raised to a higher level. The Committee therefore urges that rates for salts coming from different factories should be fixed on a fair and equitable basis taking into consideration the selling merit of different qualities.

It may be pointed out that the rate of freight has considerably gone up, and steamers which are expected to arrive shortly have been fixed at Rs. 19/20 per ton. Even at the rate of Rs. 20 steamers are no longer available and, as such, the manufacturers will no doubt have to pay still higher rate of freight which may even be Rs. 22/25 per ton.

The following rates of the following steamers confirm the above statement :—

Incoming Steamers.

DRAVA—(Okha) 6,350 tons @ Rs. 20/-.

JALARAJAN—(Karachi) 7,000 tons @ Rs. 18/8/-.

SYGNA—(Aden) 6,500 tons @ Rs. 19/-.

RANEE—(Aden-Solar) 7,500 tons @ Rs. 20/-.

The War Risk Insurance has also been raised from 2% and a further surcharge of $\frac{1}{4}$% has been levied on all cargoes from Aden from 1st September, 1940.

Taking into consideration the F.O.B. rates calculated by the Tariff Board 1930 at Rs. 28/8/- per 100 mds. and the increase in the cost due to war conditions at 20% and further, taking the above factors into account it is obvious that the manufacturers shall have to suffer losses due to existing controlled rate of Rs. 98/- per 100 mds. Ex-Ship.

The following statement will give a correct idea:—

		Per 100 mds. Rs.	As.	P.
1.	Pre-war cost of Salt as per Tariff Board's Report 1930 F.O.B. Port of Shipment ...	28	8	0
2.	Increase in costs at works due to War conditions @ 20%	5	12	0
3.	Freight @ Rs. 21/- per ton	75	8	0
4.	War Risk Insurance @ 2% Marine Insurance @ 5/16% and Surcharge @ $\frac{1}{4}$% on cargoes from Aden (War Risk Insurance for foreign ports is more than 5%)	3	6	0
5.	Selling Commission, Brokerage and other incidental charges	4	2	6
	Ex-Ships—C.I.F. Calcutta Rs.	117	4	6
6.	Bonding, Boating & Storage charges Rs. 5-0-0			
	Golah Rent, short & incidental charges Rs. 2-0-0	7	0	0
	Ex-Golahs at Sulkea Rs.	124	4	6

Under the circumstances, if no increase is made by the Government in the controlled rate immediately the manufacturers will not be able to meet their commitments already entered into without incurring serious losses and further they will have to stop their shipments to this market which would create a Salt famine in Bengal.

Increase of Freights by Chandbali Steamer Service Co., Ltd.

Letter No. F-15/41, dated the 31st January, 1941.

From the Chamber to the Secretary, Commerce Department, Government of India, New Delhi.

I am directed to submit the following for your consideration.

The port of Chandbali is an insignificant place in the province of Orissa in the district of Balasore. It is situated in an isolated area which has no other means of communications except a water way to Calcutta and Cuttack. It was for about ten years controlled by two Steamer Companies, *viz.* the Chandbali Steamer Service Co., Ltd., and the Bengal Orissa Steamship Co. The latter has now ceased to exist and the Chandbali Steamer Service Co., Ltd. are the sole carriers on this route. They are now in a position of of virtual monopoly and have therefore enhanced the rate of freight from -/4/- to -/9/-.

On complaints of the merchants, the Government of Orissa (District Magistrate of Balasore) warned the said Chandbali Steamer Service Co., Ltd., not to enhance the freight to exceed the amount they charged on 1st June, 1940, and thereafter the said Chandbali Steamer Service Co., Ltd., reduced their rate of freight to -/2/6 *i.e.* the former rate. They have however, intimated to the merchants that they have requested the Central Government to sanction the enhanced rates and desired the merchants to pay at the enhanced rates which will be refunded to them in case the Government did not sanction enhancement.

It may also be pointed out that some of the merchants, who happen to be share-holders of this Chandbali Steamer Service Co., Ltd., are anxious to improve their business at the expense of others and they may agree to these terms and kill the trade of other shippers as well as hit hard the local cultivators who depend entirely upon the sale proceeds of their yields of paddy and rice, the only crops which they grow and export from Chandbali to Calcutta, by the river route as the nearest railway station is 33 miles away from the place and the road leading to this railway station is also Kutcha and therefore remains closed to traffic for half the year.

The line of Chandbali Steamer Service Co., Ltd. is neither open to risks due to war, nor do they pay-increased rates of insurance premium for their steamers, nor has any increment been made in salaries, food allowances or bonuses and wages of the sailors and crews.

It seems, therefore, perfectly unjustified on the part of the Chandbali Steamer Service Co., Ltd. to enhance their rates of freight.

It is a matter which deserves serious consideration of the Government and the Committee of this Chamber request the Government not to sanction any increase of freight rates on this line.

MARINE.

Control of Mosquitoes in the Port of Calcutta.

Letter No. 3700, dated the 23rd July 1940.

From the Port Health Officer, Calcutta, to the Chamber.

I have the honour to forward herewith copy of a proposed scheme drawn up under instructions received from the Director-General, Indian Medical Service for improvement of routine control of Aedes mosquitoes in the Port of Calcutta; together with a copy of proposed draft Notification under Section 35 of Indian Ports Act, 1908.

As you are well aware mosquito breeding is prolific in the Port on board vessels of all kinds. Such mosquitoes carry Malaria, Dengue fever and other diseases even more serious and the amount of sickness directly attributable to the breeding in the Port on vessels alone is considerable. The scheme provides for inspection of all vessels in the Port of Calcutta weekly with a view to eradicate breeding places and also for active measures by the Port Health Department for control by the usual methods of oiling and spraying with insecticide. For this purpose and in order to recoup the Government of India it is proposed to levy a "Mosquito Control fee" on all classes of vessels plying in the Port of Calcutta. The fees in respect of all classes of vessels are small and have been devised so that the budget estimate is borne by the whole of the Shipping Community. At the same time the scheme will provide an efficient public health service and will no doubt result in improved health amongst all concerned. I would like to point out that mosquito control on land is being provided for at the same time by the various Municipalities and District Boards whose areas adjoin the Port of Calcutta proper. It is also hoped that a "Mosquito Control Committee" for the Port of Calcutta will be formed at an early date in which each Municipality, District Board etc. adjoining the Port will be represented. This Committee will no doubt be selected shortly and will ensure effective co-operation on land and on the river. I would be glad if you would place the proposed scheme before the Chamber of Commerce at a very early date and would be grateful for any criticisms or comments passed prior to submitting the same to the Director-General, Indian Medical Service for submission to the Government of India. I may add that the scheme has been drawn up in consultation with Lt. Col. Covell, C.I.E., I.M.S., Director, Malaria Institute of India, specially deputed for this purpose and also that the scheme has the approval of the Chairman of the Calcutta Port Commissioners.

Proposed scheme for improvement of routine control of Aedes in Port of Calcutta.

1. *Introduction.*—Breeding places of Aedes Stegomyia (aegypti) occur on all types of craft using the Port of Calcutta including Sea-going vessels; Inland Steam Vessels; Flats; Barges; Steam Launches and Country Boats. The most prolific are on board class "A" barges in water barrels and tanks and in the bilges of country boats. The commoner breeding places on all types are

(*a*) *Seagoing Ships.*—Life boats, scupper tween decks; collections of rain water on Tarpaulines over ropes and gear, and casual water in buckets etc.

