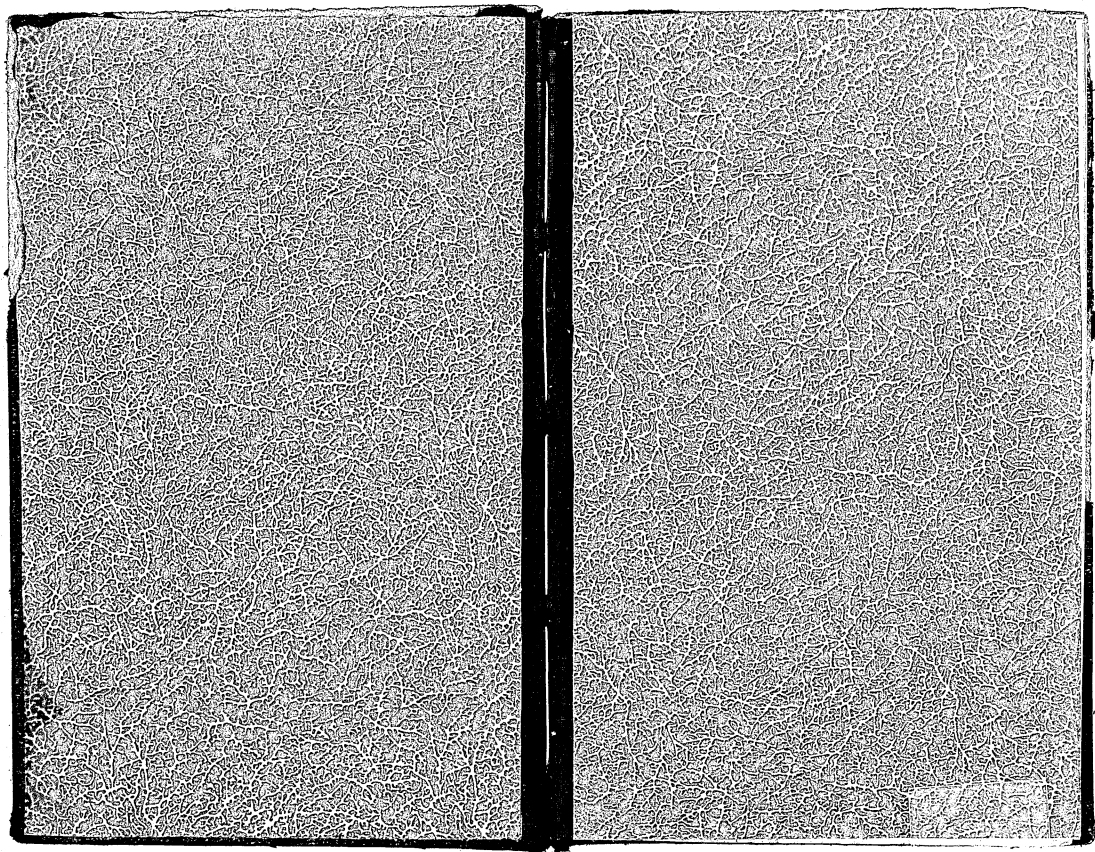
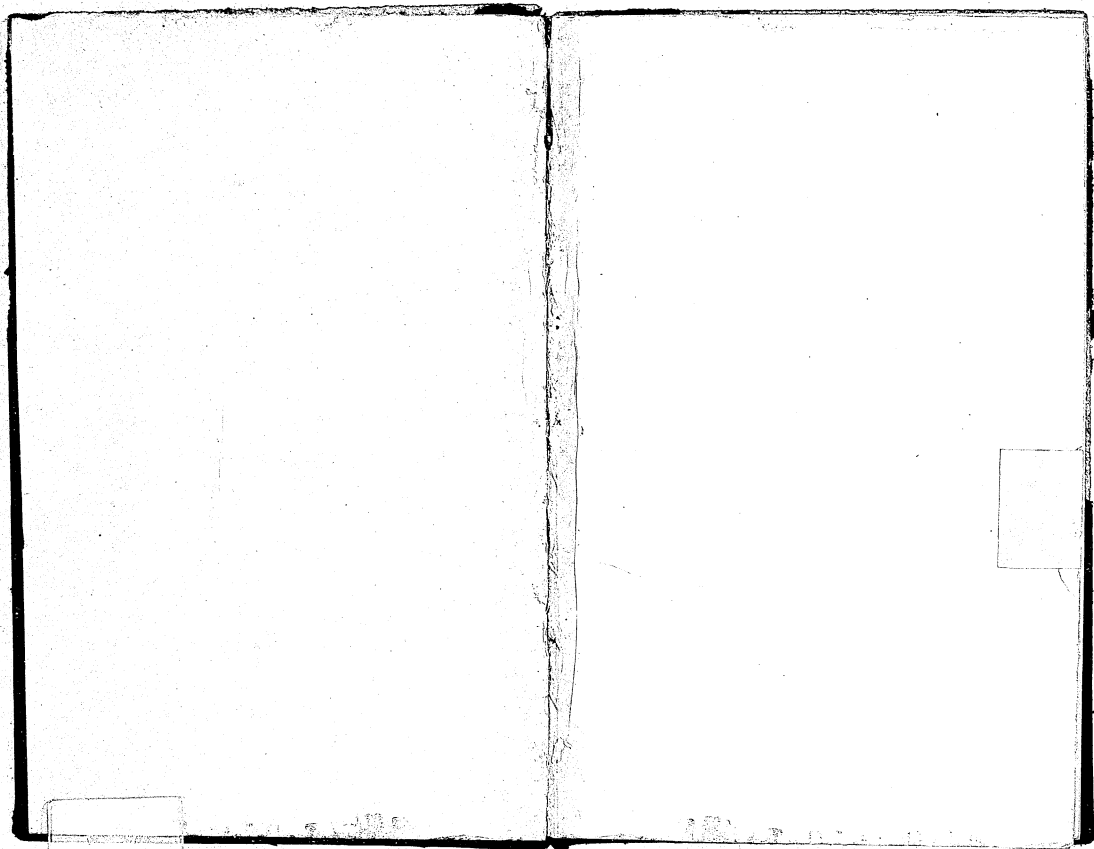


REPORT  
OF  
THE COMMITTEE  
OF THE  
BENGAL CHAMBER OF COMMERCE  
FOR THE YEAR 1947

---





**PROCEEDINGS**

OF THE

**ANNUAL GENERAL MEETING**

OF THE

**BENGAL CHAMBER OF COMMERCE**

HELD ON 27th FEBRUARY 1948.

---

CALCUTTA:

PRINTED AT THE BHARAT PRINTING WORKS,  
25A, Swallow Lane, Calcutta.

1948



**PROCEEDINGS**

OF THE

**ANNUAL GENERAL MEETING**

OF THE

**BENGAL CHAMBER OF COMMERCE**

HELD ON 27th FEBRUARY 1948.

---

CALCUTTA :  
PRINTED AT THE BHARAT PRINTING WORKS,  
25A, Swallow Lane, Calcutta.

1948

## BENGAL CHAMBER OF COMMERCE.

### Annual General Meeting.

The Annual General Meeting of the Bengal Chamber of Commerce was held at the Royal Exchange, Calcutta, on Friday, the 27th February 1948, at 3 o'clock p.m. The meeting which was presided over by the Sir Hugh Cumberbatch, President of the Chamber, was addressed by Mr. N. R. Sarker, The Hon'ble Minister for Finance, Commerce and Industries, Government of West Bengal. The following were also present:—

MR. S. N. VARMA	...	Messrs. Allen, Berry & Co., Ltd.
" D. H. GILES	...	Alliance Assurance Co., Ltd.
" E. VEVERS	...	Messrs. Asbestos Cement Ltd.
" C. M. HUMFREY	...	" Associated Electrical Industries (India) Ltd.
" H. R. HARDING	...	
" R. L. de CHAZAL	...	" Atlantis (East) Ltd.
" B. MATHEWS	...	" Ballardie, Thompson & Mathews.
" G. W. GEMMELL	...	" Balmer, Laurie & Co., Ltd.
" D. I. DUFF	...	" Barry & Co.
SIR EDWARD BENTHALL	...	
	K.C.I.E.	
MR. O. W. LUGG	...	
" A. MUKHERJEE	...	" Bird & Co. and F. W. Hailgers & Co.
" F. W. A. CARPENTER	...	
" A. S. OFFICER	...	
" W. H. S. MICHELMORE	...	
" F. S. MITCHELL	...	
" P. GOFFEY	...	" Braithwaite & Co., (India) Ltd.
" H. W. T. HAIN	...	
" P. J. F. PARSONS	...	" Britannia Biscuit Co., Ltd.
" F. R. HUTSON	...	
" A. P. CHANDA	...	

MR. C. A. MAGUIRE	...	Messrs. <i>British Insulated Cable's Cables Ltd.</i>
" J. W. G. CHURCH	...	<i>The Calcutta Electric Supply Corporation Ltd.</i>
" T. GODLEY	...	<i>The Calcutta Tramways Co., Ltd.</i>
" A. C. WATKINS	...	<i>The Chartered Bank of India, Australia and China.</i>
" M. S. CHUNDER " A. N. CHUNDER	...}	Messrs. <i>S. C. Chunder &amp; Co.</i>
" H. F. STACKARD " A. W. WHITE	...}	" <i>Commercial Union Assurance Co.</i>
" M. N. BHATTACHARJEE	...	" <i>Don, Watson &amp; Co., Ltd.</i>
" H. WORKMEN	...	" <i>W. F. Ducat &amp; Co.</i>
" W. M. WHYTE	...	" <i>Thomas Duff &amp; Co., Ltd.</i>
" A. McLAREN " J. R. VERNEDE	...}	" <i>Duncan Brothers &amp; Co., Ltd.</i>
" L. SQUIRE	...	" <i>A. W. Figgis &amp; Co., Ltd.</i>
" S. STEVENSON	...	" <i>James Finlay &amp; Co., Ltd.</i>
" G. A. GEORGIADI	...	" <i>G. A. Georgiadi &amp; Co.</i>
" T. S. GLADSTONE " A. J. ELKINS, C.B.E. " W. E. SKIPWITH	...}	" <i>Gillanders, Arbuthnot &amp; Co.</i>
" NEIL, BRODIE, C.I.E.	...	" <i>Gladstone, Wylie &amp; Co. and Lyall, Marshall &amp; Co.</i>
" J. H. WATSON	...	" <i>Glenfield &amp; Kennedy Ltd.</i>
" H. A. LUKE	...	" <i>W. Haworth &amp; Co.</i>
" E. LYNE " J. A. E. EVANS	...}	" <i>Hoare, Miller &amp; Co., Ltd.</i>
" W. A. BELL	...	" <i>Imperial Chemical Industries (India) Ltd.</i>
" W. FERGUSON " D. J. MCINTOSH	...}	" <i>Indian Cable Co., Ltd.</i>

MR. J. A. BENJAMIN " C. D. WHEELER	...}	Messrs. <i>Innes, Watson &amp; Co.</i>
" E. A. PATERSON	...	" <i>Jardine, Henderson Ltd.</i>
" P. F. S. WARREN	...	" <i>Jessop &amp; Co., Ltd.</i>
" G. J. GARDNER " E. H. GROVE	...}	" <i>Kettlewell, Bullen &amp; Co., Ltd.</i>
" R. B. STEWART " J. N. SMART	...}	" <i>Landale &amp; Clark, Ltd.</i>
" D. S. SMITH	...	" <i>Landale &amp; Morgan.</i>
" H. P. D. SYKES " A. J. C. HOSKINS- " ABRAHALL	...}	" <i>Lever Brothers (India) Ltd.</i>
" R. F. B. SPENCE	...	" <i>Liverpool &amp; London &amp; Globe Insurance Co., Ltd.</i>
" R. J. S. FRANKS	...	" <i>Lyons (India) Ltd.</i>
" A. T. ORR DEAS " L. P. S. BOVENSIE " P. G. KNOTT	...}	" <i>Mackinnon, Mackenzie &amp; Co.</i>
" RT. HON. LORD " CRAIGMYLE	...}	" <i>Macneill &amp; Co.</i>
" H. SHEDDEN " H. C. BANNERMAN	...}	" <i>Macneill &amp; Co.</i>
" R. J. WILSON " R. J. CROW " A. H. SYME	...}	" <i>A. M. Mair &amp; Co.</i>
" THOS. P. BRODIE " C. A. HERBERT	...}	" <i>May &amp; Baker (India) Ltd.</i>
" J. R. WALKER, " F.T.I., M.L.A.	...	" <i>McLeod &amp; Co., Ltd.</i>
" G. ASTE	...	" <i>Mercantile Bank of India Ltd.</i>
" F. H. SHARPE	...	" <i>Merz &amp; McLellan (India)</i>
" J. C. NIVEN	...	" <i>D. L. Millar &amp; Co., Ltd.</i>
" J. MALLEY	...	" <i>Mirrlees Watson Co., Ltd.</i>

MR. A. MANASSEH	...	Messrs. Moran & Co., Ld.
" H. N. BETTS	...}	Morgan, Walker & Co.
" J. RAMAGE	...}	
" S. A. WINTER	...}	
" D. H. FERGUSON	...	Mytton, Wallace & Co.
" S. G. SMITH	...	Northern Assurance Co., Ld.
" M. AINSWORTH	...	Norwich Union Life Ins. Society.
" R. P. F. SMALLWOOD	...	Ocean Accident & Guar- antee Corporation, Ld.
" J. McFARLANE, M.C.	...}	Octavius Steel & Co., Ld.
" A. H. GALLOWAY	...}	
" G. R. CROOKS	...	Price, Waterhouse, Peat & Co.
" G. EUTHYMOPULO	...}	Ralli Brothers Ld.
" C. M. KEDDIE	...}	
" A. R. HOLT	...	Royal Exchange Assurance Corporation.
" H. B. SCOTT	...	Royal Insurance Co., Ld.
" G. W. BENSON	...}	Messrs. David Sassoon & Co., Ld.
" E. G. MAY	...}	
SIR CHARLES MILES	...	Shaw, Wallace & Co.
MR. T. B. ELLEY	...	Sinclair, Murry & Co., Ld.
" P. PAL	...	The S.K.F. Ball Bearing Co., Ld.
" W. J. B. WALKER	...	The Statesman Ld.
" C. H. THOMAS	...	Messrs. J. Thomas & Co., Ld.
" A. W. CHRISTIE	...	J. Thomas (Jute & Gunnies) Ld.
" H. E. CORN	...	John Thompson Wolver- hampton (India) Ld.
" M. FLEMING	...	W. J. Walker & Co.

MR. C. A. SMITH	...	Messrs. Weddel (India) Ld.
" C. A. INNES	...	Andrew Yule & Co., Ld.

By invitation.

THE HON'BLE SRI H. C. NASKAR	...	Minister, Govt. of W. Bengal.
MR. S. BANERJEE, C.I.E., I.C.S.	...	Member, Board of Revenue, West Bengal.
" J. K. MITTER	...	
" E. RAJARAM RAO, M.A., B.L.	...	Collector of Customs, Calcutta.
RAI BAHADUR J. N. GHOSH, M.A.	...	Department of Commercial Intelligence and Statistics.
MR. N. SHERRARD-SMITH, M.B.E.	...	Post Master General, Bengal.
" D. K. SANYAL, O.B.E.	...	Calcutta University Appointments Board.
" C. H. DERRY	...}	American Consul General, Calcutta.
" C. O. THOMPSON	...}	
DR. W. P. TSAI	...	Consul General for China.
MR. F. M. INNES, C.I.E.	...	Adviser in Pakistan to the Central British Committee.
" W. H. J. CHRISTIE, C.S.I., C.I.E., O.B.E.	...	Adviser in India to the Central British Committee.
" D. C. BARR	...	European Group Corporation.
" S. N. RAY, C.I.E., I.C.S.	...	Chairman, Calcutta Improvement Trust.
" H. S. SUHRAWARDY	...	
" G. W. TYSON	...	Central British Committee.
" H. ROWAN HODGE	...	President, European Association.

MAHARAJADHIRAJA U. C. MAHATAB, B.A., M.L.A. of Burdwan. ....	
MR. E. A. BENSON	<i>Australian Govt. Trade Commis- sioner, Calcutta.</i>
" NORMAN RAMSAY	<i>U. K. Dy. High Commissioner.</i>
" I. B. A. GROVES	<i>U. K. Dy. High Commissioner's Office.</i>
" A. W. BURTON	<i>H. M. Trade Commissioner, Calcutta.</i>
" D. A. BRYAN	
" D. C. GHOSE	<i>Indian Tea Licensing Committee.</i>
" J. N. MUKHERJEE	<i>Chairman, Calcutta Freight Brokers Association.</i>
" M. K. POWVALA	
" M. P. BIRLA	<i>Chairman, Indian Jute Mills Associations.</i>
" K. L. JATIA	<i>Chairman, Calcutta Flour Mills Association.</i>
" C. L. JATIA	
" C. L. BAJORIA	<i>Chairman, Calcutta Hydraulic Press Association.</i>
" MIRZA A. RAZA	<i>Chairman, Calcutta Jute Fabrics Shippers Association.</i>
" D. N. SEN	<i>President, Bengal National Chamber of Commerce.</i>
" K. BASU	<i>Senior Vice-President, Bengal National Chamber of Commerce.</i>
" B. L. JALAN	<i>President, Marwari Chamber of Commerce.</i>
" KASSIM A. MOHAMED	<i>President, Muslim Chamber of Commerce.</i>

The President, in opening the proceedings addressed the meeting as follows:—

Mr. Sarker, Gentlemen,

We meet today under the shadow of a great tragedy and I feel that those present would like firstly to know what the Chamber did on behalf of all its members during the period of mourning for the late Mahatma Gandhi. On the day following his assassination I called upon the Premier on your behalf to express our horror and sympathy. At the same hour the Vice-President attended a joint meeting of the Calcutta Chambers called for the same purpose. Later, this Chamber was paid the courtesy of having its President made a member of a Committee which His Excellency the Governor convened to discuss details of the ceremonies connected with the immersion of the Mahatma's ashes on the 13th and of course I attended the meetings of this Committee.

Then on the 13th the Vice-President and I had the privilege of attending the Immersion Ceremony at Gandhi Ghat.

Secondly, I am sure you would wish at this, our first meeting since the tragedy took place, to pay respect to Mahatmajī's memory and I would therefore ask you to confirm the resolution which was accepted by the Vice-President on your behalf at the joint meeting of Chambers of Commerce to which I have already referred, by standing while I read the resolution:

"The assassination of Mahatma Gandhi has stunned the entire people of the country. The representatives of the businessmen of all nationalities assembled at this meeting pay to his memory their respectful homage. The manner in which Gandhiji's life was ended will ever remain a matter of shame and sorrow to the people of this country. The meeting calls upon all sections of the commercial community to strive their best in the cause of goodwill, love and peace among all sections of the people and to labour together in harmony for the good of our country for which he lived and died. Their joint efforts will be the most fitting memorial to Mahatmajī."

Many new chapters have opened since we last met and this is of course our first meeting in Independent India and West Bengal. We had hoped until only the beginning of this week to welcome here today the Hon'ble Premier of West Bengal, not only as a great and distinguished member of both these new entities but also as the first Premier of the province to address our Chamber at an Annual General Meeting. He had intended to come but finally could not postpone his visit to Delhi long enough to do so. He has, however, at no little inconvenience, I know, to himself and to the Hon. Mr. Nalini Sarker, arranged with him to be present in his stead. We most warmly welcome you, Sir, the first Minister of this province to address our meeting. Your presence gives us great encouragement as well as pleasure. I sincerely trust this particular chapter which you will open when you address us will be a long and happy one. (*Applause*) I need hardly assure you, I am sure, Sir, that you and the Government of West Bengal will at all times receive the full support and active co-operation of this Chamber in upholding law and order and fostering commerce and industry to the benefit of the province. In taking up the burden of these heavy offices you and the Premier have shown yourselves to be true patriots. We are not unaware of the weighty problems that will come before you and I beg to convey, on behalf of this meeting, our very sincere good wishes to the Premier and to you, Sir, as also to your colleagues in the Cabinet. (*Applause*)

To our other distinguished guests we also extend a very warm welcome.

It is my privilege and pleasure on your behalf most sincerely to welcome to West Bengal our first Governor, His Excellency Sri Rajagopalachariar. We are fully aware of the good fortune that has come to West Bengal in having so great a man as Governor and we most respectfully wish him every success in his new task. (*Applause*)

I take this opportunity also of paying a tribute to Sir Frederick and Lady Burrows who came to India at an extremely anxious time and gave of their best to the province of Bengal. With our sincere thanks, we send them our best wishes for many years of happiness. (*Applause*)

Just as great chapters in history have opened during the year under review, so have industry and commerce passed through many vicissitudes. Confidence in the future resulting from favourable official pronouncements has been followed by the grave concern caused by contrary pronouncements, in their turn ensued by a return of confidence for the same reason, and then destroyed again, and so on until confusion has become worse confounded.

The only point I can find, on which almost complete unanimity is evident, is that production must be increased. Yet, so many pronouncements seem to be designed to make this quite impossible. I have, of course, studied most carefully the long and important statement, as published in the newspapers, which the Prime Minister made in Parliament at Delhi on the 17th February. My personal reaction has been one of mixed feelings in respect of confidence about the future, but as the Prime Minister himself made quite clear, the Government has not yet had time to decide in any detail what its policy shall be in regard to nationalization of industries. We are all anxious that this should be decided as early as possible but must admit, which I do freely, that it is not a matter to be dealt with in a hurry and the Government have certainly had more than a fair share of almost overwhelming burdens to deal with since they have been in office. In short, I find it encouraging to know that our Government are treating this vital matter with the full consideration which it is due. To those whose grave responsibility it is to come to a decision on this vital issue, I would only say at this stage that nationalization of industries, particularly those already in existence, can never be justified unless two conditions are satisfied—firstly that private enterprise is proved to be incapable of producing the results which nationalization aims at and, secondly, that nationalised industry can equal private enterprise as a source of revenue to the nation and at the same or less cost to the consumer. It has yet to be demonstrated that these conditions are in fact satisfied. On the other hand, it is clear that such projects as the Damodar Valley Scheme offer a wide and proper field for government enterprise. Such schemes do of course receive our cordial support and co-operation and we are confident that they will prove of great benefit to the countryfolk who are those most in need of help.

Now as to rationalisation of which we are hearing so much, surely in this country, particularly in this province, we have in the managing agency system, the finest form of rationalisation industry and commerce could possibly have. It seems however from the resolutions recently adopted by no less a body than the Economic Programme Committee appointed by the All-India Congress Committee, that they, instead of being proud of possessing this fine system which so benefits the country, wish to abolish it, presumably as something unsocial and obstructive to the country's progress. The Committee must be under some misunderstanding. The system is of the greatest value to the country, as the history of the companies under this form of management so clearly shows.

Firstly, it has been the practice of managing agents to float companies and put them successfully on their feet before asking the public to subscribe. The result of this practice, which I do not suggest has been universal particularly of recent years, but which was the origin of most industries in being to-day—the result is that the public were not asked to subscribe to ventures until they had been proved sound and profitable. There were failures but these were nearly all carried by the managing agents and not by the public at all. To those interested I would recommend the study of the history of companies with managing agents as compared with those without them. The comparison shows the former to have given a far better return to shareholders and thus to the country by way both of greater production and higher contributions to the revenues of the country in taxation. Let those who abuse the system be attacked just as any other miscreant but not the whole system to the grave detriment of the nation.

In any case what is this freedom in India worth if a company is not free to choose the form of management which it considers to be best in its own interest, and is to be hampered by too many legislative restrictions?

The Economic Programme Committee's report enunciates aims which in general are those of many other countries. They may be very sound and praiseworthy, but the methods they propound in order to achieve these aims are quite unsound. I

have no doubt whatever that, unless the Government of India define their policy in very, very different terms to those of the Programme Committee, production and industry will tend to shrivel fast, certainly not flourish, whereas the universal crying need is to produce more wealth so that it may be distributed.

May I quote from a well known Journal writing about another country, not India, but the words seem remarkably apt here too:—

"Never was there a greater need to preach the doctrine of liberating motive powers and taking the brakes off all forms of economic activity. There is no single motive power, but several, each appropriate in its own sphere. Let the social motive be exploited to the full wherever it can operate to advantage. And where the only conceivable motive powers are those of individual enterprise, let them also be encouraged. It is by this means, and not by the rancorous jealousy of dead-levelism, that it will be possible to achieve 'A new conception of society with a dynamic policy in accord with the needs of a new situation'."

It is on these sound principles, Gentlemen, that we in this Chamber—in common with industrial interests in Bombay and with the Indian Chamber of Commerce in Calcutta—have based our recent strong criticisms of the Economic Programme Committee's recommendations. In telegraphing our grave apprehensions to the Government of India we have emphasised very pointedly the deleterious effects which the Committee's policy cannot fail to have on the flow of capital into India's Industries and on India's economic status in international trade and finance. We have stated unequivocally that the effect of the adoption of the Committee's recommended policy will be to undermine all confidence, to dry up capital investment from all sources and to drain capital from existing industries, thus resulting in serious financial embarrassment, in further reductions in industrial output and in the immediate discouragement of India's economic and industrial development.

Under this roof last December I spoke at length on the question of labour direction. While no great improvement has manifested itself as yet, we can, I believe with justification, feel that both the Central and West Bengal Governments with which we

are directly concerned, will now control with determination any unreasonable or violent action by labour. This is a good omen for the future and I sincerely trust this attitude will be maintained particularly, if I may say so, Sir, by your Government. We have suffered from interference and lack of realism in these matters so much that discipline has already deteriorated to such an extent that unless the deterioration is promptly and firmly arrested, it may prove a long and tedious job to regain full control. This is one of the essentials to increased production and industrialisation. We know, Sir, neither you personally nor your colleagues have had time yet to make your policy fully felt, but we do urge upon you again the necessity of speedy action in this direction.

As I pointed out last December one of the main methods of harassment to which we have been subjected is the abuse of the Industrial Disputes Act. Companies without warning have been submitted to adjudication when no real dispute has even been apprehended by employee or employer—as witness the recent order referring to adjudication a total of 267 alleged disputes between Calcutta commercial houses and their clerical and subordinate staff. Matters have been adjudicated upon which have no place in a Tribunal, awards have conflicted one with the other, and many are not conformable with the law of the country. It would seem that some Tribunals consider they are appointed for the purpose of making laws and recourse has on several occasions had to be made to the High Court for protection from them. Moreover, although we appreciate and understand the desire of the adjudicators to arrange a settlement more or less acceptable to both parties in the dispute, we cannot help feeling that in many cases they have gone too far in their desire to appease the representatives of the workers. Some of the awards have laid down principles and have given concessions which in the long run will prove to be serious burdens on industry and, unless they can be reversed or modified at a later date, will eventually cost the country dear.

We have no quarrel with the aims and objects of the Industrial Disputes Act and have no intention of suggesting it should be withdrawn, nor have we ever had such intention; but experience shows more and more clearly that modifications to it are essential and we have pressed for some, and intend to continue doing so. Perhaps the most important amongst these is the right of appeal

to the High Court against awards which over-ride the established law of the land.

We look to you and to your colleagues, Sir, with confidence, for support in these matters and can assure you we are not at all unmindful of the need for the uplift of the poorest in the land and that we are most willing to co-operate to that end.

We have all read with great interest and respect your budget speech in the Bengal Assembly on the 17th instant. Your note of confidence in the future is most encouraging, as is the assurance that development schemes are to be planned with the greatest care. We welcome in particular your expressed intention of making every endeavour to establish friendly commercial relations between East and West Bengal as the free and smooth flow of trade between these two is of such vital importance to us.

I make no apology for referring now to the grave crisis that has just arisen in the Jute Trade as a result of the Central Government's unjustifiably continuing to interfere with it, against the advice of all those concerned including—emphatically—consuming countries. The latest fantastic "deal" in gunny export quotas has placed not only exporters but the Jute Mills, Banks and Steamer Companies in a chaotic position which bids fair to bring a major crisis to the port of Calcutta. The repercussions that will arise unless immediate modification of the present quotas is made are indeed disquieting. As things are, mills will have to find new-buyers; regular exporters will have to break their contracts with clients throughout the world; new parties without any knowledge of the business will have to find buyers abroad willing to purchase from them; and Steamer Companies will have to guess as to where and when to place and direct their ships. Bankers will have bought foreign exchange in immense amounts from exporters to cover the latter's sales; exporters will now have to cancel these contracts at heavy cost and the banks concerned in turn have to cancel their sales of foreign exchange to the Controller. This must upset the Controller's calculations as to his forward foreign exchange position, as the sums involved will be very large.

Representations have been made in the strongest terms to the Government of India by all concerned and I would now ask you,



Sir, to bring to bear the influence of your Government in protecting a vital part of the province's commerce and international trade by supporting the demand for the immediate cancellation of gunny export quotas. *(Applause.)*

To turn now to our more domestic affairs, you will see from the printed report already circulated what subjects your Committee have been busy with during 1947. It has been a year of much anxiety—not least towards and since its close—in the matter of food supplies for the large industrial population in and around Calcutta. With reduced and certainly inadequate rations of rice and wheat products during recent months, it is not surprising that we here have viewed with some apprehension the policy of progressive decontrol of food announced by the Government of India last December. Greatly as we welcome measures of decontrol in other directions, and fully as we recognise the desirability of restoring trade to its normal channels, food is such a vital need if production is to be maintained and improved that we must on this occasion counsel a policy of the greatest caution. Risks cannot be taken where the staple food of the people is concerned. I know that Government are fully seized of this major problem and take this opportunity of assuring you, Sir, of our full co-operation—which we have recently again offered to the Minister of Civil Supplies—in combating any unsocial attempts to embarrass the administration by holding up the crop, and in maintaining our Foodstuffs Scheme at the highest pitch of efficiency as part of Greater Calcutta's food rationing system. Whatever Government's ultimate policy may be, I think I am correctly interpreting the views of our members when I say that, as industrialists, we shall retain our organization in being until we are assured against any recurrence of the 1942-43 conditions of scarcity and famine which first brought our Scheme into existence. As part of the Government rationing system, the Chamber Food Scheme continues—not without great difficulty during the recent months—to distribute supplies to just short of ten lakhs of industrial workers and their dependants.

In conclusion, I wish to take this opportunity of cordially thanking all those who have laboured unselfishly in the public interest as our representatives on the astonishing number and variety of Institutions, Boards and Committees on which our

nominees serve. It is, I think, fitting for me today to single out for thanks our former representatives in the Bengal Legislative Assembly and Council. *(Applause.)* The recent constitutional changes have reduced our representation to two seats in the West Bengal Legislative Assembly—one for the Chamber Constituency and one for the joint constituency of the Jute Mills, Tea, Mining and Trades Associations. That our representatives received a most cordial reception in the new legislature when they recently took their seats is a source of much satisfaction to us—in recognition, perhaps, that we have still a useful contribution to make to the Assembly's deliberations, but certainly as a personal tribute to the two stalwarts who have assumed the heavy responsibility of representing us. I refer to Mr. J. R. Walker, the able and popular leader of the former European Group in the Bengal Assembly and to Mr. C. E. Clarke who led the Group in the Council *(Applause.)* We are indeed indebted to them for the service they continue to give to their respective constituencies and to the new Province of West Bengal.

Notwithstanding the greatly reduced representation which the recent Calcutta Municipal Amendment Act will in future afford us in the Calcutta Corporation, there also we shall continue, without fear or favour, conscientiously to serve the interests of the city in which we live. What has been an uphill and often thankless task hitherto, will become an even more difficult one to carry out effectively from now on. But there will, I am sure, be no lack of enthusiasm for it and to those who will shortly retire from service in the Corporation our grateful thanks are due. *(Applause.)*

Lastly, I must thank all members of our numerous standing Committees and Sub-committees, particularly my colleagues on the Chamber Committee individually and as a team. The year has been one of sustained and at times of almost unbearable pressure; but at every call I have made upon them, and there were many, they gave unstintingly and without fail. It is good to see that many of them will be members of your Committee for the ensuing year. Your affairs could not be in better hands. Mr. Benthall, on whom I have leaned so heavily throughout the year for advice and help, has already served the Chamber nobly.

Now, as Your President, he will guide your affairs in the coming year with, as I know from experience, great wisdom and ability.  
(*Loud Applause.*)

The Hon'ble Mr. Sarkar then addressed the Meeting as follows :—

Mr. President and Gentlemen,

I thank you for the honour you have done me by asking me to address your members at your Annual Meeting, in the absence of the Premier. On behalf of my colleagues in the Government and myself I also express our thanks to you for your warm welcome which we very much appreciate. Personally speaking, it is indeed a pleasure to me to see so many familiar faces and meet amongst you so many old friends with many of whom it was my pleasure and privilege to work in the commercial and other spheres. The Hon'ble Premier, who was to have addressed this meeting, had to leave for Delhi on a very important official errand and it has fallen on me to speak a few words to you in his place.

Mr. President, I am sure you do not expect me, as a Provincial Minister, to speak categorically on those matters of high policy and all-India significance, now awaiting a final decision, some of which have been referred to by you. But I welcome this opportunity of knowing your reactions to our current economic problems at first hand. I have no doubt that your points of view on the various issues will be given due consideration by the proper authorities at the Centre who will shape the future economic policy of the Dominion.

I was greatly touched by your feeling references to Mahatma Gandhi. It shows that there are occasions when we can transcend the traditional differences between the East and West and that all citizens of the country, irrespective of caste, creed or colour can share the same sentiments. The resolution passed by you was quite becoming of your great organisation and your appreciation of Gandhiji's ideals and your resolve to follow them are very laudable indeed.

Before I proceed to deal with some of specific points raised by you, I would like to make a few preliminary observations which

may help to clarify the background against which, in my opinion, such problems should be viewed. The impact of recent events on us has been terrific. The emergence from war to peace is in itself a period of anxious transition. In our case this has also coincided with the change-over from dependence to independence, followed by the partition of the country and the consequent turmoil; and all this has come upon us in such rapid succession and we have been overwhelmed by so many immediate problems, economic, political and administrative, that if there is some confusion somewhere, it should not be considered as too gloomy a portent of the future. It may cause some uneasiness but should not give rise to any serious misgivings.

Viewed on a larger canvas, there are signs of change almost everywhere in the world. The old order seems to be in the process of a radical change and the emphasis is shifting slowly in some countries but rapidly in others to the emergence of the common man in the foreground. In your own country, also, you have no doubt noticed this change. But this need not and should not cause any undue alarm. Whether it is due to the compulsion of events or to the evolutionary processes of history, need not concern us. But not only is the spirit of change in the air a powerful force but I do not also see any reason why we should impede it. Change of any kind is naturally followed by some regrets somewhere but we should accept it as the inevitable law of the universe. All that we should be concerned with is to see that the country, as a result of the passing of the old order, is not poorer but richer, the people happier and our prospects in every sphere brighter than before. I can assure you that those at the helm of affairs in these difficult times are anxious to see that the change is not fraught with any dire consequences.

You have referred to the question of nationalisation and expressed your anxiety in regard to the future of private enterprise in this country. In my opinion the recent speech of the Prime Minister of India in the Constituent Assembly and also at the recent meeting of the All-India Congress Committee should set at rest any doubts, if they still exist, regarding the policy of the Government. This should prove re-assuring to even the most pessimistic amongst you. It is the clear and unequivocal policy

of the Government not to impede the pressing needs of production by any big up-setting factor involved in the process of sudden nationalisation. It is also not the intention of the Government to waste their resources, none too substantial as these are, in the near future in trying to nationalise existing industries except where it is absolutely essential. Moreover, the Government after tackling the many immediate and stupendous problems with the existing administrative and technical machinery with all its limitations can hardly be expected to undertake the baffling burden which a system of complete nationalisation will doubtless impose. They may, of course, start some select industries of their own in the interest of larger production which, nevertheless, will still leave a wide enough scope for private enterprise to grow. In other words, the government will allow all these three sectors, viz., existing industries, State-controlled new industries and private enterprise to operate in harmony and without conflict so that the combined efforts of all these three may increase our industrial output. I do not, therefore, see any reason why there should be unnecessary alarm, at this stage, as regards the future of private enterprise in this country. It should, however, be realised that the old concept of *laissez faire* is fast disappearing from the economic code all over the world, and if there is a larger measure of State regulation in the larger interests of the country in the near future, this should not be construed as any unjustifiable encroachment on private enterprise. I have set out my own views in this regard as clearly as I could enunciate them in my Budget speech as also in my reply to the Budget debate which probably have come under your notice. I hope all these enunciations of policy will remove any misgivings that the Government are not going to afford all reasonable opportunities to private enterprise to function without any serious dislocation. Nevertheless, it would be prudent to recognise that Socialisation is the ultimate goal, not only of the Government of this country but almost everywhere in the world. But the process, I can assure you, would be gradual so that it may not suddenly uproot any existing interests. I hope the taxation policy of the Central Government which will be known by to-morrow evening may help you to correctly gauge the intentions of the Government.

Regarding the system of Managing Agency you have expressed your misgivings about the policy adumbrated by the Economic

Committee Report of the All-India Congress Committee. I yield to none in my appreciation of the role that the system has played up to the present in the industrialisation of this country. As one views the industrial development of this country from the beginning right up to the present day, one can see the hand of the Managing Agents writ large across it. By taking risks in the complex process of starting industries and providing capital and managerial and technical personnel, they performed a most important part in setting up industries in this country. I do not also deny that for quicker industrialisation there will yet be need for the system to exist under revised conditions and safeguards. While I say this, I express my doubt at the same time whether in the modern trend of economic ideals the system can hope to endure for a very long time. Well started on the road of industrial development and with the growth of a sufficiency of managerial and technical skill, the country may no longer need the fostering care of Managing Agents and the system will have outlived its utility. I am not aware that the system flourished at any time in any country that is industrially advanced to-day.