(*b*) *Steam Launches.*—Rain water in forepeak and drinking water tanks.

(*c*) *Inland Steam Vessels.*—Rain and casual water in forepeak life boat and casual water in tins; buckets.

(*d*) *Flats.*—Fore and afterpeaks and water tanks also in life boat aft.

(*e*) *Class "A" Barges.*—Mainly in drums used as drinking water receptacles without lids or taps : Very prolific.

(*f*) Country boats (*a*) Remaining in port—in bilges only.

b) From outside—Mainly in bilges :

Occasionally in large gumlahs.

(*g*) Adult mosquitoes are generally found in fore and after peaks; in crews quarters and in cargo holds : This applies to all classes of vessels.

2. Control measures necessary.

To control breeding.

(A) *Seagoing craft.*—Routine inspection and detection of breeding places with immediate action "on the spot" by "crew" to deal with such under direct supervision of Port Health Staff : A circular letter of instruction has been issued to all Owners, Agents and Heads of Government Departments with recommendations as to routine action by Masters, Manjhis and Serangs in charge of vessels. The inspecting staff will see that this action is carried out. Seagoing vessels which require disinsectisation owing to heavy mosquito infestation will be dealt with by (*a*) Port Health Department as a fixed rate based on tonnage or (*b*) by owner or agent using approved sprayer and inseticide under supervision of Port. Health Department.

(*b*) *River Craft proper.*

(*i*) All water tanks on River Steam Vessels, Flat Class "A" Barges and Launches to be of standard galvanized iron cistern design; with fixed hinge close fitting lid; and tap attached to under surface to allow of complete emptying twice weekly. Recommendations under Indian Port Health Rules 66 to this effect have been issued and a period of six months from 12.7.40 has been allowed to complete the work.

(*ii*) The capacity of gumlahs used in country boats should be limited as a condition for annual licensing. Necessary amendments will have to be made by the Government of India to existing Port Rules (No. 7 Mne., dated 20th February 1934) after recommendations by the Port Health Officer under Indian Port Health Rules 66 of 1938 to the Calcutta Port Commissioners. Daily emptying and weekly oiling of bilge water of all country boats and emptying and cleansing of all water receptacles twice weekly.

(*iii*) Oiling or drying up of water in forepeaks, afterpeaks and life boats in River Steam Vessels, Flats, Barges and Launches weekly as a routine.

(*iv*) Routine weekly inspection of all vessels by *new* full time Mosquito Control Staff consisting of three Overseers @ Rs. 50 per month (Sanitary Inspector Class) and eleven trained coolies @ Rs. 15 each per month : The average number of vessels requiring weekly inspection by staff would be not less than 4,000. On a 5 division inspection basis this would mean 800 per week : The staff available would be 4+16=20 including present Sanitary Inspector and 5 men of Deratisation Staff or 5 division of 1 Inspector and 3 men each equals 200 boats per man per week of 6 days = 33 approximately per man per day of eight hours work. This is possible with the staff to be made available and the routine work would decrease when all tanks are provided in classes of vessels previously mentioned *i.e.* River Steam Vessels; Flats; Barges and Launches: It is proposed that the Port Health Staff should carry out all the above inspection; and preventive measures including oiling and spraying where necessary. A system of tickets indicating date of last inspection and action by Port Health Department would be used to check and prevent reduplicating of work. For information the numbers of River Craft involved in the work would be on the average (Licensed to ply yearly).

River Steam Vessels	100
Flats	397
Barges	2,041
Country Boats	4,178
Launches	300
Total	7,016

None of these classes of vessels can afford to be neglected. It has been ascertained that Country boats are prolific breeding places; and in addition they act as dangerous carriers of adults and thus infect healthy vessels in the port and buildings alongside the river.

(*c*) *To control adult population* in these and other classes of vessels—Routine spraying with Pyrocide 20 will be necessary for some time to come.

3. For the above measures therefore we require—

(*i*) A staff :—Three Sanitary Inspectors and 11 trained coolies.

(*ii*) Oil for spraying purposes.

(*iii*) Pyrocide 20 Mixture and five spraying machines driven by petrol motor (1 per division) for routine work.

(*iv*) Exclusive use of M. L. "Menie" with crew of three and use of Steam Launches "Aileen" and "Relief" as required.

(*v*) A yearly budget to provide for the above which would automatically be recovered and credited to Government.

4. The approximate cost of above per year (inclusive of use of 3 launches and crews) would be Rs. 44,246.

A. Establishment.

(*i*) Pay of Sanitary Inspectors 3 @ Rs. 50-6/2-80 P.M.

$= 3 \times 50 \times 12 =$ Rs. 1,800

(*ii*) Pay of Coolies 11 @ Rs. 15 P.M.

$= 11 \times 15 \times 12 =$ Rs. 1,980

(*iii*) Pay of crew of M.L. "Menie"

Engine Driver @ Rs. 60-3-75

$60 \times 12 =$ Rs. 720-0-0

Seacunny @ Rs. 26

$26 \times 12 =$,, 312-0-0

Lascar @ Rs. 18

$18 \times 12 =$,, 216-0-0

Rs. 1,248-0-0

B. Contingencies—Stores and Machine Sprayers, etc.

		Rs.
1.	Pyrocide 20 mixture on basis of 1 oz. per 4,000 c. ft.	5,000
2.	Five ½ H. P. Petrol driven Sprayers complete with hose and guns	4,500
3.	2 small trolly carts for carrying sprayers in Docks	250
4.	Oil for spraying on basis of 25% action on 4,000 vessels at 14 day intervals @ 4 annas each ...	6,500
5.	Petrol for engines	3,200
6.	Engine oil	100
7.	Uniforms for 11 Coollies : Summer 11 @ Rs. 10 per 2 sets	110
	Winter 11 @ Rs. 28 each	308
8.	Repairs and maintenance machines	300
9.	Contribution to Port Health Department steam launches "Aileen" and "Relief"	11,000
10.	Cost of maintenance of M. L. Menie (Exclusive of pay of crew)	7,750
C.	Calcuttta Port Commissioners subsidy for collecting fees	200

In addition the services of the Fumigation Inspector will be available for inspection and maintenance of all Petrol Sprayers and for the supervision of a Dock Division. Third Assistant Port Health Officer will be placed in direct charge of the control scheme and will be responsible for the efficiency of the organization under the general supervision of the Port Health Officer.

5. It is suggested and recommended that the above costs should be recovered on behalf of the Government of India by levying the following "Mosquito control fees" on all vessels plying in the Port of Calcutta during a year.

(A) Scale of fees to be charged for mosquito control work on board vessels (River Craft) inclusive of insecticide spraying.