You have referred to the question of return to shareholders on this context. I am aware that the Managing Agency system, by distributing large profits, has earned a good deal of popularity. But that, by itself, cannot be the only criterion of its utility or justification of its continuance. It cannot be denied that it has tended to concentrate wealth and economic powers in a few hands and modern democratic tendencies have naturally begun to frown on it. This is not to suggest that the system should be rejected off-hand on mere doctrinaire principles. On the contrary, I feel, on very important practical considerations, that the system, which has given an impetus to quick and effective industrialisation in India, has not quite played out its role and for some time yet it should continue with necessary adjustments and proper safeguards. Reputable firms of Managing Agents, with their resources of knowledge and experience, do still enjoy the special advantage of attracting the necessary capital for industrial enterprise on account of the confidence they have of private investors in this country.

It is also no longer in accord with present trends to give unrestricted freedom to industrial enterprise, to choose its own

form of management. This can hardly be the policy of any progressive and enlightened government to-day. I do not suggest that the Government should interfere needlessly or even frequently, with industrial management. But in the larger interests of the country and in conformity with modern tendencies a popular Government is expected to guard against abuses. It is also to be realised that in the Constitution now being framed with universal adult franchise as its main cornerstone, the common man will have the largest voice in shaping the country's industrial policy. The common man of to-morrow will not be like his forbears but more intelligent, better educated, more knowledgeable and capable of undertaking greater responsibilities. He is going to have a decisive voice in the shape of things to come and there is likely to be more insistent demand for a thorough overhaul of our existing economic system. But he may not, merely for the love of change, scrap every old institution, especially when he finds that it may impede the production of wealth. But I am afraid the old days of large scale profits have passed, perhaps never to return.

Turning to the food problem, I may say I fully recognise the difficulties you have referred to in connection with any precipitous policy of decontrol of food. As you must have noticed, while we are pursuing a policy of progressive decontrol in other commodities we have not decontrolled rice in the interest of the City of Calcutta, the feeding of whose large industrial population is one of the foremost, and, may I add, baffling concerns of the Government. I can assure you that whatever policy we may adopt in future, the need of the large industrial population in and around Calcutta will be given the utmost consideration.

Naturally enough the problem of labour has figured prominently in your address. I am aware that the situation created in the labour ranks by interested agencies has not only tended to hamper production but has also become a factor of uneasiness to the business community. As I have indicated in the Assembly, the process of settling labour disputes in which the first stage would be conciliation, and, failing this, arbitration. In my opinion both labour and management can hope to get a square deal from such a machinery. It is most unfortunate that labour, of late, has in many cases become a convenient tool in the hands of fomenters of

discord whose interest is always to fish in troubled waters. I most wholeheartedly deprecate such violent and disruptive tendencies which are calculated to retard production and react adversely on labour itself. The Government consider this tendency to be a serious menace to the cause of progress. It is no longer possible, however, to treat labour in the same old fashion as in the past. In order that labour may be enabled to place their just demands effectively, it would be our policy to encourage trade unions organised on sound lines so that labour can have a fair deal. But the difficulty is that labour in our country being mostly illiterate, some so-called labour leaders, in order to serve their own political ends, utilise them to their advantage, disregarding the important fact that in the productive process, labour is not the only factor to be considered and there are others, such as shareholders, managerial and technical personnel and consumers, who must also be considered. As regards the conflicting findings of the Arbitration Tribunals to which you have made a reference, I may assure you that I shall bring these to the notice of my Hon'ble colleague, the Labour Minister, and the Government will surely give these their due consideration.

As I have said in my Budget statement, it would be our earnest endeavour to keep a friendly commercial and economic relation between the two Dominions, particularly between East and West Bengal which only a few months ago were parts of a United Bengal. In fostering such a relation which is mutually beneficial, your great organisation, many members of which are doing business in the other province, can play a very great part for keeping the relation between the two friendly. I hope you will not mind my saying that apart from other considerations, from the point of view of your own interest, also, such a relation should be encouraged by all means, because if the minority community, which is the backbone of the industrial and commercial life of East Bengal feels constrained to leave their province under a sense of frustration, it will undoubtedly react adversely on you also at least for some time. You are welcome to render unto East Bengal all help and assistance to enable her to find her feet in trade and industry, but we shall, at the same time, expect that whatever you may do you will please see that it does not adversely affect the interests of the Indian Union in which you have your principal seat of business.

I have listened with great concern to your remarks regarding the confusion created by the jute quota distribution. Complaints have reached me from various sections of the business community as also from some of the foreign consulates in this regard. Jute is a matter of vital concern to West Bengal and I readily agree to your request to use our good offices with the Central Government. As I have stated in the Assembly, I shall, in due course, make a statement on the result of our discussion with the Central Government.

I must express my sincere thanks to you, both on behalf of my colleagues and myself for the kind assurance of co-operation which you have extended to us on behalf of your Chamber. I very much welcome this gesture of goodwill on your part and I think I express the sentiments of my colleagues also when I say that we would always value your co-operation in the development of this province in the service of which your contribution has been so striking.

Mr. President, I do not know if I have sounded a note of optimism or of gloom. But I believe that if, in these difficult and changing times, we take a long view of our problems and the Government and the people and the business community, in short, all who are deeply concerned in our country's welfare—co-operate with the firm resolve to work for a steadier and brighter future, our problems are not so stupendous that they cannot be resolved by our concerned effort. All that is wanted is the will to succeed, courage in the face of troubles and faith in the ultimate bright destiny of our country. In all this, I am sure, I can count on your help, co-operation and good wishes. *(Loud Applause)*

MR. A. P. BENTHALL,

Mr. Sarkar and Gentlemen,

It is my privilege, Sir, to propose on behalf of this Chamber a cordial vote of thanks to you for so kindly attending our meeting to-day and for addressing us.

We realise the heavy pressure under which the Hon'ble Ministers have to work and we appreciate the sacrifice which is entailed by their visit to-day. We hope, however, that this will

not be the only occasion on which the Prime Minister or a senior member of the Government will attend our meeting, and we trust that your visit to-day will prove to be a precedent by which you or your successor in office will address us on this occasion in future years.

Before concluding, I should like to remind members that the Hon'ble Ministers will now probably wish to withdraw. While they are leaving, the meeting will adjourn for a few minutes, but on the return of the President to the Chair, the agenda of the meeting will be resumed.

I now on behalf of the Bengal Chamber of Commerce offer you, Sir, our most sincere thanks.

*(The Hon'ble Finance Minister then withdrew from the meeting.)*

THE PRESIDENT :—

Gentlemen, as you will have seen from the agenda, we have now a certain amount of formal business to transact.

You have had in your hands for some days the 1947 report and accounts of the Chamber to be presented to this meeting for adoption.

As regards finance, the Licensed Measurers Department with the assistance of a 30% surcharge on their rates finished the year with the small surplus of income over expenditure amounting to Rs. 9,086/- after meeting the enhanced charges, particularly establishment charges, to which we have all been subject during a year of rising costs and inflated values. In view of the increasing uncertainty of the trade of the port during the coming year, especially with the suspension of gunny shipments due to the "quota" confusion to which I have already referred today, the Committee of Management of the Department will shortly be reviewing the Department's financial position as a whole to ensure as far as possible that income will be sufficient to cover the anticipated expenditure.

As your President pointed out a year ago, the adjustments made in August 1946 in clerical and subordinate staff salaries

and dearness allowance have had their full effects on the Secretarial Department during 1947 and have resulted in a deficit of Rs. 1,40,209/- to which falls to be added the Royal Exchange deficit of Rs. 23,269-13-0. This result, which was anticipated, has been unavoidable in a Department whose income has always had to be adjusted retrospectively to cover its essential requirements. I am glad to say that steps have been taken by the Chamber Committee to ensure, with the minimum repercussions on members and connected Associations, that sufficient income will be available this year and next to restore our financial position and avoid further inroads into the Chamber's small capital reserves. In common with others we are faced with demands on the part of the clerical and subordinate staff notwithstanding a complete recent review of their terms of service and it will now fall to the "Industrial Disputes Tribunal (Mercantile)" to give an award on the outstanding points. We have gone a long way to meet all reasonable grievances of the staff concerned and consider that the terms offered are reasonable and fair.

Gentlemen, I now invite members to comment on the report and accounts or to address the meeting on any subjects of interest to the mercantile community.

There being no questions or comments, the President then moved Resolution I :—

"That the Report be accepted and the Accounts passed".

Mr. J. R. C. Taylor, C.L.E., seconded the resolution which was put to the meeting and carried unanimously.

THE PRESIDENT—Resolution II on the agenda. I now move as follows :—

"That the election by the Committee of the following firms and companies be, and is hereby, confirmed :—

**Chamber Members :**

1. Alkali & Chemical Corporation of India Ltd.
2. Associated Instrument Manufacturers (India) Ltd.
3. G. Atherton & Co., Ltd.
4. Babcock & Wilcox of India Ltd.

5. Birkmyre Bros. Ltd.
6. British Tabulating Machine Co., Ltd.
7. Carritt Moran & Co., Ltd.
8. Columbia Gramophone Co. of India Ltd.
9. W. S. Cresswell & Co., Ltd.
10. A. W. Figgis & Co., Ltd.
11. The Indian Cable Co., Ltd.
12. Jardine Henderson Ltd.
13. Kaye Mardon & Co., (Eastern) Ltd.
14. Kilburn & Co., Ltd.
15. Mirlees Watson Co., Ltd.
16. Phipson & Co., Ltd.
17. The Power Gas Corporation Ltd.
18. Queensland Insurance Co., Ltd.
19. Harold F. Ritchie (India) Ltd.
20. A. J. Shellim & Co., Ltd.
21. J. Thomas & Co., Ltd.
22. J. Thomas & Co. (Jute & Gunnie) Ltd.
23. Weddel (India) Ltd.
24. James Wright Ltd.

**Associate Members :**

- Air France.
- Firestone Tyre & Rubber Co., of India Ltd.
- Freedom-Valvoline Oil Co.
- The Great American Insurance Co., Ltd.
- National Cash Register Co.
- Nestle's Products (India) Ltd.

Mr. G. W. Gemmell seconded the resolution which was carried unanimously.

THE PRESIDENT—Gentlemen, I now report as follows the result of the voting for the Committee of the Chamber for the ensuing year :—

**President :**

Mr. A. P. Benthall.

**Vice-President :**

Mr. A. J. Elkins, C.B.E.

Committee Members :

Mr. W. A. Bell  
" L. P. S. Bourne  
" Neil Brodie, C.I.E.  
" A. L. Cameron  
" J. McFarlane, M.C.  
Sir. Charles Miles, O.B.E.  
Mr. A. C. Watkins

I have also to thank Mr. Toft of Messrs. Price Waterhouse Peat & Co. and Mr. Arthur of Messrs. Lovelock & Lewes for continuing the past practice by giving their services as scrutineers of the voting papers.

Will the Vice-President please move resolution III. ?

MR. A. P. BENTHALL.

Before moving the important Resolution which stands in my name I should like to take the opportunity of thanking you very sincerely for the great honour you have done me in electing me your President for the coming year. I realise the magnitude of the responsibility which will fall on me and the extent of the difficulties which lie ahead. But I know that the Vice-President and Committee whom you have elected will give me every possible support. For my part, I shall do my best to justify the trust you have shown in me.

I now beg to propose—

"That Messrs. Lovelock and Lewes be and are hereby re-appointed Auditors to the Chamber at the same remuneration as before."

The resolution, seconded by Mr. D. Inglis Duff, was carried unanimously.

MR. F. F. S. WARREN :—

Mr. President and Gentlemen.—It is my happy privilege this afternoon to propose a vote of thanks to the outgoing Committee.

In merely seeing the end products of this body's deliberations, as presented to us in the form of the numerous reports, circulars and other communications which constitute such a valuable feature of the Chamber's activities, we are perhaps apt to take a

good deal for granted and overlook the great amount of time and thought involved ; but having once had the honour of serving on it myself, I well know how exacting the duties can be. Yet even so, I feel that my own small experience must be child's play compared with the endless uncertainties, sudden shocks and mounting difficulties with which they have been faced in their term of office. Indeed, having succeeded in escaping most of the troubles by being on leave, I must confess that I was agreeably surprised on my return to find them all so very much alive and kicking, and we are fortunate in having had such a sturdy band to look after our interests through a period of such exceptional trials.

It is, therefore, with a heightened sense of obligation that I ask you to join with me in expressing our warmest appreciation of all their arduous and devoted labours on our behalf, to which end I now have pleasure in proposing that a cordial vote of thanks be accorded to the Vice-President and other Gentlemen of the outgoing Committee for their successful management of the affairs of the Chamber during the past year. *(Applause)*.

MR. G. EUTHYMOPOLO :—

It is my pleasure and privilege to propose a hearty vote of thanks to the retiring President of the Chamber, Sir Hugh Cumberbatch. I need not enlarge on the onerous and complicated duties which devolve on the President of the Chamber in these extremely difficult times. This must be obvious to everybody here. Besides, Mr. Warren has just emphasised all of this, and if the Vice President and Committee have so much to do, you may well imagine that the President has even greater calls on his time and energy.

What I would particularly like to say, however, is the following. I have been in this country for 36 years: I have listened to many a presidential speech, but I have seldom heard a more courageous, sincere and outright speech than that delivered by Sir Hugh in his presidential address to the Associated Chambers of Commerce last December, and also his speech today. Everything he says is outright and to the point, and whatever medium of criticism it may receive, he has done the right thing at the right moment and said nothing but the actual truth.

When I think that at the time of the Associated Chambers' meeting his health was not of the best, and that shortly after delivering that presidential speech, he had to enter a Nursing Home and submit himself to an urgent operation, his performance is the more praise-worthy, and we can all realise the strain which he must have undergone during those days.

I hear with regret that Sir Hugh Cumberbatch will be retiring from India shortly: may I wish him and Lady Cumberbatch, on behalf of us all, many happy years in Europe (if this is possible under present conditions) and assure him that we shall always remember him. Good luck to them both. (*Loud Applause*).

THE PRESIDENT

I most sincerely thank you, Mr. Warren, and you, Mr. Euthymopoulos, on behalf of the Vice-President and out-going Committee as well as on my own behalf, for the very nice things you have said about us all and also you, Gentlemen, for the way in which you have so kindly endorsed them. It is very much appreciated.

Mr. Tasker and Mr. Orr Deas, two members of last year's Committee, retired during the year, and I would like to thank them for their labours on our behalf and wish them many years of happiness in their retirement.

Before sitting down, I wish to record my deep gratitude to our Secretary, Mr. Fairbairn, and to his staff. Nothing has been too much or too difficult for him and his staff and while I am most thankful for the unceasing and invaluable help to me, it is not I alone who should be thankful but every one of us, who as members benefit from this very first-class Secretariat. Mr. Fairbairn is proceeding on leave shortly and I am sure you will all join me in wishing him the happy holiday with his family which he has so richly earned. (*Applause*).

There being no further business, the proceedings then terminated.

D. C. FAIRBAIRN  
*Secretary.*

H. D. CUMBERBATCH  
*President.*

# REPORT

OF

## THE COMMITTEE

OF THE

### BENGAL CHAMBER OF COMMERCE.

For the Year 1947.

CALCUTTA:

PRINTED AT THE BHARAT PRINTING WORKS,  
25A, Swallow Lane, Calcutta.

1948



### NOTE

It was customary, prior to the year 1942, for the Chamber to issue a preliminary Report in this form, for adoption at the Annual General Meeting in accordance with the provisions of the Chamber's Articles of Association; and subsequently to republish and circulate the report as a bound volume (Vol. I) inclusive of the following additional papers and appendices :—

- (1) Proceedings of the Annual General Meeting of the Chamber.
- (2) Bengal Chamber of Commerce :—
  - (a) List of members of the Chamber.
  - (b) List of representatives of the Chamber on various bodies.
  - (c) Committee and Sub-Committees of the Chamber and of recognised Associations.
- (3) (a) Memorandum and Articles of Association of the Chamber.  
 (b) Rules and Regulations of the Chamber Provident Fund.
- (4) Tribunal of Arbitration and Survey Department :—
  - (a) Rules.
  - (b) Scales of Fees.
  - (c) List of Arbitrators and Surveyors for Piece-goods, jute and jute manufactures, Miscellaneous Goods.
- (5) Comparative statement of prices of silver: rates of exchange: remittances to Home Treasury and gold held in European Banks.
  - (6) Index to Chamber rulings.
  - (7) Chamber Rulings Nos 1 to 15.
  - (8) Chamber forms of Boat Note.
  - (9) Conversion of sterling freight into Indian currency.
  - (10) Conference Bill of Lading.
  - (11) Schedule of commission charges.
  - (12) Tonnage Schedule and Measurement Rules for the Port of Calcutta.
  - (13) Notes on the above Schedule.
  - (14) Tonnage Schedule for Port of Rangoon.
  - (15) Money, weights and measures of Ceylon, China, India etc.

Though there has been a further improvement recently in the paper supply position, the Chamber has yet not found it possible to revert to the pre-war practice referred to above. There will accordingly this year, be no re-publication of this report with the foregoing additional papers and appendices but it is to be noted that :—

- (a) Items (1) and (2) will be issued in separate pamphlet form.
- (b) Items (3) and (4) will be made available to any member requiring and applying for copies.
- (c) The information contained in item (5) will be supplied to any interested member on application.
- (d) Items (6) to (15), which remain unchanged, are to be found in Volume I of the Chamber's Report for 1941.

Similarly there will again be no publication, this year, of the former "Correspondence" and "Statistics" Volumes (II and III) of the Chamber Report the issue of which was discontinued in 1940/41.

D. C. FAIRBAIN,  
Secretary.

### TABLE OF CONTENTS

	PAGE
Bengal Chamber of Commerce : Committee	1
Representation of the Chamber on public bodies	1—11
The Royal Exchange	11
The Chamber Tribunal of Arbitration	11
Chamber Surveys	12
Licensed Measurers Department	12
<b>GENERAL—</b>	
The Associated Chambers of Commerce of India : 29th Annual General Meeting	13—14
<b>LAW &amp; LEGISLATION—</b>	
<i>(1) General—</i>	
Bengal State Acquisition & Tenancy Bill	15
Calcutta Thika Tenancy Bill 1947	15—16
Electricity (Supply) Bill 1946	16
Capital Issues (Continuance of Control) Act 1947	16
Extension of the duration of the Indian Patents and Designs (Extension of Time) Act 1942	17
Calcutta Rent Control Ordinance, 1946	17
Agricultural Produce Export (Quality Control) Bill Agricultural Produce (Standardisation of Contracts) Bill 1946	17—20
Proposed legislation for the admixture of power alcohol with petrol	20—21
The Control of Shipping Act 1947 : Setting up of a Shipping Board	21—22
Railways (Transport of Goods) Act, 1947	22—23
Sugar (Temporary Excise Duty) Bill, 1947	23
Imports & Exports (Control) Act, 1947	23—24
Explosives (Temporary Provisions) Act, 1947	24
Banking Companies Bill, 1946	24

	PAGE
The Negotiable Instruments (Amendment) Bill, 1947	25
Trading with the Enemy (Continuance of Emergency Provisions) Act, 1947	25
The West Bengal Electricity (Emergency Powers) Bill, 1947	25
Non-Official Legislations: (The Indian Companies (Amendment) Bill 1947)	25-26
The Indian Trade Unions (Amendment) Act 1947	26-27
<i>(e) Taxation—</i>	
The Budget 1947-48: Indian Finance Act: Indian Income Tax and Excess Profits (Amendment) Act: Business Profits Tax Act: Taxation on Income (Investigation Commission) Act.	28
Government of India Interim Budget	28-29
Indian Tariff (Amendment) Ordinance, 1947: Export Duty on Tea	29-30
Baroda State Income Tax	30-31
Delays in the Hearing of Appeals before the Income Tax Appellate Tribunal	31-32
Income Tax: Taxation of Non-resident Companies	32-33
Taxation of the Income of partners while on Active Service	33
Capital Gains Tax: Form of Return of Total and World Income etc.	33-34
Indian Finance Act, 1946: Additional Super Tax: Capital of the Company: Reserves	34-35
Indian Taxation: Dividends declared and paid in the U.K. by Sterling Companies	35-36
Income Tax and Business Profits Tax (Amendment) Act, 1947	36
India (Adaptation of Income Tax, Profits Tax, and Revenue Recovering Act) Order 1947: Indo-Pakistan Agreement for avoidance of Double Income Tax	36
Bengal Finance (Sales Tax) Act and Rules, 1941	37-38
Punjab Sales Tax Act and Rules	38

	PAGE
<i>(s) Finance—</i>	
Exchange Control: Remittance of Net Tea Proceeds on Account of Sterling Companies	38-39
Indian Economic Conference (30th Session) Calcutta 1947	39
Reserve Bank of India (Amendment) Bill 1947	39
<i>CUSTOMS—</i>	
Proposed Tariff Negotiations between members of the Preparatory Committee on Trade and Employment	39-40
Proposed increase in the rate of tea cess	40
Annual Revision of the Import Tariff Schedule and Tariff Values under the Agricultural Produce Cess Act, 1940	40
Relief from Import Duty on Raw Materials used in Industry	40-41
<i>MARINE—</i>	
Pilferage on board vessels leaving Calcutta	41
Interpretation of Charter Party Clause: Notice of Readiness	41-42
Merchant Navy Officers Training Committee Questionnaire	42
Manning of mechanically propelled fishing vessels	42-43
Indian Dock Labourers Regulations, 1947	43
Bengal Pilot Service: Pilotage Fees	43
Malpractices at Coromandel and Malabar Coast Ports: Tindals' Protests	43-44
Shipping Service between India and other Countries	44-47
Clearance of cargoes from the Docks: Port Commissioners Strike: Customs House delays	47-48
Commissioners for the Port of Calcutta: Increased Charges from September 1st	48
Dredging of the Lakhya River at Narayanganj and the Dakatia River at Chandpur	48-49
Discharge of Salt Steamers: Lay Days	49-50

	PAGE
<b>RAILWAYS—</b>	
Railway Budget 1947-1948	50
Interim Railway Budget	50
Claims against the Railway Administrations for lost or damaged goods	50—51
Indian Railway Conference Association : Proposed revision of Rule 78 : Classification of goods	51—52
Up-Country Surveys : Shortage Claims on Consignments conveyed by Railways	52
Chirmiri (Bijuri) Barwadih Survey	52—53
Bengal Assam and East Indian Railways : Time Tables	53
Demurrage of Railway Wagons : Treatment of Sundays as <i>dies non</i>	53—54
Proposed Scheme for the Prevention of Theft of Coal from the Shalimar Yard	54—55
Coal Production and Transport : Coal Distribution Lines	55
Deduction of money order Commission on payment of claims and refunds	55—56
<b>POSTS &amp; TELEGRAPHS—</b>	
Calcutta Telephone Service	56—57
Postal Holidays	58
Cash in Transit—West & East Bengal	58—59
Air Mail Fees	59
Dharantalla Post Office	59
Posting of Indian Mails at the Calcutta G.P.O.	59
<b>INDUSTRIAL—</b>	
Workmen's State Insurance Bill 1946	60—62
Industrial Disputes Act, 1946	62—64
Bengal Tripartite Labour Conference	64—65
Establishment of new factories and extension of existing factories	65—66
Observance of May Day as a General Holiday	66—67

	PAGE
Fair Wages Clauses in Public Contracts	67
War Emergency Camps for Stevedore Labour Finance	67—68
Capital Goods for West Bengal	68
Terms of Payment for Supply Department, Government of India	69—70
Utilisation of Industrial Research	70
Coal Supplies to Industrial Consumers in the Calcutta Area	70—71
<b>MUNICIPAL—</b>	
Calcutta Municipal Election Ordinance	71—72
Traffic in the business area : Proposed re-alignment of the Tram lines in Dalhousie Square	72—73
Traffic Control in the Business Area of Calcutta	73—77
Proposed One-Way Traffic in Dalhousie Square	77
Thefts of Motor Vehicles in Calcutta & Howrah	77—78
Use of Motor Vehicles Headlights : Traffic Police Restriction Order	78
Calcutta Corporation : Water Supply	78
Garbage on the Streets of the Calcutta Business Area	78—79
Projected New Town Levy on Wines, Spirits & Beer	79
<b>MISCELLANEOUS—</b>	
Central Peace Committee : Relief and Rehabilitation of victims of communal riots in Calcutta	79—80
Scarborough Commission : Recommendations on Oriental, Slavonic, East European and African Studies	80—81
Chamber Language Classes	81—82
Tribunal of Arbitration : Institution Fees	82—83
Chamber Rules of Surveys : Scale of Fees	83
Autonomy of the Profession of Accountants	83—84
Payment of Bills through Collecting Sircars	84
Indian Red Cross Appeal	84

	PAGE
Transit Visas for Iraq ... ..	84-85
Advanced Studies Abroad for selected Students: Government Scheme ... ..	85
Resettlement and Employment of Ex-Service Personnel: Apprenticeship Scheme ... ..	85-86
Sub-Regional Employment Exchange, Barrackpore Employment Advisory Committee ... ..	86
Regional Directorate of Re-Settlement and Employ- ment: Women's Employment Advisory Committee ... ..	86
F. A. Q. Specifications of foodgrains ... ..	86-87
Settlement of Government Contractors Claims ... ..	87
Non-Official Enumeration of European British Subjects in India ... ..	87
British Industries Fair and Indian Industries Ex- hibition in London ... ..	87-88
Indian Standard Time: Office Hours ... ..	88
Transport of business women ... ..	88
Government Contract Terms: Forward Deliveries ... ..	88-90
Import Trade Control ... ..	90-92
Hospital and Nursing Home Benefits Scheme ... ..	92
Marriage of H. R. H. the Princess of Elizabeth ... ..	92
Civilian Passages: India to U. K. ... ..	93
<b>MEMBERSHIP:—PROVISIONAL ELECTIONS</b>	
Chamber Members ... ..	93-94
Associate Members ... ..	94
<b>FINANCE AND ACCOUNTS—</b>	
Comparative Statement of Chamber and Royal Ex- change Accounts ... ..	95-96
Accounts: Secretarial Department—General ... ..	97-105
<b>SUNDRY REFERENCES</b> ... ..	106-108
<b>OTHER REPORTS—</b>	
Royal Exchange Report ... ..	109-118
Licensed Measurers Department Report ... ..	119-139

## BENGAL CHAMBER OF COMMERCE

### REPORT OF THE COMMITTEE FOR THE YEAR 1947.

The Committee of the Bengal Chamber of Commerce have now the honour to submit to the members of the Chamber their report for the year 1947.

**Committee:—**The following gentlemen were elected to the Committee at the Annual General Meeting of the Chamber held on the 28th February 1947. *President*—Mr. (now Sir) H. D. Cumberbatch, (Messrs. Andrew Yule & Co., Ltd.); *Vice-President*—Mr. A. P. Benthall, (Messrs. Bird & Co.); *Members*—Mr. W. A. Bell, (Imperial Chemical Industries (India) Ltd.); Mr. A. J. Elkins, C. B. E. (Messrs. Gillanders, Arbuthnot & Co.); Mr. H. W. T. Hain, C. B. E., (Messrs. Braithwaite & Co. (India) Ltd.); Mr. (now Sir) C. W. Miles, O. B. E. (Messrs. Shaw, Wallace & Co.); Mr. A. T. Orr Deas, M. C., (Messrs. Mackinnon, Mackenzie & Co.); Mr. E. A. Paterson, (Messrs. Jardine, Henderson Ltd.); Mr. L. O. Tasker, (The Chartered Bank of India, Australia & China).

The following changes took place during the year. In July Mr. L. O. Tasker resigned his seat in view of his impending retirement from India and Mr. A. C. Watkins (The Chartered Bank of India, Australia and China) was elected to fill the vacancy. In September Mr. A. T. Orr Deas resigned his seat as he was proceeding out of India for a period of some months; the Committee elected Mr. L. P. S. Bourne of the same firm to take his place.

With the passing of the Indian Independence Act, 1947, the Council of State. the Council of State ceased to function.

One of the immediate effects of the transfer of power on West Bengal Legislative Assembly. August 15th and the division of Bengal into the two Indian and Pakistan provinces of West Bengal and East Bengal, was that under the India (Provincial Legislatures) Order 1947, which came into force from that date, the fourteen seats previously held in the Bengal Assembly by representatives of the respective

constituencies of the Bengal Chamber of Commerce, the Indian Jute Mills Association, the Indian Mining Association, the Indian Tea Association and the Calcutta Trades Association, were reduced to two—one for the member elected from the Bengal Chamber Constituency and the other for representation of a combined Constituency of the four Associations named above. The choice of candidates is at present confined to those whose names appear on the electoral rolls of either one or the other of these constituencies and on these two members rests the responsibility of presenting the viewpoint of the commercial and industrial interests in West Bengal which the two new constituencies represent.

The members of the West Bengal Legislative Assembly representing the two Constituencies have recently been elected. Mr. J. R. Walker has been returned by the Chamber Constituency and Mr. C. E. Clarke, Master of the Calcutta Trades Association, represents the Constituency comprised of that Association, the Jute Mills, Tea and Mining Associations.

The representatives of the Chamber on the Calcutta Port Commission at the close of 1947 were:—Mr. Neil Brodie, C.I.E. (Messrs. Gladstone, Wylie & Co.), Mr. (now Sir) H. D. Cumberbatch (Messrs. Andrew Yule & Co., Ltd.), Mr. A. J. Elkins, C.B.E. (Messrs. Gillanders, Arbuthnot & Co.), Mr. J. F. Elton (Messrs. Kilburn & Co.), Mr. J. Morshead (Messrs. Turner, Morrison & Co. Ltd.), Mr. A. T. Orr Deas (Messrs. Mackinnon, Mackenzie & Co.).

With the expiry of the term of office of Mr. J. Morshead on 3rd January 1948, the Committee elected Mr. J. Aitken (Messrs. James Finlay & Co., Ltd.) to fill the vacancy.

His term of office expiring on the 20th March 1947 Mr. (now Sir) H. D. Cumberbatch was re-elected for a further period of two years. Mr. A. R. Elliott Lookhart, C.I.E. (Messrs. Gladstone, Wylie & Co.) was elected as a representative on the Calcutta Port Commission for a period of six months from 7th June 1947 in place of Mr. Neil Brodie on leave. Mr. Brodie resumed. As the term of office of Mr. A. J. Elkins, C. B. E. expired on the 11th June 1947, the Committee re-elected him for a further term of two years. Mr. Elkins took leave from the 20th October 1947 to the 25th January 1948 and Mr. J. H. Willson was elected to serve on the Calcutta Port Commission for that period. Mr. Elkins resumed.

At the beginning of the year the Bengal Chamber of Commerce Calcutta Municipal Corporation. Constituency was represented on the Corporation of Calcutta by the following Councillors:—

Mr. J. N. Smart (*Leader*), Messrs. Landale & Clark Ltd.; Mr. J. N. Birch, Messrs. Balmer Lawrie & Co., Ltd.; Mr. E. H. Edney, Imperial Chemical Industries (India) Ltd.; Mr. W. R. Humphrey, Messrs. Kilburn & Co.; Mr. A. A. Wise, Messrs. Andrew Yule & Co., Ltd.; Mr. C. W. Tassie, Messrs. James Finlay & Co., Ltd.

Mr. F. Spence was later elected to the vacancy caused by the resignation of Mr. Smart. Mr. Humphrey was replaced by Mr. W. G. Cross of the Calcutta Tramways Co., Ltd., and Mr. Birch by Mr. J. A. Benjamin of Messrs. Innes Watson & Co. On the resignation of Mr. Edney, the Hon'ble G. Holland Hastings of the Planters Stores & Agency Co., Ltd. was elected in his place.

Mr. T. Godley (The Calcutta Tramways Co., Ltd.) continues as Calcutta Improvement Trust. the representative of the Chamber on the Board of Trustees for the Improvement of Calcutta. He was re-elected on the expiration of his term of office on the 14th March 1947.

The representatives of the Chamber on the Bengal Boiler Commission are:—Mr. G. P. Chestney (Messrs. Burn & Co.) and Mr. J. M. Grant (Clive Jute Mills).

The Chamber re-nominated Mr. C. B. Corbett (Messrs. Macneill & Co.) as its representative on the re-constituted Board of Examiners for Boiler Attendants. Board of Examiners for Boiler Attendants.

Mr. A. Nicoll (Manager, Union North Jute Mill) and Mr. R. J. Oliver (Messrs. Martin & Co.) are the representatives of the Chamber on this Commission. Bengal Smoke Nuisances Commission.

Mr. L. P. S. Bourne (Messrs. Mackinnon Mackenzie & Co.) is the representative of the Chamber on the Indian Coal Grading Board.

Mr. R. R. Hogarth (Messrs. James Finlay & Co., Ltd.) was the representative of the Chamber on this Committee throughout the year.

Calcutta Electric Supply Corporation Consultative Committee.

Mr. G. Troup, A. M. I. E. E. (The Calcutta Electric Supply Corporation Ltd.) served as the representative of the Chamber on this Board throughout the year.

Bengal Electric Licensing Board, Bengal.

Mr. F. F. M. Ferguson, (Dunlop Rubber Co. (India) Ltd.) continued to represent the Chamber on the Board of Communications.

Bengal Board of Communications.

Mr. R. J. L. Oakley (Messrs. Kilburn & Co.) is the representative of the Chamber on this Board.

Calcutta Traffic Advisory Board.

Mr. A. H. Syme (Messrs. A. M. Mair & Co.) was the representative of the Chamber on this Committee during the year.

Indian Central Jute Committee.

Mr. W. Morrison (Manager, Angus Jute Mill) and Mr. A. Heys (Messrs. Kettlewell, Bullen & Co. Ltd.) are the representatives of the Chamber on the Managing Committee of this Institute.

Bengal Textile Institute, Serampore.

The Chamber's representatives on the Auxiliary Force Advisory Committee are: Mr. A. J. Elkins, O.B.E., (Messrs. Gillanders Arbuthnot & Co.) Col. W. H. Grice (Imperial Chemical Industries (India) Ltd.)

The Auxiliary Force Act 1920 : Advisory Committee.

In view of the decision made by the Ministry of Railways (Railway Board) that no Chamber of Commerce be permitted more than one representative on a Local Advisory Committee the representation of this Chamber has been reduced from two to one. The Chamber's representative now on the East Indian Railway Local Advisory Committee is Mr. J. R. C. Taylor, C.I.E. (Burma Shell Oil Storage & Distributing Co., of India Ltd.)

E. I. R. Local Advisory Committee.

Mr. E. Goode (Messrs. Cox & Kings (Agents) Ltd.) was appointed to serve on this Committee which was constituted in the middle of the year by the East Indian Railway, Howrah Station in order to assist mill, factory proprietors and traders in general with regard to facilities required in connection with booking and delivery of goods.

Railway Advisory Committee, Howrah Goods.

On the retirement from India of the Sir Harry Townend the Chamber nominated Mr. (now Sir) C. W. Miles, O.B.E., as a representative on the Local Advisory Committee.

Bengal Nagpur Railway : Local Advisory Committee.

The representatives of the Chamber on the Commercial Panel of the Railway Rates Advisory Committee are the following: Mr. I. G. Kennedy, C. B. E., (Messrs. Jardine, Henderson Ltd.) representing the jute trade; Mr. R. H. D. Campbell (Messrs. Shaw, Wallace & Co.) representing the grain seed and petroleum trade; Mr. H. C. Bannerman (Messrs. Macneill & Co.) representing the tea trade; Mr. D. F. Macmillan (Messrs. Andrew Yule & Co., Ltd.) representing the coal trade; and Mr. D. G. Sevastopulo (Messrs. Ralli Brothers Ltd.) representing general trade.

Railway Rates Advisory Committee.

In March Sir John Burder (Messrs. Jardine, Henderson Ltd.) resigned his seat on his departure to the U. K. and the Chamber nominated Mr. E. E. Corstorphine to fill the vacancy. The other representative of the Chamber on this Board is Mr. A. B. Jamieson (The National Bank of India Ltd.)

Indian Tea Market Expansion Board.

Mr. J. P. Young (Messrs. Angelo Bros. Ltd.) and Mr. G. C. Georgiades (Messrs. Ralli Brothers Ltd.) are at present the representatives of the Chamber on the Governing Body of the Indian Lac Cess Committee.

Indian Lac Cess Committee.

Mr. W. Withall (Messrs. Bird & Co.) has been nominated as the representative of the Chamber on the re-constituted Campbell Hospital Visiting Committee.

Campbell Hospital Visiting Committee.

Mr. R. J. R. Davidson (Messrs. Andrew Yule & Co., Ltd.) was re-nominated as the representative of the Chamber on the reconstituted Visiting Committee of the Medical College Hospitals.

Mr. H. W. T. Hain, C.B.E., (Messrs. Braithwaite & Co. (India) Ltd.) succeeded Mr. E. A. Paterson (Messrs. Jardine, Henderson Ltd.) in May as a representative of the Chamber on the Governing Body of the Mayo Hospital. The other representative is Mr. W. A. Huit, M.B.E. (Messrs. Mackinnon, Mackenzie & Co.) who served throughout the year.

On his proceeding to the United Kingdom on furlough Mr. G. Ranchi Mental Hospital Board. J. Cutler resigned his seat from the 1st April 1947. The Chamber then nominated Mr. W. J. Ross-Hurst of the Tea Districts Labour Association, Ranchi to fill the vacancy.

On the retirement in July of Mr. C. Steuart (Messrs. Jardine, Henderson Ltd.) the Chamber nominated Mr. P. E. G. W. Parish (Messrs. Gillanders, Arbuthnot & Co.) to be its representative on the Committee of the Bengal Branch of the Lady Minto's Indian Nursing Association.