	Average number licensed annually.	Fees.	TOTAL Rs.
(i) River steam vessels ...	100	Rs. 10/- annually	1,000
Flats	397	,, 10/- ,,	3,970
Barges Class A ...	2,041	,, 5/- ,,	10,205
Country boats exceeding 10 tons. ...	3,000	,, 3/- ,,	9,000
Country boats not exceeding 10 tons. ...	1,178	,, 2/- ,,	2,356
Launches (Steam and Motor)	300	,, 3/- ,,	900
(ii) Seagoing vessels (inspection; prevention; and oiling only) Average annual entries to Port 1,200—Rs. 10/- per entry to Port	...	...	... 12,000
			39,431

(B) Scale of fees to be charged for insecticide spraying of Seagoing vessels when carried out by Port Health Department, Calcutta.

	Rs.
For a vessel not exceeding 3,000 tons Gross	@ 35/- per vessel.
,, ,, from 3,001 to 6,000 tons Gross	@ 50/- ,, ,,
,, ,, from 6,001 to 10,000 tons Gross	@ 70/- ,, ,,

Estimated number of vessels requiring insecticide spraying by Calcutta Port Health Department per year = 200 of this approximately

100 will be sprayed @ Rs. 50 = 5,000
and
100 will be sprayed @ Rs. 35 = 3,500

8,500

Hence total annual income anticipated from fees = Rs. 39,431 + Rs. 8,500 = Rs. 47,931.

Anticipated Annual Income.	Anticipated Annual Expenditure.
Rs. 47,931	Rs. 44,246

6. The scheme would require

(*a*) Approval of higher authority *i.e.* Public Health Commissioner with the Government of India and Director-General, Indian Medical Service.

(*b*) Approval of Government of India with Gazette Notification.

(c) Provision of necessary budget by Public Health Commissioner with the Government of India for remainder of current year *i.e.* 1st September 1940 to 31st March 1941 Estimated at Rs. 30,000.

(*d*) Authority of Government of India for taking M. L. Menie back into service (at present laid up under orders of Government) and providing a full crew of 1 Engine Driver, 1 Seacunny and 1 Lascar.

(*e*) Co-operation of Calcutta Port Commissioners to collect fees and credit same to Government through Reserve Bank of India.

(*f*) Necessary amendment to Calcutta Port Rules (No. 7-Mne. dated 20-2-34,) after recommendation by the Port Health Officer under Indian Port Health Rule 66 of 1938 to limit capacity of water receptacles on country boats to 5 gallons, not more than two of which may be carried on board within the Port of Calcutta.

Part II.

The following further measures are recommended to obtain the necessary co-operation of Local Bodies whose area abuts on the Port of Calcutta.

1. Legislation to make mosquito control compulsory in the sanitary authorities' areas affected and power to deal with an offence legally and summarily by fines (if such powers are not already legal under the Epidemic Diseases or other Acts).

2. Formation of a "Mosquito Control Committee" for the Port of Calcutta (as distinct from Calcutta itself) to include the representatives of each Local Authority whose area abuts on the river within port limits; and whose aim would be to co-operate with the Port Health Department and to formulate co-ordinate and direct the special measures necessary in each area. I am of opinion that Mr. Senior White, Entomologist to B. N. R. should be co-opted as expert adviser to this Committee.

Note.—Appendices A & B attached give respectively—

(A) Proposed Emergency Measures required.

(B) Action required to implement anti-aedes proposals for Port of Calcutta.

APPENDIX A.

Emergency Measures.

Should a case of Y. F. occur in Calcutta Port the Port Health Officer would immediately notify the Public Health Commissioner and Director, Malaria Institute of India by wire and would spray the craft concerned and any other craft or building within 400 yards of it.

Whether the case occurred in the Port (Docks or River) on board a vessel or in the municipality the following procedure would be put into operation.

1. A special Quarantine anchorage would be provided at a distance not less than 2 miles below Budge Budge for infected craft marked with buoys as soon as possible.

2. All craft within 400 yards of infected craft or infected building to be sprayed and thereafter to proceed to special "suspected" Anchorage 1 Mile South of Rajabagan Ghat until freed from Quarantine.

3. Ocean-going steamers to be sprayed with Pyrocide "20" prior to sailing by Port Health Department using the Petrol motor spray.

4. The entry of country craft to the Port to be forbidden by night; and sprayed as a precautionery measure on arrival.

5. Port Health Officer submit a daily progress report by wire to P. H. C. and M. I. I.

6. Immunization of Port Health Staff to be undertaken as soon as possible.

APPENDIX B.

Action required to implement anti-aedes proposals for the Port of Calcutta.

(1) Sanction of Government of India to proposed scheme.

(2) Issue of Gazette of India Notification.

(3) Provision by Public Health Commissioner of necessary budget allotment.

(4) Authority of Government of India for taking M.. L. "Menie" into service again (This launch is now laid up on grounds of economy) and providing a full crew of 1 Engine Driver, 1 Seacunny and 1 Lascar.

(5) Officer in charge Medical Stores, Calcutta to be instructed to supply Pyrocide "20" Spray on demand. Surplus concentrated Pyrocide "20" to be held by Officer in Charge available on demand (80 gallons).

(6) Inform all concerned of details of proposals *i.e.* Naval Control Authority, Calcutta Port Commissioners, Municipality, Railways and Government of Bengal.

(7) Amendment to Calcutta Port Rules (No. 7 Mne. dated 20-2-34) after recommendation by Port Health Officer, Calcutta under Indian Port Health Rule 66 of 1938 with a view to limiting size of water receptacles on Country boats to capacity of 5 gallons.

(8) Formation of "Mosquito Control Committee" for Port of Calcutta.

(9) Legislation to make mosquito control compulsory for local authorities whose area abuts on the Port of Calcutta.

Draft Notification.

Government of India, Department of Education, Health & Lands.

The Governor-General in Council is pleased to direct under Section 35 of the Indian Ports Act, 1908; that fees on the scale specified below shall be levied on all vessels plying within the Port of Calcutta with effect from 1st September 1940; in respect of Mosquito Control work carried out by the Calcutta Port Health Department on board such vessels. The fees thus levied shall be collected by the Calcutta Port Commissioners on behalf of the Government of India and placed at the credit of Government in the Reserve Bank of India :—

(A) Scale of fees to be charged for Mosquito Control work on board vessels (River craft) inclusive of insecticide spraying.

(*i*) River Steam vessels	...	Rs. 10 per year.
Flats ...	...	Rs. 10 ,, ,,
Barges Class "A"	...	Rs. 5 ,, ,,
Country boats exceeding 10 tons	...	Rs. 3 ,, ,,
Country boats not exceeding 10 tons		Rs. 2 ,, ,,
Launches (Steam & Motor)		Rs. 3 ,, ,,
(*ii*) Seagoing vessels	...	Rs. 10 per entry to Port.

(For inspection—prevention and oiling only).

(B) Scale of fees to be charged for insecticide spraying of seagoing vessels when carried out by the Calcutta Port Health Department :—

For a vessel not exceeding 3,000 tons Gross	...	@ Rs. 35 per vessel.
For a vessel from 3,001 tons to 6,000 tons Gross	...	@ Rs. 50 ,, ,,
For a vessel from 6,001 to 10,000 tons Gross	...	@ Rs. 70 ,, ,,

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Letter No. Com-1-6/40, dated the 15th August 1940.

From the Chamber to the Port Health Officer, Calcutta.

I am directed by the Committee of this Chamber to acknowledge your letter No. 3700 dated the 23rd July, 1940, forwarding copy of the proposed scheme for improvement of routine control of Aedes mosqutoes in the Port of Calcutta and other enclosures.