Mr. Neil Brodie, C.I.E. (Messrs. Gladstone, Wyllie & Co.) is the representative of the Chamber on the Committee of the Calcutta Hospital Nurses Institution. In addition to a direct nominee of the Chamber, the President, Sir Hugh Cumberbatch is a member of the Committee.

Sir Hugh Cumberbatch (Messrs. Andrew Yule & Co., Ltd.) the President, is the *ex-officio* representative of the Chamber on the Managing Body of the Bengal Branch of the Indian Red Cross Society.

The President, Sir Hugh Cumberbatch (Messrs. Andrew Yule & Co., Ltd.) is also the *ex-officio* representative of the Chamber on the Committee of Management of this Fund.

Mr. J. Morshead is the representative of the Chamber on the Board of Trustees of the Indian Museum.

Mr. W. A. Huit, M.B.E. (Messrs. Mackinnon, Mackenzie & Co.) continued as the representative of the Chamber on the Board of Film Censors.

The President, Sir Hugh Cumberbatch (Messrs. Andrew Yule & Co., Ltd.) is *ex-officio* Trustee and a member of the Executive Committee of the Victoria Memorial representing the Chamber.

Mr. W. Toft (Messrs. Price, Waterhouse, Peat & Co.) and Government Commercial Institute. Mr. K. F. L. Harris, C.A. (Bird & Co.) are the representatives of the Chamber on the Governing Body of the Government Commercial Institute. The latter succeeded Mr. K. R. Fettes early in 1948.

Mr. F. W. A. Carpenter (Messrs. Bird & Co.) is the representative of the Chamber on the Calcutta Technical School. Governing Body of the Calcutta Technical School.

The Chamber's representative on this Board is Mr. F. W. A. Carpenter of Messrs. Bird & Co. Board of Apprenticeship Training.

Mr. K. R. Fettes, C.A., R.A., (Messrs. Gillanders, Arbuthnot & Co.) represents the Chamber on the Board of Governors of St. Thomas' School.

The President, Sir Hugh Cumberbatch (Messrs. Andrew Yule & Co., Ltd.) is an *ex-officio* member of the Board of Governors of this Institution.

Mr. K. R. Fettes, C.A., R.A., (Messrs. Gillanders, Arbuthnot & Co.) the nominee of the Bengal Indian Accountancy Board. Chamber is the representative of the Associated Chambers of Commerce of India on this Board. He has recently resigned and the vacancy will shortly be filled.

Mr. H. M. Molesworth (Imperial Chemical Industries (India) Ltd.), continued to represent the Indian Statistical Institute. Chamber on the Council of this Institute.

Mr. A. J. Elkins, O.B.E. (Messrs. Gillanders, Arbuthnot & Co.) and Mr. A. W. Taylor, O.B.E. (Messrs. Macneill & Co.) are the representatives of the Chamber on the Committee of the District Charitable Society. In November Mr. Taylor left India on six months leave and Mr. C. L. Corsar of Messrs. Mackinnon, Mackenzie & Co. was elected to represent the Chamber in his place.

Mr. A. W. Taylor (Messrs. Macneill & Co.) is also the representative of the Chamber on the Government Workhouse Council. the Committee of Management of the Government Workhouse.

Mr. J. Morshead (Messrs. Turner, Morrison & Co., Ltd.) is the representative of the Chamber on the European Unemployed Repatriation Society. this Committee.

The President, Sir Hugh Cumberbatch (Messrs. Andrew Yule & Co., Ltd.) is the *ex-officio* representative of the Chamber on the Ex-Services Association : Central Council. the Central Council of the Ex-Services Association.

Mr. W. J. B. Walker, C.A. (The Statesman Ltd.) continued to serve as the representative of the Chamber on the Crichton Trust. the Chamber on the Crichton Trust throughout the year.

Mr. E. Lyne (Messrs. Hoare, Miller & Co. Ltd.) continued to serve as the representative of the Chamber on the Calcutta Society for the Prevention of Cruelty to Animals. the Committee of this Society for the year 1947-48.

At a meeting on the 21st April convened by the Government of India, Transport Department Advisory Pilot Committee. at the Port Office, Calcutta, the Chamber's representatives, in support of written representations by the Chamber, objected to a resolution of the 1st March by the

Government of India appointing an Advisory Pilot Committee for 1947 which the Chamber claimed did not adequately represent ship-owners' interests at the Port of Calcutta.

The Committee did not function during the year under review, but Government agreed that in future the Chambers of Commerce in Calcutta would each nominate one person who had experience of shipping and commerce to the Port Officer, Pilotage for submission to the Transport Member who would make the final selection.

On the re-constituted Central Advisory Committee for Lighthouses. the Chamber nominated Mr. A. H. Ford (Messrs. Mackinnon, Mackenzie & Co.) as one of the representatives of the Associated Chambers of Commerce of India on the Central Advisory Committee for Lighthouses.

The representatives of the Chamber on the Committee of Seamen's Welfare Association : Indian Seamen's Clinic. Management of this Association are Mr. A. H. Ford (Messrs. Mackinnon, Mackenzie & Co.) and Mr. A. H. Hume (Messrs. Turner, Morrison & Co., Ltd.). They succeeded Messrs. P. G. Knott and L. W. Balcombe respectively in March and May 1947. Mr. Balcombe has recently been re-nominated to replace Mr. Hume who has gone on leave.

On the expiry of the term of office of Mr. D. Gladding, C.I.E. (Calcutta Electric Supply Corporation Ltd.) the Chamber put forward the name of Mr. J. W. G. Church of the same Corporation to take Mr. Gladding's place. Provincial Transport Authority.

Mr. C. D. Ferrier, M.A., B.Sc. (Messrs. Gillanders, Arbuthnot & Co.) was re-nominated by the Central Advisory Board on Forest Utilisation. Bengal Chamber of Commerce for a further term of office as the representative of the Associated Chambers of Commerce of India on the Central Advisory Board on Forest Utilisation. Mr. Ferrier has recently resigned and Mr. C. Williamson of the same firm has been nominated in his place.

Mr. G. J. Gardner (Messrs. Kettlewell, Bullen & Co., Ltd.) is the representative of the interests connected with the Chamber on the Textile Trade Marks Advisory Committee. this Committee.



Mr. J. Meek of the General Electric Co. (India) Ltd. Madras, is the representative of the Associated Chambers of Commerce of India on the Court of the Indian Institute of Science, Bangalore.

The Indian Posts & Telegraphs Department proposed to appoint a Telephone Advisory Committee in Calcutta and asked the Associated Chambers of Commerce of India to nominate a representative on the Committee. The Chamber put forward the name of Mr. W. E. Skipwith of Messrs. Gillanders Arbutnot & Co. who has been elected.

Mr. J. D. Geddes (Messrs. Mackinnon, Mackenzie & Co.) was appointed the representative of the Chamber on the above Committee for the year 1947.

Mr. S. D. Gladstone (Messrs. Ogilvy, Gillanders & Co., London) is the representative of the Chamber on the Executive Council of the Federation.

In March 1947 Mr. H. A. Wilkinson, C.B.E. was nominated to represent the Upper India and Bengal Chambers of Commerce on the Committee of the Federation.

This Council was reconstituted by the Government of India to include only one representative of the Associated Chambers of Commerce. The Chamber nominated Mr. G. Euthymopulo who has elected to represent the Associated Chambers.

On the constitution of this Advisory Board by the Government of West Bengal in November 1947 the Chamber was invited to send one representative to attend meetings of the Board. Dr. E. C. Fairhead, B.Sc., A.R.L.C., Ph.D. (Imperial Chemical Industries (India) Ltd.) was nominated to represent the Chamber.

Mr. J. A. Murray (Messrs. Jardine Henderson Ltd.), the Bengal Chamber's nominee is the representative of the Associated Chambers of Commerce of India on this Council.

Mr. C. E. J. Crawford (Imperial Chemical Industries (India) Bengal Board of Industries Ltd.) is the Chamber's representative on this Board.

Mr. H. C. Bannerman (Messrs. Macneill & Co.) is the Chamber's representative on this Committee.

Mr. Bernard Mathews, F.R.I.B.A., F.S.J., M. & P.I. (Messrs. Ballardie, Thompson & Mathews), the nominee of the Bengal Chamber, is the representative of the Associated Chambers of Commerce of India on this Board.

Mr. J. McIntyre (Messrs. Imperial Chemical Industries (India) Ltd.), the nominee of the Bengal Chamber, is the representative of the Associated Chambers of Commerce of India on this Board.

The report of the Royal Exchange for the year 1947 is appended to this report.

Arbitrations under the auspices of the Tribunal of the Chamber Tribunal of Arbitration. Chamber are classed under three headings, jute, piece-goods and general. The heading "general arbitrations" embraces jute manufactured goods, coal, etc., disputes in which mostly questions of law and custom are involved, and all cases in which goods other than jute and piece-goods are concerned.

The total number of arbitration cases instituted during 1947 was 144—a record year—and there were 218 cases pending at the close of 1946. Of these cases, 1076 proceeded to award; 201 were withdrawn; and 385 cases were pending at the close of the year 1947. In four cases 3 awards; and in 8 cases 2 awards each were issued as the disputes arose from more than one contract.

The various classes of goods in cases in which awards were issued were represented as follows:—Jute 939; Hessians and Bags 117; Piecegoods 5; and Miscellaneous 15. The revenue derived by the Chamber from Institution fees paid by members and non-members, including applicants for the issue of certified survey reports referred to in the following paragraph, amounted to Rs. 96,472/- as compared with Rs. 36,506/- in the preceding year.

During the year under review 131 survey applications were received. These were dealt with under the Rules for Surveys which Chamber Surveys. Arising out of these applications 122 certified reports were issued, 4 cases were withdrawn, and there were 5 cases outstanding at the end of the year. In 2 cases 2 reports and in one case 3 reports were issued. The various classes of goods were represented in this total to the following extent: Linseed Oil 69; Castor Oil 16; Linseed 17; Hessian Cloth and Bags 7; Piecegoods 8; and Miscellaneous 5.

The report of the Managing Committee of the Licensed Measurers Department. Measurers Department of the Chamber for the year ended 31st December 1947 is appended to this report.

## GENERAL

**The Associated Chambers of Commerce of India: 29th Annual General Meeting, 1947.**—The Hon'ble Pundit Jawaharlal Nehru, Prime Minister of India, was again invited to the 29th Annual General Meeting of the Associated Chambers of Commerce of India this year and to address the Chambers.

Before a large audience of distinguished guests, a representative gathering of members of the Bengal Chamber of Commerce and delegates of the Associated Chambers of Commerce of India Pundit Nehru, who was given a warm welcome, opened the proceedings of the Chambers' Meeting on Monday the 15th December 1947.

The following resolutions, which were severally brought forward at the instance of the Chambers specified were unanimously adopted at the meeting.

1. *Import Trade Control Licensing System—Bengal Chamber of Commerce.*—

This Association draws the urgent attention of Government to the need for a comprehensive review of the present import licensing system and urges that Government immediately convene a round table conference of representatives of Government, Commerce and Industry to discuss the matter and to set up a Standing Panel or Committee of businessmen to collaborate with Government in evolving and operating an improved system.

2. *Internal Controls.—Bombay Chamber of Commerce.*—

This Association, whilst recognising that there may be need for continued control in the case of some essential commodities in short supply, is of the opinion that many of the controls at present in force are operating to the detriment of increased production and efficient distribution and recommends that all existing controls be reviewed individually and without delay in consultation with the trade concerned with the object of determining whether control can now be withdrawn, or, if not, to what extent it can be progressively relaxed and its administration improved pending its complete abolition.

In the case of cloth and yarn, this Association thinks that the present scheme of control and standardization of cloth and yarn is not conducive to increased production and should be revised and an immediate and definite decision taken in this matter.

3. *Taxation of Income.—Bombay Chamber of Commerce.*—

This Association is of opinion that the present basis of taxation on both personal and business incomes is a definite check on incentive, savings for

investment and business activity and welcomes the assurance of the Finance Minister of the Government of India that a careful investigation will be made of the consequences of the present taxation policy. Accordingly this Association strongly recommends to Government that a lower level of taxation of income should be introduced.

4. *Industrial Disputes Act: Tribunal Awards.—Bengal Chamber of Commerce.—*

This Association invites the attention of Government to the unsatisfactory nature of some of the recent adjudication awards under the Industrial Disputes Act and would urge that the Act be reviewed with the intention of avoiding in future the serious consequence that may arise from such awards, particularly the Chambers stress the desirability of greater uniformity in adjudication awards, especially on vital matters of policy and principle.

5. *Labour: Wage Policy and Inflation.—Bengal Chamber of Commerce.—*

This Association views with grave concern the present tendency to demand and to grant widespread wage increases which, not being counter-balanced by a corresponding increase in production, are causing a general rise in the cost of living. The Chambers urge that Government should revise their labour policy with a view to checking the inflationary movement that is already in progress.

6. *Communications.—*

(a) *Upper India Chamber of Commerce.—*

This Association invites the attention of Government to the urgent necessity for taking such measures as will ensure an early improvement in communications with particular reference to Railway transport facilities which, as they at present exist, considerably hamper trade and industry on account of their utter inadequacy for the expeditious movement of raw materials to manufacturing centres and for the despatch of finished products.

(b) *Punjab Chamber of Commerce.—*

The Association draws the attention of Government to the steady deterioration in the Postal Services and in particular to the delays in the transmission of telegrams and the terminal delays in connection with air-letters and packages, and requests the Government to take effective steps for the improvement of these Services.

7. *The Economic Position of the Country.—Punjab Chamber of Commerce.—*

This meeting desires to impress on the Government the urgent need for a comprehensive plan to overcome the present economic troubles in the country and offer the services of its member-bodies in helping the Government to formulate such a plan and give speedy effect to it.

## LAW & LEGISLATION

### (1) GENERAL

**The Bengal State Acquisition and Tenancy Bill.**—Briefly recorded, the purpose of this far reaching and controversial legislation was to abolish the Zamindari system of land tenure established for many years under the Permanent Settlement and replace it with a "rayatwari" system by which, in acquiring all rent receiving interests, Government would be brought into direct relation with the actual cultivators of land.

From the point of view of the Chamber interests, the agricultural industries of tea and coal had the greatest reasons to show with concern the introduction of so radical a measure at such short notice. In accordance with the advice of the Chamber the Indian Tea Association and the Indian Mining Association deputed representatives to take up the undesirable features of the Bill with Government through the European party in the Bengal Legislature, particularly from the aspect of compensation for loss of mineral rights and tea estate lands if the Bill became law.

The Bill was referred to a Select Committee towards the end of May and is still under consideration.

**The Calcutta Thika Tenancy Bill, 1947.**—The Calcutta Thika Tenancy Bill, 1947, was published in the Calcutta Gazette Extraordinary of the 17th February. It was introduced to the Council and referred to a Select Committee.

The Bill provided for the protection of Thika tenants in Calcutta against ejection except on certain specified grounds, and also regulated enhancements of rent and other incidents of Thika tenancies. The definition of a Thika tenant in the Bill was so wide that it might apply to any sub-tenant who held land and had erected a structure on that land.

The Bill gave power to the landlord to eject a tenant on the grounds that the land was required for any manufacturing or business purpose, but this was subject to payment of compensation under clause 8.

Against the possibility of a few industrial concerns being directly affected by the Bill, the Chamber pressed for an amendment

which would render tenants of lands within the precincts or adjoining the precincts of a factory, and tenants of lands adjoining lands occupied by workers' quarters connected with a factory, liable to eviction without the necessity of proving to the Controller that the land was actually required for industrial purposes. In the absence of such a safeguarding clause, industrial concerns might experience considerable difficulty in evicting such tenants in order to make land available for such purposes as the construction of workers' quarters, or for other purposes connected with the factory which the Controller might not consider to be strictly necessary for industrial purposes.

As regards the rate of compensation laid down in clause 8, the Chamber Committee thought that this was excessive in the circumstances.

**Electricity (Supply) Bill, 1946.**—Reference to this involved and lengthy Bill was made in the Chamber Report for 1946. In the form proposed by the Government of India in 1947 it was introduced in the Central Assembly on the 26th November and referred to a Select Committee on the 8th December. The Chamber Committee have been in close touch with commercial opinion in India on the implications of the Bill through their representative at New Delhi. At the time of writing it was still before the Select Committee.

**Capital Issues (Continuance of Control) Act 1947.**—Although there had been an appreciable change in the general conditions which constituted the principal reason for the introduction of capital issue control during war time, it was considered by Government in the light of experience that the control was still necessary to secure a balanced investment of the country's resources in industry, agriculture and the social services, and the object of the Capital Issues (Continuance of Control) Bill, 1947, was to keep in existence for a further period of five years the control over capital issues which was imposed by Rule 94-A of the Defence of India Act by Ordinance No. XX of 1946.

The Chamber supported the Bill—which is now law—but asked that an assurance be obtained from the Finance Member that the existing exemption for the issue of Rs. 5 lakhs or under would be continued by General Order under Clause 5(1) of the Bill. In the Chamber's opinion a higher figure of say Rs. 10 lakhs would be justified in the present circumstances.

**Extension of the duration of the Indian Patents and Designs (Extension of Time) Act, 1942.**—Concern was expressed at a decision of the Government of India not to continue in force beyond the 31st March, 1947 the emergency provisions of the Indian Patent Act X of 1942, which would result in many important inventions—particularly war-time inventions—being left without proper legal protection after that date.

The representations of the Chamber combined with those from the Board of Trade in the U. K. and other interested parties succeeded in persuading the Government of India to reconsider their decision, and the matter was referred to the Controller of Patents, Calcutta, for a further report. It was subsequently learned that Government had agreed to extend this Act for another six months from the 31st March by an Ordinance.

**Calcutta Rent Control Ordinance, 1946.**—Copies of an article published in the January issue of "Monthly Review" on the safeguards afforded to the public by the Calcutta Rent Ordinance, 1946, against extortionate rents and salaries demanded by landlords of house property, were passed on by the Chamber to the Muslim, Indian and Bengal National Chambers of Commerce in Calcutta at the request of the European Association.

**Agricultural Produce Export (Quality Control) Bill.**—The Chamber's opinion was invited by the Government of India, Department of Agriculture, on the draft of a Bill which the Government of India had in view to provide for the quality control of agricultural produce exported from India. The Bill *inter alia* provided for the licensing of exporters of scheduled agricultural produce; for the prohibition of the export of such produce unless it was graded and packed as required under the Act; for the fixing of grade designations, definitions of the quality indicated by such grade designations, standards of packing etc.; and for inspection, returns and penalties for infringement. It was proposed in the first instance that the legislation should apply to sunn hemp, tobacco, wool, certain hides and skins, oilseeds, vegetable oils, cotton and rice with power to the Central Government to add to this schedule.