My Committee have considered carefully the detailed scheme and have directed me to convey to you their views regarding this subject which I give below :—

1. The Committee are of the opinion that the scheme, if enforced, will eradicate mosquito evil in ports and reduce chances of malaria and other diseases spreading to adjoining areas. The principle underlying the scheme is therefore acceptable to this Chamber. There are however certain matters of detail which deserve careful consideration before they are finally adopted and enforced.

2. The cost of establishment and the number of staff as outlined in the scheme appears to the Committee somewhat inadequate for the operations that the staff will have to supervise and carry out. One man will not be able to inspect thoroughly 200 boats per week. It is therefore advisable to increase the number of the staff.

3. The initial salary proposed in the scheme for Sanitary Inspectors is Rs. 50. This is hardly a decent living wage and we cannot reasonably expect that it would induce the Inspector to work efficiently and well. In cases like this, therefore would always remain the danger of the staff trying to supplement their income by other ways which may seriously affect the standard and efficiency of their work. The scale of pay should therefore be raised and the initial salary should be fixed at Rs. 75.

4. Another important matter on which the Committee desire to express their opinion is the scale of fess to be charged on vessels and river craft. The scale suggested under the scheme is not fair as the River Steam vessels are expected to pay Rs. 10 annually while barges—Class A—have to pay Rs. 5 and country boats Rs. 3 and Rs. 2. But sea-going vessels and river steam vessels pay a total amount of Rs. 13,000 only, Rs. 26,431 are estimated to be realised from payments by barges and country boats. This scale should be thoroughly revised with a view to lightening the burden of heavy fees on country boats, although the number of these boats is large, the labour and cost involved in carrying out the mosquito control operations including inspection and spraying will be much less compared to river steam and sea-going vessels. The question should also be examined whether the burden of the mosquito control fees falls on the individual owners of country boats, or a Joint Stock Company or it is shared by others, for instance, the merchants and contractors. After examining the question from different points of view, the Committee of this Chamber consider it advisable to make the country boats pay comparatively at lower rates and that the present rates should not be enforced.

I am also directed to inform you that in the opinion of the Committee your scheme is a step forward in improving the general health of all concerned and appreciate the fact that the Government have shown its readiness to lend its support to measures for the improvement of public health and welfare.

GENERAL.

Sickness Benefit Funds for Industrial Workers in India.

Letter No. 2087(218)-Com., dated the 25th June 1940.

From the Secretary, Government of Bengal, Department of Commerce & Labour, to the Chamber.

I am directed to forward for the information of your Chamber, a copy of a letter No. L-3019, dated the 16th May 1940, from the Government of India, Department of Labour, regarding the establishment of sickness benefit funds for industrial works in India, and to request you to be so good as to report for the information of Government, after consulting such associations or individuals as you may consider necessary, how far your Chamber is willing to accept the principle of compulsory contribution to sickness benefit funds.

Letter No. L-3019, dated the 16th May 1940.

From tht Secretary, Government of India, Department of Labour.

Provincial Governments are aware that sometime ago the question of sickness insurance for workmen was examined in great detail by the Central Government in consultation with the Provincial Governments and, for the reasons summarised in their letter No. L-3019, dated the 1st May 1937, it was decided to take no further action on that question. Considering the importance of sickness insurance for the welfare of the industrial labourer, the Central Government decided however to place it for discussion before the first conference of Labour Ministers which was held in January last. Copies of the Proceedings of this Conference have already been forwarded to Provincial Governments. I am directed to invite attention to the discussion on the subject in the proceedings of the Conference. The Conference realised that the problem was not so much the lack of medical facilities but one of enabling the worker to maintain himself and his dependants during periods when he is unable to work and earn a living because of sickness. The Conference came to the conclusion that for this purpose sickness benefit funds would be appropriate and that further action for setting up such funds may be considered after it has been ascertained how far employers and workmen are willing to contribute compulsorily to such funds. Contributions from the employees who would be benefited by such schemes and from the employers who have a responsibility in the matter of welfare of their workmen are a necessary prerequisite to the formulation of any scheme of sickness benefit. In what proportion the two parties should contribute and what the quantum of contribution should be are matters of detail which can be gone into once the parties concerned accept the principle of compulsory contribution. It is clear that any further progress in the matter of sickness insurance can be made only if that principle is generally accepted. The Government of India would therefore be glad if the Provincial Government will kindly consult the important associations of employers and workers in the province on the question whether they are willing to accept the principle of compulsory contribution to sickness insurance funds and to forward their replies with the comments of the Provincial Government by the 1st September 1940.

Letter No. GB-7-5/40, dated the 15th August 1940.

From the Chamber to the Secretary, Government of Bengal, Department of Commerce & Labour, Calcutta.

I am directed to refer to your letter No. 2087(219)-Com., dated the 25th June, 1940, on the subject of establishment of sickness benefit fund for industrial works in India.

The Committee of this Chamber have considered the subject carefully and have desired me to say that the principle of compulsory contribution to sickness benefit funds is acceptable to the Chamber and have further directed me to convey for the information of the Government their views on the subject as stated below in greater detail.

1. A comprehensive scheme for providing sickness Insurance to industrial workers should be adopted.

2. The principle of compulsory contribution to sickness benefit funds be accepted.

3. To enable the worker to maintain himself and his dependants during periods when he is unable to work because of sickness, sick-leave with half the average salary be granted to him for specified periods.

4. The proportion of contribution should be equal on both sides, *viz.*, the employer and the employees, both contributing equal amounts.

The Committee of this Chamber submit the following scale for collecting contributions from workers for the consideration of the Government:—

Workers should contribute according to the following scale.

	Wages.		Contributions.
1.	Rs. 2 0 0 to Rs. 5 0 0 per week	...	0 1 0
2.	" 5 1 0 " " 10 0 0 " "	...	0 2 0
3.	" 10 1 0 " " 11 0 0 " "	...	0 3 0
4.	" 11 1 0 " " 15 0 0 " "	...	0 4 0
5.	" 15 1 0 " " 20 0 0 " "	...	0 5 0
6.	" 20 1 0 " " 25 0 0 " "	...	0 6 0
7.	" 25 1 0 " " 40 0 0 " "	...	0 7 0
8.	From Rs. 40-0-0 and upwards per week	...	Re. 1 0 0

For purposes of the working of the scheme the definition of a worker should read as, any one employed in an Industrial concern and on the Regular pay roll of the Company either drawing monthly or weekly salary, *i.e.*, from the Manager downwards.

The scheme should also include the following benefits :—

1. Full medical facilities to the members, their wives, dependant children resident within the factory or in a special area.

2. Half-pay to the members for a period of fourteen days in a year after one year's service. These benefits to be in addition to the benefits under the Workmen's Compensation Act and the Maternity Benefit Act.

The benefit of the above scheme should reach the workers through the following service units :—

1. Emergency Rooms and Dispensaries located in factories.

2. Hospitals in certain specified areas within easy reach of several smaller factories and in important labour areas.

The Committee of this Chamber further suggest that the personnel and organisation of this Scheme should be under the direct control of the Government.

Scarcity of Rupee Coin.

Letter No. GI-8-5/40, dated the 10th July 1940.

From the Chamber to (1) the Currency Officer, (Issue Department), (2) the Secretary, Exchange Banks Association, (3) The Commissioner of Police, Calcutta, and (4) the Manager, Reserve Bank of India, Calcutta.

I am directed by the Committee of this Chamber to invite your urgent attention to a very serious situation that has arisen due to the scarcity of rupee coin and small change which has been causing considerable hardship not only to small shopkeepers and retail dealers but also to the general public and the big firms who find it increasingly difficult to carry on their normal business activities in the face of difficulties of encashment of currency notes and obtaining small change.

The Committee of this Chamber have learnt on good authority that the Currency Office in Calcutta hardly supplies 10 per cent. of the requirements of invidiual firms. The Banks too have been of little help to their customers and the general public in this respect. The experience of big merchants as well as small dealers has been that if they asked for change of small denomination and rupee coin for 500 rupees, they could only get 50 rupees from Banks.

The encashment of currency notes of Rs. 10 is very difficult at present. It is noticed all over the market place that a regular famine of coins and change prevails and the general public is unable to encash currency notes for their daily purchases.

The situation has become so acute that a number of representations have been made to this Chamber and it has been established without the possibility of doubt that this scarcity of rupee coin has created a state of panic among the public and the business community and it is feared that irresponsible talk and comments on the situation may extend the sources of trouble to distant parts in the Province. I am therefore directed by the Committee to request you to take immediate steps to relieve the scarcity of the rupee coin and meet the public demand in this respect.

It has been just brought to my notice that the Reserve Bank of India has made arrangements in Bombay on Friday for the encashment of currency notes in banks and important centres of the city. I would refer you to the "Times of India, Bombay," dated Saturday, the 6th July, (page 7-Column 3) for greater details of the measures that the Reserve Bank has taken in Bombay. Similar measures should be taken in Calcutta without the least delay and I hope you will be able to assure me that immediate relief would be available as a result of your action in this regard.

Letter No. M.G.-100/5-40, dated the 11th July 1940.

From the Manager, Reserve Bank of India, Calcutta, to the Chamber.

In reply to your letter No. GI-6-2/40, dated the 10th July 1940, I have to state that a good deal of misapprehension exists among the public as to the actual position and the Bank would welcome your assistance in alleviating this state of affairs.

The demands for rupee coin and small coin fall into two categories—those which are made at banks by constituents in payment of wages and for normal business requirements; all our endeavours have been towards meeting the requirements of Banks in full. The other category is found tendering notes in exchange for coin at the Issue Department, and here the demand is met to the extent of Rs. 50 per person unless, after filling up a prescribed form, the tenderer can satisfy the officials that his demand is not contrary to the country's interests.

A perusal of the recent weeks' statemnets of the Bank's Issue Department balances will indicate to what extent demands have been met and these figures in themselves may perhaps convince your Chamber that the Bank has not been indifferent to the needs of the public.

Your reference to what has been done in Bombay presumably has a bearing on the Exchange Centres opened in several bazaars there; the initiative for this move came from the public bodies themselves and we would be very glad to co-operate with any public body which would make arrangements for coin distribution in busy centres and agree to observe the spirit of the intentions of Government in this direction.

Letter No. GI-8-8/40, dated the 13th July 1940.

From the Chamber to the Manager, Reserve Bank of India, Calcutta.

I have to acknowledge with thanks receipt of your letter No. MG-100/5-40, dated the 11th instant on the subject of scarcity of rupee coin.

I enclose herewith copies of two letters I have received in this connection. Besides these two letters which speak for themselves, one Insurance Company and a Bank, who happen to be members of this Chamber have experienced the same difficulty and complained that they could not get enough change for their needs. There are other genuine complaints from members of this Chamber.

The Post Offices and the Telegraph Office have been refusing money orders and telegrams on the ground that they had no change to give and were not prepared to accept 10-rupee notes when a money order for Rs. 6 was tendered. These instances at the Telegraph Office and Post Offices are matters of personal knowledge. Even if these offices are not bound to change a note and give small coins, they ought to do it at this juncture when a refusal on their part is likely to give rise to unfounded rumours and cause for panic. I have pointed out these instances in the hope that you would appreciate the urgent need of providing sufficient supply of small change and rupee coins at the Post Offices and the Telegraph Offices.

I shall bring the matter of opening Exchange Centres to the notice of my Committee next Tuesday and shall inform you of their views on the subject.

Letter No. A-139, dated the 11th July 1940.

From the Agent, The Chartered Bank of India, Australia & China, to the Chamber.

In reply to your letter of 10th instant, the matter of the alleged scarcity of rupee coin has already been taken up with the Currency Office, who assure us that they are willing to supply all normal requirements and this has been the experience of the Chartered Bank on whose behalf I write.

Naturally, the Currency Office has set its face against hoarding, and in this connection, it occurs to us to ask what steps your

Chamber is taking to discourage this practice and so assist in reliefing the position in respect of current requirements.

We consider that your communication should have been addressed to the Currency Office. We repeat, however, that we have had no difficulty in obtaining sufficient silver coin for the normal requirtments of our constituents.

Letter No. GI-8-9/40, dated the 13th July 1940.

From the Chamber to the Agent, Chartered Bank of India, Australia & China, Calcutta.

I have to acknowledge with thanks receipt of your letter dated the 11th instant on the subject of rupee coin.

I enclose herewith copies of two letters I have received in this connection. Besides these two letters which speak for themselves, one Insurance Company and a Bank, who happen to be members of this Chamber have experienced the same difficulty and complained that they could not get enough change for their needs. There are other genuine complaints from members of this Chamber.

The Post Offices and the Telegraph Office have been refusing money-orders and telegrams on the ground that they had no change to give and were not prepared to accept 10-rupee notes when a money-order of Rs. 6 was tendered. These instances at the Telegraph Office and Post Offices are matters of personal knowledge. Even if these offices are not bound to change a currency note and give small coins, they ought to do it at this juncture when a refusal on their part may give rise to unfounded rumours and causes for panic. I have pointed out these instances in the hope that you would kindly invite the attention of the Reserve Bank of India to the urgent need of keeping sufficient supply of small change and rupee coins at the Post Offices and the Telegraph Offices.

I have already addressed the Currency Office and the Reserve Bank of India on the subject.

I have circulated this correspondence, including the reply from the Reserve Bank of India, to all members of the Chamber in the hope that it will give the public a correct idea of the situation. I am sure that my Committee will only be too glad to co-operate in all measures that may be taken to relieve the position in respect of current requirements.

Letter No. 1209, dated the 20th July 1940.

From the Currency Officer, Issue Department, Calcutta, to the Chamber.

With reference to your letter No. GI-8-5/40, dated the 10th July 1940, I beg to state that in order to meet the demands of the general public for rupee and other coins, additional counters have been opened in this office; and since yesterday the number of applicants for exchange has become almost normal. The matter is, however, receiving careful attention.

With reference to the 2nd paragraph of your letter, the limit of Rs. 50 is imposed only in the case of the general public for personal or business requirements. All reasonable demands from firms and companies for a larger amount are met in full on application to the Officer-in-Charge.

Weekly Holidays to Shop Assistants and Workers.

Letter No. 3836(36)-Com., dated the 29th November 1940.