The Chamber, after consulting the various trade organisations and interests concerned in the export of the commodities included in the schedule to the draft Bill, conveyed to Government the follow-

ing views and observations on the commodities in which the Chamber was interested —

*Tobacco.*—The Chamber was advised that the present grading of tobacco under the Agricultural Produce (Grading and Marking) Act, 1937, was not voluntary. Packages prized for export were examined by grading inspectors appointed under the Act and were marked with Agmark labels. The export of packages of tobacco was not permitted unless they bore Agmarks. Moreover, exports were ordinarily made only against firm orders from customers abroad and the tobacco was graded into the grades and qualities specified by them. In the case of exports to the U. K., Agmark X labels were given, but for exports to other countries appropriate Agmark grade labels were issued. In the ordinary course of business, each package was stencilled with the grade marks required by the customers abroad in accordance with their instructions.

In the opinion of the trade, these arrangements could not admit of complaints from abroad of the nature mentioned by Government and further legislation in respect of tobacco exports was not therefore necessary.

*Hides and Skins.*—Chamber interests represented by the membership of the Calcutta Hides & Skins Shippers Association reported that raw hides and raw skins were already efficiently graded and that the standard grades were so well-known throughout the trade abroad that there was no need in their judgment for the application to raw hides and raw skins of the legislation now contemplated. Complaints by customers abroad regarding unsatisfactory quality or grading were so rare that the present arrangements could safely be allowed to continue.

*Oilseeds.*—The chief oilseeds exported from India were linseed, groundnuts and castor-seeds. These were exported for industrial processing and were usually sold on the basis of "fair average quality" under standards contracts incorporating terms and conditions which were well known to both the seller and the buyer. The Government of India had themselves adopted this standard contract form in many cases.

In the opinion of the trade as represented by the Chamber, it would unnecessarily complicate the existing arrangements between the exporter and his buyer abroad to introduce new grades and specifications which would be of no assistance in the sale of India's

oilseeds in foreign markets. India's competitors—the Argentine in the case of linseed, and Nigeria in the case of groundnuts—themselves exported on a "fair average quality" basis and special legislation on the lines proposed would merely tend to place India at a disadvantage. The Chamber's information was that the complaints from abroad referred to by Government did not apply to oilseeds.

*Rice.*—Pending the resumption of exports of this commodity from India—unlikely for some time to come on any substantial scale except under Government arrangements—the Chamber, it was stated, would prefer to see this commodity left out of the schedule. It was incorrect of Government to suggest or imply that exports of rice were not effected on the basis of standard grades. The London Produce Brokers Association had always maintained and enforced strict standards, with which carefully drawn samples were compared, and penalties were imposed for inferiority. Similar arrangements applied in America. Several importing countries such as South Africa and Australia had no such machinery, but buyers there were afforded full protection under the usual arbitration clauses which generally included provision for the reference of any dispute to a recognised Chamber of Commerce for settlement. All transactions were normally on a "fair average quality" basis and here it would seem that the trade itself, not Government inspectors, must determine what the f. a. q. was for any particular season. On this basis several grades of rice exported from India had secured a premium abroad because of the high quality supplied.

In the Chamber's opinion the introduction of the proposed legislation would in no way assist India's export trade in rice and would impose a definite handicap on both seller and buyer.

*Wool.*—As in the case of oilseeds and for similar reasons, the trade saw no advantage and many disadvantages in the application of the proposed legislation to it. The existing system of grading followed by shippers and based on specifications officially adopted by the London and United States Wool Trade Associations was more than adequate as had shipments—which the proposed legislation could not prevent—were effectively catered for in the guarantees, allowances and rejection points in the London and New York contracts. It was emphasised that it would not be feasible to enforce the proposed legislation effectively and that it would not in consequence be of any real benefit to the trade.

As far as is known the proposed legislation is still in abeyance.

**Agricultural Produce (Standardisation of Contracts) Bill 1946.**—For reasons similar to the above the Chamber, having consulted affected interests, was critical of proposed legislation of the Government of India to provide uniform contract terms and conditions for the purchase and sale of agricultural produce, initially wheat, groundnuts and linseed. The Chamber considered that the adoption of standardised contracts, suitable to the requirements of each individual trade, was better left to those engaged in the business; any other course would at once result in dislocation directly affecting the growers. To substantiate this argument the Chamber pointed out how the all-India standard contract for groundnuts was generally disregarded by merchants and exporters whenever it was thought fit. These and further comments on the details of the contemplated enactment, particularly in its relation to the trade in linseed, were forwarded to the Department of Agriculture in August.

**Proposed legislation for the admixture of power alcohol with petrol.**—During the year the Chamber submitted to the Government of West Bengal the collated views of members on a proposal of the Government of India to implement the compulsory admixture of power alcohol with petrol, recommended by a Panel set up to investigate development of the sugar, alcohol and yeast industries.

On the whole, the Chamber interests which stood to be most affected by any such legislation were not opposed to it and in fact were prepared to co-operate with Government in furthering a plan which was admittedly sound in principle, though the majority view was in favour of legislation on a provincial rather than a dominion basis.

The main obstacle to production of power alcohol on a large scale was the weakness of the supply position of molasses in this country, and in pointing out this difficulty to Government the Chamber expressed a doubt whether the Government of India's policy for extension of industries would not be defeated in this case if the power alcohol industry were developed at the expense of other industries, such as the manufacture of rectified spirit and methylated spirit, both essential for industrial purposes, or country liquor. The Chamber felt that the sugar industry itself ought to be considerably expanded in the first instance and it must be ensured that molasses were in sufficient supply before power alcohol

production as envisaged in the Government of India's proposals could be recommended.

The Chamber suggested that if Government decided to proceed with this legislation, power alcohol when available might be distributed as most convenient to the Petroleum Companies with instructions that it be mixed with petrol up to a maximum of 20 parts alcohol to 80 parts petrol.

**The Control of Shipping Act, 1947 : Setting up of a Shipping Board.**—Measures to control trading in ships registered in British India on the lines of the regulations laid down in the Defence of India Rules and Ordinance No. XX of 1946, came into force for a limited period under the above Act from the 25th March 1947. Only shipping companies engaged in the coastal trade are directly affected by the provisions of the Act which was enacted principally to ensure priority movement by sea of coal, foodstuff and other essential cargoes, although provision has also been made in it for control over fares and freight rates. Since it was known that the shipping interests concerned were in direct contact with the European Group in New Delhi during the passing of the Bill through the Central Legislature, it was not thought necessary for the Chamber to put forward an opinion.

In connection with the provision contained in the Act for setting up a Shipping Board, the Associated Chambers of Commerce of India invited the views of the Chamber on a letter received from the Commerce Department of the Government of India in May, intimating Government's desire to appoint a Board consisting of whole time members, independent of either shipping or shippers, whose inclusion on the Board was thought inadvisable because —

- (i) it would be difficult to obtain representatives of shipping companies who could serve as whole-time members ;
- (ii) the Board would, in the course of their work, be called upon to examine the financial working of the shipping companies concerned, and the companies might object to their accounts being scrutinized either by members of rival concerns or by representatives of shippers ;
- (iii) the Board might find it very difficult to submit agreed recommendations if it were composed of conflicting interests and it would work more smoothly if it had

impartial members unconnected with the matters coming up before it.

On the advice of the Shipping Sub-Committee, the Chamber Committee raised strong objections to Government's proposals in their reply to the Associated Chambers. They did not agree that the above were valid reasons for excluding from the Board the interests which stood to be most affected by the Board's decisions and were entirely opposed to the scrutiny of the financial workings of shipping companies and examination of their accounts. The Committee felt that such an investigation was only justifiable in the most exceptional circumstances and if such circumstances arose the enquiry should be conducted solely by Government auditors. It seemed to the Chamber Committee that a more satisfactory arrangement from all points of view would be a Board composed of a permanent Chairman—the Commerce Minister—a permanent Secretary and part-time representatives of shipowners, shippers and consumers, whose services should be obtained without much difficulty, and that the Board should meet once a quarter or oftener. As its main functions would probably be the disposal of complaints and enquiries by shippers and traders, this set-up, while incurring the minimum expenditure of money and time, would facilitate attention to such matters by the Secretary after reference to the shipping companies; complaints and major points of policy coming before the Board would call for an expert knowledge of all branches of shipping and could not be decided by an arbitrarily chosen body having no experience of the trade.

The unanimous opposition of the maritime Chambers to Government's proposals was communicated to the Ministry of Commerce in October by the Associated Chambers of Commerce.

**Railways (Transport of Goods) Act, 1947.**—Railway priority control was exercised during the war by virtue of powers conferred by Rule 85-A of the Defence of India Rules and the continuance of these powers was secured by an Ordinance which expired on March 25, 1947. On that date the Railways (Transport of Goods) Act, 1947, came into force.

Rule 85-A of the Defence of India Rules conferred on the Central Government absolute power to give special facilities or preferences for the transport of specified goods and to prohibit the transport of specified goods. The new Act conferred the same powers with the difference that goods to which the Central

Government were free to give special facilities or preference were set out in a schedule. The Central Government were free to expand or vary the schedule by notification in the *Gazette of India*.

The Government of India made it clear that the whole question of railway priority control would continue to receive attention from time to time and it was the intention, as soon as transport conditions permitted, to dispense with the regional priority organisation and introduce a modified form of priority control with one central authority exercising priority control for all India in respect of only a few essential commodities.

Amendment of the fresh priority list comprising six classes which came into operation on April 15th was notified on the 16th June.

**Sugar (Temporary Excise Duty) Bill, 1947.**—The Chamber raised no objections to the provisions of the Sugar (Temporary Excise Duty) Bill, 1947, continuing the duties leviable under the 1946 Ordinance and enabling the addition of duty charges to sugar contract prices.

**Imports and Exports (Control) Act, 1947.**—To avoid any disturbance to the economy of the country during the transition from war to peace-time conditions, it was considered necessary by Government to continue import and export control beyond the 24th March 1947 when the Emergency Provisions (Continuance) Ordinance XX, 1946 ceased to operate. For this purpose the Imports and Exports (Control) Bill, 1947, was introduced to the Legislative Assembly on 12th February, designed to effect a gradual simplification of the administration of these controls and to reduce the penalties to suit peace-time conditions.

The Chamber while seeing no real justification for opposing the Bill in general, took the opportunity of reiterating the criticism made so often by the business community of the administration of the controls, and of pressing for the exercise of the controls with discretion and with the necessary expert knowledge of the conditions appertaining to particular classes of goods and trade. Regulations, the Chamber observed, should be worded and administered to avoid the mistakes which had occurred in the past, unapparent to the layman, but obvious to those engaged in the trade.

The Chamber asked Government to consider reducing the period of operation of the Bill from three to two years; but this

request did not meet with acceptance and the Bill was duly passed as Act XVII of 1947, substantially in the form in which it was originally introduced. As is mentioned elsewhere in this report, strong criticism of the working of the Import Controls has recently been expressed in the form of a resolution by the Associated Chambers.

**The Explosives (Temporary Provisions) Act, 1947.**—At the instance of the Calcutta Insurance Association, the Chamber drew the attention of the Associated Chambers of Commerce of India to the fact that the normal contract of fire insurance did not cover the risks involved in operations carried out under Section 2 of the above Act, which authorises the Central Government to declare, in specified circumstances, exemption from the restrictions governing the loading, unloading, handling storage or conveyance of ammunition, explosives or inflammable substances. It was therefore important from an insurance point of view that such declarations be accompanied by notice to the public well before the relative operation took place and that a similar warning be given in the case of any dumping operations put through under Rule 88 of the Defence of India Rules, as continued in force by Ordinance XX of 1946.

The Associated Chambers of Commerce represented the position to the Government of India, Ministry of Works, Mines and Power and in October received an assurance from Government that steps have already been taken to enforce stringent precautionary measures at the ports and to issue warnings in advance whenever ammunition and other cargoes are handled in contravention of the normal port rules.

**Banking Companies Bill 1946.**—It will be recalled from the Annual Report for 1946 that the Banking Companies Bill, 1946, as revised by the Select Committee, was under consideration by the Chamber. In 1947 the Chamber Finance Sub-Committee were in regular communication with the European Group of the Indian Central Legislature and the Chamber's solicitors on the Bill, and numerous suggestions, chiefly of a verbal or definitive nature, for amending the Bill further, were made.

The Bill has recently been withdrawn from the Legislature for revision.

**The Negotiable Instruments (Amendment) Bill, 1947.**—This Bill was designed (1) to extend the protection afforded to bankers under Section 131 of the Negotiable Instruments Act by placing bank drafts on the same footing as cheques in respect to payments received in good faith, for which bankers are absolved from liability under the section; and (2) to regularise the growing practice of crossing bank drafts by including it in the law relating to the crossing of cheques.

This desirable amendment was supported by the Chamber.

**Trading with the Enemy (Continuance of Emergency Provisions) Act, 1947.**—The special powers for prohibiting trading with enemies, vested in Government under the Defence of India Rules and continued for a period of six months by means of the Emergency Powers (Continuance) Ordinance, 1946, were incorporated in the above Bill as a necessary measure pending the signing of the Peace Treaties and for maintaining the control of the property of "enemy" firms resting with the Custodian of Enemy Property.

**The West Bengal Electricity (Emergency Powers) Bill, 1947.**—As published in the Calcutta Gazette Extraordinary on the 28th November, the above Bill seeks primarily to give protection to licensees, who for lack of necessary electrical plant and materials are unable to comply with clause vi (f) of the schedule to the Indian Electricity Act, 1910, in which it is laid down that a licensee is bound to supply electrical energy to the owner or occupier of any premises situated in its area of supply, within a certain period; and secondly to conserve the use of electrical energy for essential industries during the next 3 years at least.

The restrictive powers vested in Government in the draft Bill and the need for an assurance from Government that they would be exercised reasonably, with due regard to the requirements of industries and private concerns, was the subject of a letter addressed from the Chamber to the European Group at the end of December.

**Non-Official Legislation: (The Indian Companies (Amendment) Bill 1947).**—A Bill further to amend the Indian Companies Act, 1913 was introduced by Dr. G. V. Deshmukh in the Central Legislative Assembly on the 6th February. In reply to a request for views from the Provincial Government the Chamber opposed the Bill on two grounds. In the first place the Chamber regarded most



of its provisions as unnecessary and objectionable; and secondly it was considered that any impending legislation, especially in a technical matter such as this, should be initiated by Government after full examination of the subject and not by a private Member's Bill which tends to be piecemeal in character and improperly drafted.

The Bill was not proceeded with in 1947, but this and another amending Bill by Dr. Deshmukh were introduced in the Autumn Session of the Constituent Assembly and are still pending.

*Indian Fisheries (Bengal Amendment) Bill 1944.*—The Chamber commended the conservation and protection of fisheries in Bengal which was the aim of this Bill, but thought it an unsuitable matter for non-official legislation and unnecessary in view of the fact that it was believed that a Bill with the same intention had been framed by Government.

**The Indian Trade Unions (Amendment) Act, 1947.**—An important alteration in the law regulating industrial relations was made by the passage, in November 1947, of the Indian Trade Unions (Amendment) Bill. The new Act marks a very important advance in the legislation which governs the rights and privileges extended to trade unions and its effects, when it is ultimately brought into force, will undoubtedly give a stimulus to the development of trade unionism in this country.

The most important alteration produced by the new Act in existing legislation is that provision is now made for the compulsory recognition of trade unions. The Act also contains a statement of the conditions which must be fulfilled by a trade union if such compulsory recognition is to be granted. The authority under the Act which deals with recognition is a Labour Court which will be presided over by persons which high judicial qualifications and the Court may, if satisfied that a union is fit to be recognised by the employer, make an order directing such recognition. Similarly recognition may be withdrawn from the union.

Generally speaking, the conditions which a union must fulfil under the Act to qualify for recognition are that its ordinary members are workmen employed in the same industry or in industries closely allied to or connected with one another; that it is representative of all the workmen employed by the employer in that

industry; that its rules do not provide for the exclusion of any class of workmen within the industry; and, finally, that it is a registered trade union. The rights conferred upon a trade union which is recognised are generally those of negotiation with employers in respect of matters connected with the employment, unemployment or terms of employment or condition of labour of its members and, subject to certain safeguards, the employer must receive and send replies to letters sent by the executive of the union and grant interviews to it on such questions. Recognition may be withdrawn if the union commits any unfair labour practice or if it ceases to be representative of the workmen.

One of the most important parts of the new Act relates to unfair labour practices, not only because of the importance which this will have in restraining the conduct of unions, but also because of its indirect repercussions on many aspects of adjudication. So far as unions are concerned, it is an unfair practice if the majority of the members of the union take part in an irregular strike or if the executive advises or actively supports or instigates it. As regards employers, the unfair practices are as follows :—

- (a) To interfere with, restrain, or coerce his workmen in the exercise of their rights to organise, form, join or assist a trade union and to engage in concerted activities for the purpose of mutual aid or protection.
- (b) To interfere with the formation or administration of any trade union or to contribute financial or other support to it.
- (c) To discharge, or otherwise discriminate against, any officer of a recognised trade union because of his being such officer.
- (d) To discharge or otherwise discriminate against any workman because he has made allegations or given evidence in an enquiry or proceeding relating to any matter.
- (e) To fail to comply with the provisions of section 28F.

The Act comes into force on such date as the Central Government appoints and, at the time of writing this report, the date had not yet been notified.

## (2) TAXATION

**The Budget 1947-48: Indian Finance Act: Indian Income Tax and Excess Profits (Amendment) Act: Business Profits Tax Act: Taxation on Income (Investigation Commission) Act.**—As soon as copies were available the Chamber assisted by the Income Tax Sub-Committee closely studied the Indian Finance Bill, the Indian Income Tax and Excess Profits Tax (Amendment) Bill, the Business Profits Tax Bill and the Taxation on Income (Investigation Commission) Bill, implementing the Budget proposals of the Finance Member for 1947-48.

A few days after the introduction of the Bills in the Legislative Assembly on February 28th, a joint meeting of all the Chambers of Commerce in Calcutta was held to discuss the 25% tax imposed under the Business Profits Tax Bill, resulting in the despatch to the Finance Member of a strong telegraphic protest against the whole policy of the tax. Through the European Group then in the Central Legislature, Government's attention was drawn by the Chamber itself to a number of points in the first three of these Bills where amendments or clarification were thought necessary. No comments were made on the Taxation of Income (Investigation Commission) Bill.

On the recommendation of the Select Committee, Government ultimately accepted modifications in the Business Profits Tax Bill and in the Indian Income Tax and Excess Profits Tax (Amendment) Bill. In the first case the abatement provided for was fixed at a uniform figure of 6% and the tax reduced to 16½% of the profits. As regards the inclusion of capital gains in the assessment of income chargeable to tax under the Income Tax Act, personal effects were excluded and when passed into law the Act provided for freedom from tax of capital gains up to the value of Rs. 15,000, instead of the limit of Rs. 5,000 laid down in the original Bill, one of the amendments suggested by the Chamber on the grounds that an attempt to tax all capital gains of Rs. 5,000 or over would mean examining transactions of the many cases of investment and creating more expenditure than the tax collection was worth.