From the Secretary, Government of Bengal, Department of Commerce & Labour, Calcutta, to the Chamber.

I am directed to forward herewith a copy of a draft Bill prepared by the Government of India to provide for the grant of weekly holidays to persons employed in shops, commercial establishments, restaurants and theatres and to request that you will be so good as to favour Government with an expression of the opinion of your Chamber.

I am to point out that the proposed Bill will be an All-India Legislation, which, if applied, will be in addition to the Provincial measure (The Bengal Shops and Establishments Act, 1940) and not in derogation of it.

The views of your Chamber may be submitted as early as possible and in any case not later than the 2nd January, 1941.

Letter No. GB-7-7/40, dated the 16th December, 1940.

From the Chamber to the Secretary, Government of Bengal, Department of Commerce and Labour, Calcutta.

I am directed to refer to your letter No. 3836(36)-Com., dated the 29th November, 1940, and the enclosed copy of Draft Bill prepared by the Government of India to provide for the grant of weekly holidays to persons employed in shops, commercial establishments, restaurants and theatres.

The Committee of this Chamber have considered the Bill and they are of the opinion that the measure should be welcomed generally by the Commercial community. The principle underlying the Bill, namely, that one day in the week should be observed a holiday for all persons who are engaged in regular work in private establishments, has been accepted by this Chamber. It therefore follows that the principle should be translated into practice and extended to all other provinces of British India. The Draft of the present Bill which has been issued by the Government of India for opinion is a step in the right direction and the Committee of this Chamber are in favour of its coming into force.

Facilities for Employment and Training for Young Men in Industries and Trade.

Letter No. 183(8)-E.A., dated the 27th February 1940.

From the Employment Adviser, Government of Bengal, Agriculture & Industries Department, to the Chamber.

I have the honour to refer to my correspondence with you during 1938 and 1939 on the subject of a survey of opportunities of employment for Bengalis in the various industries and trades of Bengal and to state that, with your kind help and co-operation, the survey has just been completed and will soon be published in the form of a Handbook by Government. In this survey of 27 industries, 11 trades and professions, and 5 non-official public organisations, two very important points have come to light. It has been found that (*a*) the proportion of Bengalis employed in the various trades and industries in this province is conspicously low and that (*b*) even where they form a reasonably adequate proportion of total employees, except in the grades of clerks and office-assistants, it is mainly illiterate or semi-literate Bengalis who find employment, and not educated Bengali lads with school or college education. The table enclosed with this letter will make the position clear.

Government have given their earnest thought to this state of affairs prevailing in most of the industries and trades in this province and have decided that, in view of the present acute unemployment among the educated middle classes, they should seek the co-operation of the various business houses in Bengal in the matter of providing additional opportunities of employment to Bengali young men, particularly those of the middle classes. Accordingly, they have asked me to enter into direct negotiations with you and your member-firms on the subject.

I, therefore, write to say that I propose to address all the important business houses (firms as well as factories) in this province individually on the subject and to request them to let me know what additional facilities for employment as well as training they can offer to educated Bengali young men, especially in those departments and grades in which such persons are now sparsely employed. I also propose to enquire of them if they would be kind enough to enter into an arrangement with this office that they would write to us for their requirements, whenever they have opportunities of employment or training to offer, the final decision in the matter of selecting this or that candidate of course always resting with the firms and factories concerned. As, however, most of these business houses affiliated to your Chamber would not like to come to an understanding with this office without reference to you, I am writing to you first with the request that you will be good enough to commend our proposals to your various member-firms.

Government are aware that you already have an arrangement with the Calcutta University Appointments Board whereby some of your member-firms write to them from time to time for candidates possessing certain qualifications and that Board sends up, after a preliminary selection, some 3 or 4 candidates at a time for final selection by firms concerned. The Calcutta University Appointments Board, however, concern themselves mostly with graduates, but unemployment is acute to-day both among graduates and undergraduates. Moreover, the survey conducted by me shows that there are many kinds of skilled and semi-skilled work carrying good pay which are now done by illiterate or semi-literate up-countrymen (sometimes a few illiterate or semi-literate Bengalis are also employed), but which could easily be done by educated Bengali matriculates or undergraduates, if only they were given the chance. As a matter of fact, this office proposes to include in its registers, when such registers are prepared, all who are matriculates and above and also such non-matriculates as possess special technical qualifications and to deliberately exclude such persons as seek merely clerical jobs. Secondly, unemployment among the educated middle classes has become so very acute in recent years that Government feel that they have a special responsibility towards the unemployed of this province and they must, with the help of firms and factories doing business in Bengal, be able to indicate additional avenues of employment for them. Government therefore, hope that you will not refuse co-operation merely on the ground that you already have an arrangement with the Calcutta University Appointments Board for the training or employment of a few graduates in commercial careers. The proposed scheme of Government is much wider than that of the Calcutta University Appointments Board.

I am further directed to impress on you the urgency of this matter. The survey of opportunities of employment in industry and trade has been completed and will soon be available to the public who would naturally ask what specific additional opportunities for training or employment Government have been able to secure for the young men of Bengal. It is mainly you and the firms and factories affiliated to your Chamber who can strengthen Government's position in this matter by opening up some new avenues of employment and by giving preference to Bengalis when making future recruitments. I, therefore, hope and trust that you will be good enough to commend the proposals in para. 3 of my letter to all your member-firms.

An early reply is requested.

Letter No. GB-16-3/40, dated the 3rd April 1940.

From the Chamber to the Employment Adviser to the Government of Bengal, Agriculture & Industries Department, Calcutta.

I am directed to refer to your letter No. 183(8)-E.A., dated the 27th February, 1940 on the subject of employment for Bengali young men in industries and trade.

The Committee of this Chamber have considered this letter in their meeting held yesterday and appreciate the work your Department has been able to do in collecting statistics and devising ways and means to tackle the problem of unemployment among the young men of this Province. I am directed to inform you that members of this Chamber would be pleased to extend their whole-hearted co-operation to the Government and afford all facilities for training and employment of young men in trade and industries under their control.

Training of Small Entrepreneurs.

Letter No. 43, dated the 13th May 1940.

From the Secretary, Bengal Industrial Survey Committee, to the Chamber.

The Industrial and Technical Education Sub-Committee of the Bengal Industrial Survey Committee have for some time past been considering the question of providing suitable facilities for the training of middle class young men with moderate capital resources so as to enable them to start small industries of their own in different parts of the province. The Sub-Committee, however, deem it necessary to ascertain the views of the interests concerned and have, for the sake of convenience, framed a question for the purpose. I am directed to forward herewith a copy of the question and to request you to be so good as to communicate your considered views in reply thereto.

As the matter is urgent it is particularly requested that your reply should reach this office by the 25th May, 1940.

BENGAL INDUSTRIAL SURVEY COMMITTEE.

Re. Training of small entrepreneurs.

Q. (1)—What type of institutions would you propose for the training of middle class young men so that they may be helped to start small industries with moderate capital resources, say up to Rs. 25,000 particularly in the mofussil districts? Do you consider that any of the existing institutions can with suitable re-organisation be made to answer to the description of the Industrial School which Mr. A. Abbott, C.B.E., recommended for the purpose in his Report on "vocational Education in India"?*

If not, have you any alternative scheme to suggest?