**Government of India Interim Budget.**—Following the passage of the Indian Independence Act, 1947, the Finance Member of the Government of India brought in an Interim Budget covering the period 15th August 1947, to 31st March 1948. It was mainly concerned with the allocation of finance for administration

costs and other matters outside the Chamber's sphere of activity: but it was encouraging to note from the Finance Minister's Budget speech that it was not Government's policy to hamper in any way the expansion of business enterprise or the accumulation of savings likely to flow into investment.

**India Tariff (Amendment) Ordinance, 1947: Export Duty on Tea.**—The Chamber after obtaining the views of the Indian Tea Association on the proposed export duty on tea, conveyed the following observations on the proposal to the European Group of the Central Legislature prior to the debate on the Finance Bill which incorporated the increase in the tea duty.

At the present time, tea production in the Netherlands East Indies was more or less suspended, and supplies from other producing countries such as China, Japan and Indo-China were negligible, with the result that the supplies available from India and Ceylon were far from sufficient to meet the world demand. It followed, therefore, that despite the increase in the retail price of tea to the consuming countries which must inevitably result from the export duties imposed by India and Ceylon, the exports of tea from these countries would not at present be diminished. When supplies were again available from the other tea-producing countries, however, the world production of tea would again exceed demand, and India's tea exports would inevitably fall unless the demands from countries like the United States of America, Canada and Australia increased.

The International Tea Market Expansion Board had for many years spent large sums of money on promoting the consumption of tea in these countries, and despite the present shortage of supplies, it was doing everything in its power to ensure that the demand would not fall below the pre-war level, when tea was again more readily available. Competition from other beverages like coffee and coco-cola was keen, and any increase in the price of such tea as was at present available was bound to operate to the advantage of these competitors, and to prove detrimental to the efforts of the International Board to promote the consumption of tea. With demand exceeding supply, the danger might not appear very real at the present time, but within five years increased quantities of tea would be available from China, Japan and the Netherlands East Indies, and it might then be too late to recapture markets which had been lost in the meantime. Evidence had already been received of the adverse effect which the recent increase in the price

of tea was having on the markets, both in Australia and in America. A letter received in Calcutta at the beginning of the year from one of the leading blenders in Australia, stated that plenty of coffee was available there at about 3 sh. a pound, and that any increase in the retail price of tea would result in a considerable fall in the demand. Australia had always been regarded as a safe market for Indian tea because the public had the tea habit very strongly inculcated, but the fact that coffee was being seriously considered as a substitute was an indication which the Chamber felt should not be lightly dismissed. The competition from other beverages in the U. S. A. needed no elaboration, and it was only by the strenuous efforts of the International Tea Market Expansion Board that consumption was maintained before the war. A report from New York, which appeared in *The Statesman* of the 11th March, contained the following sentence :—

"Because the market in India and Ceylon, the world's major tea-producing areas, is now 200% over war-time levels, American tea importers with plenty of tea on order and in hand, have resolved to stay out of the tea market until prices are more in line with those prevailing in pre-war years"

Admittedly the increase in prices, to which reference was made, was due mainly to the termination of the Block Purchase Scheme and the resumption of private exports, but the Indian Tea Association contended that this report clearly indicated the effect which an increase in the price of tea would have on American demand, and the imposition of an export duty of 4 annas per pound considerably aggravated the position.

For these reasons the Chamber considered that the imposition of an export duty on tea, even during the present period of world scarcity, was detrimental to the long-term interests of the Indian tea industry.

The export duty was subsequently imposed at this rate, but from the statement of the Finance Member at the time of its inclusion in the Budget proposals, the tax is understood to be a temporary measure subject to withdrawal if there were indications of curtailment of Indian tea exports.

**Baroda State Income Tax.**—In accordance with notifications published in the Baroda State Gazette of 6th June 1946 and 17th October 1946, the Controller of Stores, Baroda State Railways, had apparently been deducting in respect of the State income tax a

percentage from bills for goods supplied, and by a circular letter of 17th January 1947 contractors whose place of business was outside the State and who were doing business with the State Railways, were advised that recoveries in respect of State income tax would be made from their bills.

On an enquiry from a member about the legality of the recovery, especially in the case of contractors who had no place of business or representative in Baroda and who sold to the State Railways on F.O.R. terms, the Chamber approached the Bombay Chamber of Commerce for opinion, as the Bombay Chamber had had the matter under consideration and had been in touch with the State authorities on the point.

The Bombay Chamber's information on the question of liability to the tax was that the word "supplied" must mean delivered and was irrespective of where the contract was made, where the property or risk passed or where the price was paid. If therefore goods were delivered in Baroda, that would attract tax on 15% of the invoice value. The words "F. O. R.", it was pointed out, were often loosely used as referring to the price and not to the place of delivery.

The Controller of Stores, Baroda State Railways, informed the Bombay Chamber (1) that there would be no difficulty about orders placed as a result of tenders because the State authorities would stipulate the necessary conditions regarding the recoveries of the tax in the tender form, so that suppliers might adjust their quotations accordingly; and (2) that the tax would be recoverable in respect only of those orders which were placed on the Baroda State tender forms. Open orders or any orders placed as a result of quotations made by suppliers on their own forms and subject to their usual conditions of sale would not be liable to this tax.

**Delays in the Hearing of Appeals before the Income Tax Appellate Tribunal.**—In May the Chamber again drew the notice of Government to instances of serious delay occurring in the hearing of appeals by the Income Tax Appellate Tribunal.

Enquiries which had been made by the Chamber showed that although the time taken for the hearing of appeals by the Income Tax Appellate Tribunal varied considerably, cases in which at least six months elapsed before disposal were the rule rather than the exception. In all these instances, the ordinary processes of assessment and application to the local income tax authorities had taken

place, and the delay which occurred on reference to the Tribunal had caused serious inconvenience. It was therefore urged by the Chamber that Government should draw the attention of the Tribunal to the desirability of expediting the disposal of the cases sent to them, and if necessary take measures to strengthen the staff who were available.

Government in reply stated that the Tribunal, as constituted at present, aimed at disposing of appeals within twelve months of their institution. Under the existing circumstances it was not possible for the Tribunal to dispose of appeals within six months and the request of the Chamber in this behalf could not be given effect unless the strength of the Tribunal was greatly augmented, which Government regretted they were unable to consider at the present juncture.

It was stated that application made to the Tribunal to expedite the hearing of a particular appeal was invariably granted if good reasons were furnished for giving it preference over other appeals, and also, that while in the past it was not the practice to inform the assessee of the presentation of an appeal by the Income-tax Department, steps had now been taken to ensure that due intimation of the presentation of an appeal by that Department was immediately given to the assessee by the Tribunal.

Government assured the Chamber that, subject to the difficulties referred to, every endeavour was being made to expedite the disposal of appeals.

It may be mentioned here that in consequence of a resolution passed at the 1946 Annual General Meeting of the Associated Chambers of Commerce of India, the constituent Chambers were informed that the Income Tax Appellate Tribunal at Patna had been transferred back to Calcutta on the 21st April.

**Income Tax: Taxation of Non-resident Companies.**—Members of the Chamber who were agents for certain purposes of certain non-resident companies were served with notices under Section 19A of the Indian Income Tax Act by the Income Tax Officer, and were treated as agents within the meaning of Section 43 of the Act. According to the advice of its Solicitors, the Chamber sought the opinion of Senior Counsel on the question of the procedure to be adopted by these members in connection with orders under Section 18 (3D) and 19A of the Act.

The Chamber issued to all members the full text of Senior Counsel's opinion in Circular No. 127-1947 of 11th July 1947.

**Taxation of the Income of partners while on Active Service.**—The Committee of the Chamber addressed the Central Board of Revenue in a matter which came to notice concerning the assessment to Income-tax and Super-tax of partners of firms who were taken into National Service under the National Service (European British Subjects) Act.

In several cases brought to the attention of the Chamber, the Income-tax Officer in making his assessments had deemed partners in a position to be "not actively engaged in the conduct of the business" during their absence on National Service and had treated their share of the partnership profits as unearned income which now made a substantial difference in the amount of tax payable by them. It seemed to the Chamber that a hardship was involved and the request placed before the Central Board of Revenue was that the hardship might be remedied by executive instructions to Income-tax Officers to treat as earned income, in the circumstances, the share of partnership profits drawn by partners of firms in respect of the period during which they were engaged on National Service under the National Service (European British Subjects) Act. The Chamber pointed out that there was precedent for special instructions to that effect, inasmuch as, under the Excess Profits Tax Act, a directive was issued to E. P. T. Officers in the following terms:—

Where a Director who would otherwise have been a whole time service Director under Rule 7 (2) of the first schedule, is serving with the forces and, consequently, is unable to give whole time service to his company, he may nevertheless be treated as if he would have been within that Sub-Section."

As far as the Chamber is aware the Board has not yet issued a directive on this point, and no indication has yet been given of their attitude to the Chamber's suggestion.

**Capital Gains Tax: Form of Return of Total and World Income etc.**—The Central Board of Revenue in a notification No. 14 of the 24th May invited observations and suggestions from any one who would be affected by certain amendments to the Indian Income Tax Rules 1932 in respect of the Capital Gains Tax and the Form of Return of Total and World Income etc. proposed in their notification.

The Chamber had no comments to offer on the draft amendments except in the case of Clause 5 which sought to add to the "form of return of particulars to be furnished under Section 38 of the Indian Income Tax Act, 1922", a provision requiring the submission by "any dealer, broker or agent or any person concerned in the management of a stock or commodity exchange" of a statement giving the names and addresses of all persons to whom the assessee had paid any sum in excess of Rs. 1000 in connection with the sale, exchange or transfer of a capital asset or on whose behalf or from whom the assessee had received any such sum and particulars of all such payments and receipts.

While the Chamber appreciated the need for some such arrangement as a corollary to the Capital Gains Tax scheme now incorporated in the Income Tax Act, it brought prominently to the notice of the Central Board of Revenue the very heavy and unnecessary burden which this proposed amendment would throw upon all affected dealers, brokers and agents. The number of changes alone was enormous and individual firms of brokers would be put to very considerable trouble and expense in providing—with retrospective effect from the 1st April 1946—what, in the Chamber's opinion, would be a mass of unnecessarily detailed information which would be an embarrassment to the Board rather than a help. In the Chamber's view the requirements of the Board would be adequately met by returns containing particulars of all such payments and receipts in excess of Rs. 15,000.

The Chamber requested that favourable consideration be given to a modification of Clause 5 of the draft amendments to that extent, and confirmation that the obligation to file these returns was confined to "any dealer, broker or agent or any person concerned in the management of a stock or commodity exchange."

**Indian Finance Act, 1946: Additional Super Tax: "Capital of the Company"—Reserves.**—It will be recalled from the paragraph entitled "The Budget: Indian Finance and Income Tax (Amendment) Acts", in the Annual Report for 1946 that a ruling by the Central Board of Revenue was given on the treatment of certain reserves for the purpose of super-tax assessment and that the Chamber was seeking clarification of the position of certain forms of reserves created to provide the funds for E. P. T. deposits.

The ruling specifically exempted three reserves by name but offered no indication that reserves fulfilling similar conditions to these three reserves would also be exempted.

The Chamber asked the Board to clarify the conditions to be fulfilled by a "non-deductible reserve" by whatever name it might be called. In the Chamber's opinion a good case existed, for example, to include in the list of "Exempted Reserves" those reserves set aside for E. P. T. Deposits, as these E. P. T. reserves were not to meet normal liabilities but to conserve funds for the creation of new assets.

The Central Board of Revenue replied that the general conditions to be fulfilled by a "non-deductible reserve" were that it should, more or less, be permanently employed in the business and should not be in the nature of a reserve for meeting any outstanding liability or expense. The Board considered that the Excess Profits Tax Deposits Reserve would not satisfy these conditions.

**Indian Taxation: Dividends declared and paid in the U. K. by Sterling Companies.**—In the Chamber Report for 1945 reference was made to two cases awaiting the judgment of the Judicial Committee of the Privy Council on the contention that Explanation 3 of Section 4(1) and Section 4A(c) of the Indian Income Tax Act were *ultra vires* the Government of India. At that time the Chamber thought fit to approach the Governor-General-in-Council for an arrangement whereby the Central Board of Revenue should agree to give refunds with interest to all Sterling Companies taxed under these provisions, but was unsuccessful for the reason that Government was unwilling to take any steps until the verdict of the Privy Council was known.

On the grounds that the procedure prescribed in the Indian Income Tax Act for carrying the case to the Privy Council had not been followed, the Judicial Committee eventually dismissed one of the cases disputing the validity of Explanation 3 of Section 4(1) and it was understood that the company concerned proposed to pursue the matter through the channels open under the Indian Income Tax Act.

Against this background the Chamber in June examined the case of a member firm which had lodged appeals before the Appellate Assistant Commissioners for the annulment of assessments to income tax on dividends declared and paid in the U. K.

by companies under their management and now wished the Chamber to support concerted action by other affected assesses; or on their behalf to submit a memorandum to the Central Board of Revenue requesting that, having regard to the doubt about the validity of Explanation 3 to Section 4(1) of the Indian Income Tax Act, the Income Tax Officers be directed to defer collection of tax until a judicial decision on the issue was obtained.

In consultation with the Income Tax Sub-Committee and in the light of legal opinion, the Chamber resolved not to proceed any further with a matter which in present circumstances would be unlikely to gain a sympathetic hearing from the Revenue Board and was in any case still obscure, in as much as the second case referred to above had not been decided yet.

**Income Tax and Business Profits Tax (Amendment) Act 1947.**—The Chamber accepted without comment the Income Tax and Business Profits Tax (Amendment) Bill introduced in the Constituent Assembly by the Finance Minister on November 29th. The main effect of this legislation is to extend the tax on capital gains to agricultural land which has not paid land revenue in India and, as regards Business Profits Tax, to make chargeable to tax only that part of the profits of a business which arise in India, if carried on by a person not resident in India, except in the case of businesses which are controlled in India by resident, not ordinarily resident, interests. The capital of companies is to be computed on a similar basis.

**The India Adaptation of Income-Tax, Profits Tax, and Revenue Recovering Act Order 1947: Indo-Pakistan Agreement setting out the amendments for adapting the workings of the above Acts to administration in India as separate from the other Dominions on the method of agreement reached between the two proceeds of income tax arising in one or the other or both countries.** The Publication of the Order on the 10th December cleared up several doubtful points pertaining to the liability to tax of commercial interests operating in India and Pakistan to which the Chamber was then giving consideration. The Chamber has recently decided to await actual experience of the working of the agreement before taking up points of likely difficulty to which attention has been drawn.

**Bengal Finance (Sales Tax) Act and Rules, 1941.**—As in previous years, various problems connected with the Bengal Sales Tax Act and Rules have been dealt with by the Chamber. Before the dissolution of the Bengal Government at the time of the partitions of India, no statement had been received of Government's intentions in the matter of the amendment of the Act and Rules to meet the suggestions of the Chamber for improvement mentioned in the 1946 report, and the subject remains in abeyance. The existing legislation gave rise to the following points during the current year.

*Application of Bengal Sales Tax to goods despatched to Chandernagore Station.*—A member drew attention to the operation of the Bengal Sales Tax with reference to the French territory, of Chandernagore, and in particular to Chandernagore Station which, while situated outside French territory, was of course used regularly for goods in transit to French territory.

This member firm stated that when the Tax was first introduced they were given to understand that dealers situated in French territory would be exempt and accordingly goods sold to them would not be subject to the collection of Sales Tax. No reference was apparently made to them about Chandernagore Station, but they were advised by the Government Department concerned to obtain definite statements from dealers who had their businesses in French territory, in order to obtain the exemption. This firm were eventually informed that they would be required to pay Sales Tax on certain small transactions which occurred during the quarter ending February 1946 on account of the fact that goods were despatched to Chandernagore Station. On approaching the Assistant Commissioner for Sales Tax in Calcutta, they were informed that Government were now about to frame a ruling under which goods forwarded through this Station for dealers in French territory would be exempted.

The Chamber suggested that if a ruling were introduced by Government to exempt from Sales Tax all goods destined for Chandernagore passing through Chandernagore Station, it would be equitable to render such an exemption to some extent retrospective, *e. g.* from the year of imposition or at least from the beginning of 1946.

It was learned in May that Government has instructed the Commissioner of Commercial Taxes to issue a ruling to that effect.

*Operation of Bengal Sales Tax in West and East Bengal.*—The question of whether the exemptions from Sales Tax allowed under section 5a (v) on goods despatched by or on behalf of a dealer to an address outside Bengal were still in operation as far as transactions between West Bengal and East Bengal were concerned, presented some difficulty to members after the establishment of these new provinces in August.

According to the terms of the India and Pakistan (Adaptation of Existing Laws) Order, 1947, laws in force which define the territories to which they extend were to be adapted to exclude any territories which from the "appointed day" ( August 15th ) were not to form the territories of the Dominion of India on the one hand and Pakistan on the other. Thus it seemed to the Chamber that for the purposes of Sales Tax, sales from one to the other of the provinces of West and East Bengal were to be treated as if they were made to an outside province. This view was confirmed in a press note issued by Government on the 19th September.

**Punjab Sales Tax Act and Rules.**—On behalf of a member the Chamber obtained through the courtesy of the Northern India Chamber the information that there was no liability to Punjab Sales Tax on goods supplied to the Railway Controller of Stores from outside that province. The goods in question were steel and railway materials despatched to Lahore from the Calcutta area.

### (3) FINANCE.

**Exchange Control: Remittance of Net Tea Proceeds on Account of Sterling Companies.**—A member firm, agents in India of a Sterling Tea Company, applied to the Chamber for a definition of the term "working expenses in India" in its relation to an undertaking required by the Reserve Bank of India before permission was granted for the remission of rupee funds to their U. K. principals. The Reserve Bank asked for assurance that the total remittances to the U. K. during any year would not exceed the balance arrived at by deducting from the gross sale proceeds of tea, (plus any remittances received from the gross sale proceeds during the earlier part of the year for meeting the working expenses of the tea gardens) the entire working expenses in India plus all tax liabilities in India. The Chamber had not been given an explanation of the term from the Reserve Bank and were inclined to believe that, if clarification were sought, the answer

would be that the interpretation must vary for each industry, if not for each Company. In these circumstances it was considered that the matter was one which the individual Companies concerned would need to take up themselves with the Reserve Bank.

**Indian Economic Conference (30th Session) Calcutta, 1947.**—The 30th Session of the Indian Economic Conference was arranged to take place in Calcutta on the 22nd, 23rd, and 24th December 1947. This Conference is mainly an Inter-University organisation which holds an annual session in various parts of the country to discuss economic subjects of current importance, particularly to India, and normally foreign delegates, well known in economic circles, are invited to participate in the proceedings and frequently to deliver lectures to the Economics Department of the Universities.

Prior to the forthcoming Session the Chamber, which was represented at meetings of the Finance Committee of the Reception Committee of the Conference by the President and Secretary, contributed towards Institutional membership of the Indian Economic Conference as a token of support and at the request of the Reception Committee circularised to members an appeal for similar financial grants towards the cost of the Conference.