* The Industrial School referred to in the Report (1937) of Mr. A. Abbott C.B.E., (foremerly H. M. Chief Inspector of Teehnical Schools, Board of Education England) on "Vocational Education, in India" (page 87) denotes an institution of a higher standard than Junior Technical Schools, although the same standard of entrance to both of them is proposed. As a matter of fact the industrial school is considered by Mr. Abbott to provide a specialised course for those who have completed the course in a Junior Technical School. Regarding their respective aims Mr. Abbott observes that the former (industrial School) aims at preparing students for carrying on small scale business on their own account, while the latter (junior technical school) contemplates that its students will ultimately occupy positions of some responsibility in large scale organised industries.

Regarding the nature of training to be provided in an industrial school Mr. Abbott further observes as follows :—

"It is desirable that students in the Industrial School should be taught side by side with their vocational instruction such subjects as drawing, mathematics, book-keeping and what we have termed "the eliments of commerce" since they must be able to deal with clients by sketching for them the work they propose to do for them, to calculate its cost, to keep records of income, expenditure and profits and to buy and sell skillfully."

Letter No. GB-16-8/40, dated the 10th June 1940.

From the Chamber to the Secretary, Industrial Survey Committee, Bengal, Calcutta.

I am directed to refer to your letter No. 43 of the 13th May, 1940. The Committee of this Chamber have considered the question you have raised of providing suitable facilities for the training of middle class young men to enable them to start small industries of their own in different parts of the Province. It is essential that we should have a clear idea of training young men for industrial pursuits. It may be that we desire to impart technical and scientific educattion or prescribe some courses of instruction to enable them to carry on their own calling with better advantage than their competitors in the field. But industrial training for those young men who intend to start their own works and are prepared to invest a modest capital in some industrial undertaking, has a different aspect altogether. It is not mere craftsmanship. It requires ability to supervise an industrial concern and also technical knowledge of the industry. The courses of training offered by the existing institutions for different branches of industry are prescribed according to the subjects and time required for acquiring requisite knowledge and efficiency in these subjects.

The atmosphere in those institutions is educational or, to be more correct, vocational. These institutions are far from industrial areas and are not usually related to actual business conditions. This criticism of out existing industrial and techincal institutions is generally admitted and it has been found necessary to insist upon a period of apprenticeship for students who have completed their courses of training in an industrial or technical institute, before they could be asked to undertake responsible work in an industrial concern or interest themselves in an industrial undertaking of their own.

It is therefore difficult to prescribe a general rule for the industrial training of such young men who are the subject of this enquiry. In their case knowledge of theory and practice should be so combined as to give maximum practical results. Besides, the young men should be induced to acquire a spirit of enterprise and mentality suited to industrial persuits. Such training would be an attempt to inculcate a sense for the practical.

Higher grade technical institutions that exist in the country at present have been rendering great service in providing technical education in specialised brances of industries. They are the foundations on which our technical and industrial education has evolved. But they offer courses of studies covering a period of several years and students who complete their courses of training and pass out from these institutions generally demand wider field for their activities and are absored in higher grades of services or find employment in big industrial concerns. The problem of training of the future entrepreneurs or small industrialists therefore remains almost unsolved and it needs thorough examination and careful handling. It would be profitable to have the possible avenuts of developing small industries which should include assembling and production of semi-manufactured articles and lay the foundation of a technical training institute on the basis of these small industries.

My Committee therefore suggest that the Government of Bengal should appoint a special officer to visit Dayalbagh, Agra, and make a thorough study of the system of education and training followed in that institution. If the result of this enquiry is found to be helpful, the Government should take steps to establish an industrial and technical Institute in Bengal on similar lines and with such alterations and improvements as the local conditions demand.

MISCELLANEOUS.

Small Causes Court—Dusserah Vacation.

Letter No. 91/9, dated the 25th January, 1940.

From the Chief Judge, Court of Small Causes, to the Chamber.

I have the honour to state that a proposal for keeping this Court completely closed during the Dusserah vacation is under consideration. The practice heretofore has been to keep one Judge or the Registrar in charge of the Court during the vacation with a skeleton staff and to allow warrants issued before the vacation to be executed during it subject to certain conditions and limitations. In recent times the amount of work done during the vacation has dwindled to insignificant proportions. As a result of changes in the law relating to arrest and detention of debtors in prison very few debtors can now be sent to prison, and the new procedure being more complicated it is difficult for the parties to conduct and also for the Court to dispose of body warrant cases during the vacation. As a result, very few body warrants are now executed during the vacation. In regard to warrants of attachment of property also the number of attachments effected during the vacation is falling year by year. In these circumstances there is hardly any reason for Government to incur the extra expenditure involved in detaining officers for carrying on work during the vacation. Before coming to any final decision in the matter Government would like to be favoured with the views of your Chamber in the matter, and I am to request you to forward the same to me at an early date.

Letter No. GB-2-1/40, dated the 3rd April 1940.

From the Chamber to the Chief Judge, Court of Small Causes, Calcutta.

I am directed to refer to your letter No. 91/9, dated the 25th January, 1940, regarding the proposal for keeping the Court of Small Causes, Calcutta, completely closed during the Dusserah vacation.

My Committee have considered the proposal in their meeting held last week and have directed me to inform you that they have given earnest consideration to the grounds on which this proposal is based, for instance, the scanty amount of work which is being done during the vacations as well as the difficulties regarding the execution of body warrant cases during the vacation as also the general reduction in the number of attachments effected during the vacation.

My Committee, however, are of the opinion that since Government courts and partcularly the Court of Small Causes are meant for affording redress and facilities in legal matters and are intended to serve a very large section of the public, the proposal to completely close the Court during Dusserah vacation would be a positive inconvenience to the public and particularly the commercial community who have to dispose of their usual and routine business even during these holidays as their offices close only for a few days during the Dusserah vacation. It would, therefore be very difficult for commercial firms to find ready help in matters for which they require quick decision or speedy execution. I am therefore directed to inform you that this Chamber does not consider it advisable to completely close Court of Small Causes during the Dusserah vacation.

Muslim attendants at the death-bed of Muslim Patients for Hospitals.

Letter No. 3384, dated the 2nd July 1940.

From the Superintendent, Campbell Medical School and Hospital, to Khan Bahadur G. A. Dossani, Calcutta.

Arrangements have been made for the administration of the last rites to poor muslim patients dying in the Campbell Hospital by employing a few muslim attendants who will ordinarily work in the wards and also attend to any dying patient.

Complaint of delay in sending intimation of death by Campbell Hospital.

Letter No. R-15-6/40, dated the 3rd May 1940.

From the Chamber to the Superintendent, Campbell Medical School and Hospital, Calcutta.

I am directed to inform you that a serious complaint against your department regarding the unusual delay in giving information of the death of Osman Haji Yunoos who died in the Campbell Hospital on 30-4-40 at 6 A.M., has been received.

It appears from your card addressed to Mr. Abdul Suttar, 17, Zakariah Street, that the patient expired at 6 A.M. and the intimation of his death was not received by the addressee till 12 o'clock noon or even later. It has been the cause of great inconvenience to friends and relations of the deceased and I am asked to remind you that a similar complaint was made by another member of this Chamber sometime ago. It is absolutely essential that intimation of the death of patients should be given to the relations of the deceased without the least possible delay and special arrangement should be made in such cases.

I shall be obliged if you will kindly look into the matter and let me know the cause of this delay and also the steps you propose to take with a view to prevent delays in future. I need hardly emphasise that delays of this nature are a great inconvenience to the public.

Letter No. 2561, dated the 16th May 1940.

From the Superintendent, Campbell Medical School and Hospital, to the Chamber.

Your complaint about the delay in the receipt of the death intimation of Osman Haji Yunoos has been thoroughly investigated. Considering that on an average ten death intimations are despatched to the different parts of Calcutta in the course of one day, a certain amount of delay is inevitable as there are only two peons on duty for delivering death intimations, one in the morning and other in the evening and considering the enormous distances to be covered the peons are doing their best for expeditious despatch of death intimations.

In order to improve on the present arrangement I am requesting the Surgeon-General to sanction two more peons for this duty and it is expected that we shall be able to expedite matters if sanction of Government is received to the entertainment of two more peons for carrying death intimations. Every attempt is made to give intimations of death of patients to the relations of the deceased without the least possible delay.

APPENDIX A.

EXPORT ADVISORY COUNCIL.

SUBJECTS FOR DISCUSSION.

From the Muslim Chamber of Commerce, Calcutta.

Freight for U. K.—During this month so far all available freight for United Kingdom has been requisitioned by the Government and this has created serious difficulties for almost all merchants except those who are supplying goods to the Government in the shape of Steel, Pig Iron, Linseed, etc.

Allotment of freight.—The allotment for freight to various merchants for United Kingdom appears to be inequitable if we compare the volume of exports of certain merchants trading with United Kingdom before the war started. The Steamer Agents, as if to conceal their favouritism, have left word at the Docks not to allow any merchant to see how much freight is allotted to him. However, the merchants possess sufficient evidence, substantiated by official records; that they are not treated fairly with regard to the allotment of freight considering their proper share in the business they do with this part of the world. This should certainly be remedied by the Controller of Shipping so that there may be equity amongst all merchants trading with United Kingdom.

Another objection raised by exporters is that those who used to export Tea, Shellac, Rice, Kapok and other produce are not given any space and they cannot even deal in a commodity like Linseed because they have not been Linseed shippers in pre-war time. This is unjust because their big establishments run the risk of closing down owing to the fact that the above commodities in which they were dealing are not allowed to be exported. Instead, if these merchants are given a chance to compete with others and sell Linseed or any other commodity to the British Government for which there is an open door for export to that part of the world, a healthy competition among the merchants would stimulate trade and keep their establishment going, otherwise those merchants who are not on the list of suppliers to the Government and only deal in those commodities for which no space is allotted for export, will have to shut shop and dismiss their employees which is bound to have a serious repercussion.

Delays.—Issuing of licenses for export by the Export Controller in this town was decided upon mainly to expedite the requisitions made by various merchants which before this arrangement were unvariably sent by the Collector of Customs to Delhi for sanction. But the merchants find that so far there is no improvement in the situation and still matters have to be referred to the Government of India. There are also certain commodities for which licenses are given sparingly, and those for which they should not allot license, are allotted freely. Take the case of Jute to Japan for which licenses are given to exporters very sparingly whereas Pig Iron is freely exported. Surely, Pig Iron would do more damage in war than the golden fibre of Bengal (Jute).

Shipments to Egypt.—Goods sold to Egypt for which no steamer is available is lying in ports with merchants. The Controller should relieve the situation by arranging a steamer so that goods for which sales have already been effected may be shipped. This will not only considerably help the exporters but will also assure Egypt that she can get her supplies from this country regularly both for their military and civil requirements. This does not seem to be difficult to arrange specially as the Government has got to despatch cargo to Egypt. It may be suggested that in each steamer the Government sends down to Egypt, a certain proportion of space should be reserved for private trade as they did in the case of the United Kingdom before the requisitioned all space lately.

Rebates.—Another great obstacle which the Export Advisory Council have to look into is the question of rebates fixed by the Conference Line on the various routes. This has caused an undue restriction in chartering of vessels for removing cargo out of India. The system of rebate is not only unjustifiable but it is illegal. It has however a point to be decided by the Courts of Law, but what the Conference Lines should do at the moment is that as long as the war continues the rebate should be abolished so that merchants may get neutral vessels to clear cargo which has accumulated for various parts of the world and for which the regular lines are not in a position to give sufficient steamers. It is a great stumbling block to the export trade of India and the country in order to continue her trade activities must sell her produce. The Indian peasant has little resources and if he cannot dispose of his produce by selling it to other countries which used to buy it before or find new markets, the trade will practically stop with the result that many an exporting house, owing to these difficulties, will close down, which must affect the cultivators in due time. The lack of confidence that prevails today and the hoarding of silver and gold that continues is chiefly due to money not finding employment in usual channels of supplying of produce for export. The situation is likely to become worse day by day and the ultimate result will be nothing short of disaster. Every obtsacle in the way of trade should be removed and serious attempt should be made to increase exports from this country. Export from India brings the British Government foreign exchange which they need for manufacturing industries necessary for the prosecution of war. Export of commodities gives the Indian cultivator a living, without which he will have to resort to many unpleasant doings, of which Bengal has a good record when the price of jute went down to round about Rs. 24 to Rs. 26 per bale. It is therefore, essential that the Conference should abolish the system of rebate for the duration of the war in order to bring in more steamers for exports.

Banks and Credit.—To export goods there must be banks to negotiate documents and to pay against the same. Since Italy has declared war, the Exchange Banks here are afraid even to buy bills on first class firms in England. When such refusals come from a British institution, the mercantile community naturally loses confidence. It appears to them that there must be something very serious happening to the British Isles for these bankers who have their Head Offices in London, would not have refused bills drawn on first class houses against merchandise which are very high in price compared to what they should have been owing to the devaluation of our currency. Such methods adopted by the bankers definitely brings about depression, panic and seriously dislocates the credit of the Government.

Government Purchases.—The purchasing policy of His Majesty's Government is not the same as they have adopted in other Dominions. From India they buy goods as cheaply as they can by beating down the rate and they only buy goods that they actually and immediately need. On the other hand, we find transactions of Wheat running into five millions of bushels are being made with Canada. Besides, the whole output of Wool from Australia and all the Wheat that Australia can supply has been purchased. In addition to these orders, the British Government has given enormous sums to the Colonies for the expansion of their industries to ensure their supply of war materials. As a result of these war efforts, war supplies and war time expansion of manufacturing industries, every Colony is having a prosperous time. Compared to this we in India are going deeper and deeper into the depths of depression and the outlook is so dark and uncertain that it appears as if the whole machinery of trade will break down within a few months.

The Export Advisory Council should make strong representations to His Majesty's Government to buy from India all their surpluses which they did export to various markets and if they have got no carrying facilities they should store them in India until such time that steamers are available to carry. Great Britain badly needs everything that India produces and Great Britain has not to pay for it to India in gold as she has to do to some neutral countries. Some such effort should be made jointly with the British and Indian Government to relieve the depression and uncertainty that exists today which is the cause of the genral panic which is everyday increasing.