**Reserve Bank of India (Amendment) Bill, 1947.**—In the course of the year the Government of Burma decided to entrust the currency and coinage of Burma to a Currency Board of its own and gave notice to the Government of India under paragraph 21 of Part II of the India and Burma (Burma Monetary Arrangement) Order, 1937, for the termination of the joint monetary arrangements governing India and Burma outlined therein as from the 1st of April, 1947. The effect of this decision was that the Reserve Bank ceased from that date to function as banker to the Government of Burma or to manage its note issue, and the object of the Reserve Bank of India (Amendment) Bill, 1947 was to enable the Reserve Bank to wind up its affairs in that country by deleting all references to Burma in the Reserve Bank of India Act, 1934.

This Bill was supported by the Chamber and has since been passed.

### CUSTOMS

**Proposed Tariff Negotiations between members of the Preparatory Committee on Trade and Employment.**—In connec-

tion with the participation of India in the work of the Preparatory Committee on Trade and Employment, the Chamber—at the instance of the Associated Chambers of Commerce—forwarded to the Commerce Department of the Government of India early in the year, the suggestions of members regarding desirable changes in the tariff treatment of India's products of tea and paraffin wax on entry into countries abroad. As regards the first commodity, it was recommended to Government that the Preparatory Committee's negotiations should aim at a general reduction in the tariff rates imposed in the different importing countries with whom negotiations were opened, in particular, Canada Australia and the United States. On the question of India's exports of paraffin wax, of which a large proportion goes to the United Kingdom, the Chamber hoped that the existing preference of 10% *ad valorem* would be retained, since it was only by virtue of this advantage that India could compete in the U. K. market.

**Proposed increase in the rate of tea cess.**—In reply to a reference from the Government of India, the Chamber supported a recommendation of the Tea Market Expansion Board for an immediate increase in the rate of cess on Indian tea exported from India from Re. 1/- to Re. 1/6/- per hundred lbs. The cess was fixed at this figure in 1938 with the Chamber's approval and was maintained at Re. 1/6/- until 1945, when it was reduced to Re. 1/- by agreement between the Indian Board, on which the Chamber has two representatives, and the Government of India. A reversion to the higher rate was deemed necessary to cover the costs of the work Board in India and abroad during the ensuing year. The fixation of the cess at Re. 1/6/- was notified on January 10th, 1948.

**Annual Revision of the Import Tariff Schedule and Tariff Values under the Agricultural Produce Cess Act 1940.**—As no comments were received from members affected by the provisional tariff values of the above for 1948, the meeting usually held each year to discuss the revised rates with the Director of Commercial Intelligence did not take place in 1947.

**Relief from Import Duty on Raw Materials used in Industry.**—Early in the year the Associated Chambers of Commerce circulated for the comments of its constituent members a proposal made by the Karachi Chamber on the strength of the intention to meet the demand for relief from Customs duty on raw materials

imported for industry, expressed in the 1946-47 Budget speech of the Hon. Finance Member. The Karachi Chamber suggested that having regard to this promise and the shortage of steel in India at that time, relief should be sought from the existing revenue duty of 18½% *ad valorem* on a tariff value of Rs. 30/- per ton of iron and steel scrap, the raw material used in re-rolling mills—whose output was solely for industrial purposes—and consumed by rolling mills in the manufacture of finished steel sections.

The Bengal Chamber supported the suggestion and the Associated Chambers ultimately took the matter up with the Government of India from whom a reply was received in October stating that, pending the outcome of the International Conference on Trade and Employment, then in session at Geneva, Government did not propose to make any tariff changes, except in pursuance of the decision taken on Tariff Board reports.

## MARINE

**Pilferage on board vessels leaving Calcutta.**—Further to the record in the 1946 report of steps proposed by the Port Police in order to put a stop to pilferage from ships lying at the Docks, the Chamber was asked in the year under review to inform the Principal Officer, Mercantile Marine Department, Calcutta if reports reaching the Government of India of thieving taking place on board vessels leaving Indian Ports, had any basis in fact.

So far as Calcutta was concerned, the Chamber had reason to believe from the comments of the Shipping Sub-Committee that ships in the port were not suffering from pilferage to the same extent as at other ports. It was thought that the greater part of the broaching of cargoes consigned from Calcutta, of which there had been complaints, was taking place at ports of destination or intermediate ports of call and, on the whole, there was no evidence of increase in thefts in vessels sailing from Calcutta, as even the petty thefts of the effects of ships crews, etc., so common last year, had been considerably reduced.

### Interpretation of Charter Party Clause : Notice of Readiness—

In view of a difference of opinion between the Owners, Agents and Charterers concerned, the question of whether the time and place of the issue of notice of readiness to load was affected by the option



contained in the following Charter Party Clause was referred to the Chamber's Shipping Sub-Committee in November:—

*"The charterers to have the option of loading the steamer in the Kidderpore Docks or other coal berths as ordered, the usual 24 hours notice of readiness to be given by the Master or the Agents."*

While granting that the words regarding readiness were misleading and better deleted from this clause, the Shipping Sub-Committee did not think the clause had anything to do with the matter of the vessel's readiness to load. If, for instance, none of the optional loading points were available, say for 3 days, it would be manifestly unfair to penalise the owner to the extent of hire for that period. The Ship's Master would normally berth at the point advised by the Charterers, but this did not seem to the Sub-Committee to affect the readiness issue and it would be in order for the Master to tender notice on arrival in the port provided the ship was in fact ready to load. The Chamber Committee endorsed this view. It is understood that the matter was ultimately settled to the satisfaction of the interested parties.

**The Merchant Navy Officers Training Committee: Questionnaire.**—In November the maritime Chambers in the membership of the Associated Chambers of Commerce of India were asked to submit direct recommendations on a questionnaire of the Merchant Navy Officers Training Committee, Government of India, concerning present and future training facilities for candidates preparing to serve as deck and engineer officers in the Indian Mercantile Marine. With the guidance of their Shipping Sub-Committee, the Chamber Committee dealt with this enquiry in detail, the gist of their reply being in favour of extended training on the lines provided by the training ship "Dufferin". Government's attention was drawn to the fact that any scheme for training deck and engineer officers would be governed by the limited number of available tutorial staff and it would be impolitic to reduce, by curtailing their training, the standards demanded from those desirous of acquiring certificates of competency.

**Manning of mechanically propelled fishing vessels.**—In a letter addressed to the Government of West Bengal, Commerce, Labour and Industries Department, the Chamber Committee, after reference to the Shipping Sub-Committee, accorded general approval to proposals of the Government of India for prescribing the necessary qualifications for officers serving on mechanically propelled fishing vessels

which proceed to sea. Special examinations for the commanders and first hands of these vessels were very desirable, in the Chamber's opinion, and should not call for the extensive knowledge required by personnel of deep sea merchant ships, except as regards the need for a sound knowledge of the regulations for preventing collision at sea.

As far as engineers of mechanical fishing vessels were concerned, the Chamber thought they should at least be in possession of a driver's licence, but the examination such as is given to those in the inland water trade for small craft should be adequate for them.

If Government contemplated drawing up rules governing these examinations, the Chamber suggested the setting up of an Expert Advisory Committee, composed of the type of competent, qualified merchant servicemen to be found in Calcutta and elsewhere.

**Indian Dock Labourers Regulations, 1947.**—The Government of India circulated for opinion on the 31st May the draft Indian Dock Labourers Regulations, framed under Section 5 of the Indian Dock Labourers Act, 1934. The Chamber, with the support of the shipping interests in its membership and of the Master Stevedores Association, approved the draft rules as a whole and commended their adoption. It was suggested however that the Master or Chief Officer of a vessel be accepted as a "competent person" qualified to undertake the responsibilities for loading laid down in Part IV of the rules, a practical arrangement practised under U. K. regulations.

The Indian Dock Labourers Regulations in a revised form were promulgated in the Gazette of India of the 7th January 1948, and take effect from the 10th February.

**Bengal Pilot Service: Pilotage Fees.**—On the issue of Ministry of Transport Notification dated the 7th October, by which a surcharge of 25% was levied on the existing scale of pilotage fees for the Port of Calcutta, the Chamber asked the Government of India for the reasons for which the surcharge had been imposed.

Government stated in reply that the surcharge it had become necessary because of a heavy deficit which occurred in the working of the Calcutta Pilotage arrangements during 1946-47 and a further deficit expected in 1947-48.

**Malpractices at Coromandel and Malabar Coast Ports: Tindal's Protests.**—The Calcutta Insurance Association forwarded to the Chamber in July a complaint from Lloyds Agents in Cochin

against the unsatisfactory procedure in practice at that port of recording, without verification, protests made by tindals of country craft and other vessels in respect of cargo jettisoned *en route* due to stress of weather, etc. In 1937 the Chamber had had some correspondence with the Chambers of Commerce in South India on the subject of malpractices of this nature and as the poor evidential value of tindal's reports was apparently still a source of trouble to marine interests, the Chamber again referred the question to the Chambers at Madras, Calicut, Cochin, Coimbatore, Tuticorin and Coanada. It was suggested that it would be to the advantage of commercial concerns in Southern India if these Chambers could induce the Government of Madras to enforce rules governing the filing of tindal's protests on the lines of those promulgated in Travancore, where an official examination of the crew, vessel, cargo storage facilities and weather conditions on the day in question precludes the acceptance of false statements by tindals and renders them liable to prosecution under the Travancore Sea Customs Act if cargo is jettisoned in suspicious circumstances.

It is understood that action has been taken by the affected Chambers, but the results are not yet known, except in the case of Cochin who informed this Chamber that the Government of Madras has declined to accept the suggestion.

**Shipping Service between India and other Countries.**—An enquiry was received by the Chamber in January from the Government of India, Department of Commerce, about the extent to which the shipping services between India and different parts of the world fell short of the immediate requirements of trade and commerce. It was also requested that the Chamber should not hesitate to report to the Department, from time to time, any special difficulties which might be experienced with regard to shipping on any particular trade route.

The Chamber emphasised that while it could only appropriately claim to speak for the services from Calcutta its observations would in some measure apply to the services from other parts in India, particularly on the East Coast.

**General Tonnage Position.**—The tonnage available at the various berths was sufficient, and in many cases more than sufficient, to cater for the cargo offering. There were occasional temporary shortages of tonnage and interruptions due to causes outside the control of shipowners such as harbour strikes, Customs delays, inadequacy of labour, and communal disturbances. Other

factors temporarily disturbing the normal flow of trade and necessitating alteration in tonnage programmes were (a) changes in the volume of goods allowed under the export quota system and (b) difficulties experienced sometimes in providing the particular type of vessel most suitable to certain routes and trades.

**Calcutta|Straits, China Japan.**—The amount of cargo offering during recent months was small and insufficient to fill the restricted number of sailings maintained by the Calcutta/Japan Conference.

**Calcutta|Australia, New Zealand.**—After the derequisitioning of vessels by the Ministry of War Transport early in 1946, a service of approximately one steamer per month was instituted from the East Coast and one from the West Coast of India to Australian main ports *via* Ceylon. The tonnage so placed was adequate to lift all cargo offering, though occasional releases of additional quotas for the export of jute and jute goods created temporary shortages of tonnage, met as quickly as possible by the fixture of steamers over and above the regular service. There were several steamers, particularly from the West Coast of India, which sailed for Australia with space available.

The traffic from India to New Zealand, almost entirely from the East Coast, was catered for pre-war by three direct sailings each year. After derequisitioning, full cargoes were loaded for New Zealand in two direct steamers last year and an additional half cargo was lifted in December with the result that the berth was adequately catered for as regards cargo. The recent cancellation of the New Zealand quota of jute and jute goods totalling 2,500 tons meant that there was now a negligible quantity of cargo awaiting shipment and this was at present catered for in sailing for Australia with transhipment there for New Zealand.

As regards passenger traffic to both Australia and New Zealand there was a heavy back-log on the waiting list owing to the absence of passenger vessels during the war and inability of the Government authorities to provide adequate tonnage for military personnel. The maximum use, however, was being made of all passenger accommodation and arrangements were in train to improve the position.

**Calcutta|Trans-Pacific|U. S. A. North Atlantic.**—There was ample tonnage to meet all requirements. The present export quotas, particularly of jute and jute goods, considerably restricted

business which was less than sufficient to fill the tonnage available on these trades.

*Calcutta* U.K.—The U. K. berths were very fully covered and ships usually had to wait for cargo, not shippers. The position was of course complicated by the prolonged strike at the port of Calcutta.

*Calcutta* Continent.—Berths to Hamburg, Antwerp, Rotterdam and Bremen were fully covered and the present tendency, due to export quotas restrictions, was for the tonnage to be in excess of available cargo. Any increase in offerings would be readily catered for as the Lines serving this trade were anxious to add to the tonnage on the berth.

*Calcutta* South America/River Plate.—These trades were adequately catered for by the tonnage placed on the berth.

*Calcutta* West India/Caribbean and Fiji.—There was a monthly service from Calcutta to the West Indies and the Caribbean which fully covered the cargo position. A considerable waiting list for passenger accommodation to Fiji was now in course of being catered for by a recent fixture.

*Bay of Bengal Services*: (a) *Calcutta Rangoon*.—Tonnage for the employment of cargoes, Government, military and commercial, was adequate throughout. The same could not, however, be said for passenger traffic which, until the end of 1946 was greatly in excess of the available accommodation, due entirely to vessels being occupied in trooping. During the last few months of 1946 a number of vessels were released for commercial operation and this enabled very large numbers to be moved both to and from Rangoon. The position now was that two vessels operating on this service frequently were unable to secure full complements of passengers leaving Rangoon.

(b) *Chittagong/Akyab/Rangoon*.—Cargo demand was negligible on this service. Passenger accommodation was inadequate but strenuous efforts were made to meet the abnormal demand which sprang up after the disturbances in Eastern Bengal. One vessel was withdrawn from the Calcutta/Rangoon run to provide a regular sailing from Chittagong to Akyab and Rangoon and back once every ten days. The position was now in hand.

(c) *Rangoon/Coromandel Coast*.—All cargo, which was small in volume except between Vizagapatam and Rangoon, was catered for by the present service. Passenger accommodation was still short, but the B. I. Company hoped as their vessels were released from trooping, shortly to place a passenger ship permanently on this service, and were meantime utilising all available passenger accommodation on the Calcutta/Rangoon run to cater for those desiring to travel between Vizagapatam and Rangoon. Other Coromandel ports were still not catered for, the Scindia Company which formerly operated on this service having had its vessels directed elsewhere by Government.

(d) *Rangoon/Madras*.—All cargo requirements were being fully met. Two passenger ships were now on the run.

Apart from isolated cases in the passenger trades, the requirements of trade and commerce were being adequately supplied at the present time and the Chamber assured Government that the Shipping Lines generally would take all possible steps to see that any future expansion of trade would be fully covered in so far as opportunities of shipment were concerned.

Subsequently, as it was learned that the Chittagong Chamber had not been consulted by Government, a supplementary letter was sent to the Department of Commerce dealing with the U. K. and Continental Service from Chittagong. These had been, and would continue to be, fully supplied.

**Clearance of cargoes from the Docks: Port Commissioners Strike: Customs House delays.**—Congestion of cargoes at the Docks, assigned to various causes, and the allied question of demurrage charges by the Commissioners for the Port of Calcutta received the attention of the Chamber at intervals throughout the year. During and immediately following the Port Commissioners' labour strike, accumulations of goods awaiting clearance from the wharves and transit sheds and arrears of work in the commercial section of the port reached serious proportions, leading in April to organisation by the Chamber of a joint meeting of the Chamber's Shipping Sub-Committee, the Calcutta Import Trade Association and the Port Commissioners, in order to discuss ways and means of mutually speeding up the discharge of cargoes from the port. It was then agreed that the emergency called for the full co-operation of all the interested parties in the solution of their respective difficulties. On

the part of the Port Commissioners special arrangements were made for dealing with ship's documents and rent collection, while on the Chamber's side emphasis was laid in a circular issued to members in August on the importance of expedition in the passing of shipping bills by shipping clerks, one of the points coming to the notice of the Chamber Committee in consequence of an investigation into delays in the discharging and loading of ships in the Port of Calcutta.

These combined efforts to restore normal conditions in the workings of the port were largely frustrated on the import side by the massing of import cargoes at the docks, held up on account of the difficulties of obtaining the necessary licences for their release under the amended Import Trade Control measures which Government brought into effect in May. Several members also attributed slow clearances and resulting heavy expenditure on Port Commissioners' rent charges to delays in the Customs House. In such cases the Chamber sought the advice of the Calcutta Import Trade Association, which was endeavouring in close contact with the Port Commissioners and the Customs authorities to investigate the whole position, and it is understood that in most instances the matter was settled satisfactorily. Recent complaints of Customs delays were before the Chamber when this report went to press.

**Commissioners for the Port of Calcutta : Increased Charges from September 1st.**—Because of additional expenditure on staff payments in accordance with the recommendations of the Pay Commission and an anticipated deficit resulting from a rise in operational costs, the Port Commissioners announced at the end of June that their charges were to be further increased as from the 1st August. From the point of view of shippers fulfilling forward contracts, the Chamber has repeatedly suggested the importance of the longest possible notice being given of increases in port charges. In this instance the point was again brought up by the Chamber's representative on the Port Commission who succeeded in having the new rates deferred until September 1st.

**Dredging of the Lakhiya River at Narayanganj and the Dakatia River at Chandpur.**—Members will recall from the Annual Report for 1946 that the Chamber supported the suggestions made by the Narayanganj Chamber of Commerce to Government for the dredging of the Lakhiya River near Narayanganj.

During 1947 the Chamber represented the urgency of the position on two occasions. In April the Government of Bengal was again warned about the serious shoaling of the Lakhiya and Dakatia rivers in the region of Chandpur and of the blocking of the river channel to Talihalla and Serajdigha. Later a joint inspection of conditions in the Lakhiya and Dakatia rivers was held by representatives of Inland Steamer Companies and the Narayanganj Chamber of Commerce, in company with officials of the Bengal Irrigation Department and from the facts submitted to the Chamber in July it was clear that if something were not done immediately to prevent further shoaling of these waterways, the difficulties of manoeuvring large vessels in channels already blocked by natural and unnatural silting would undoubtedly soon reach a stage which would render the ports of Narayanganj and Chandpur unusable for riverine traffic serving the trade of Eastern Bengal. The Chamber was aware that the late Government of Bengal had had navigation in the Lakhiya and Dakatia rivers under review in connection with a long term scheme for development of the "up flow" from the Brahmaputra, but in addressing the new Government at Dacca in September, stress was again laid on the point that the only feasible course to adopt, pending the completion of this plan, was the short term measure of dredging certain parts of the rivers, in order to provide an adequate channel for riverine shipping immediately and keep it open against silting in the next few years. To this end the East Bengal Government was strongly urged to sanction dredging operations in the current financial year, so that full advantage could be taken of dredging equipment before and in addition to the normal low water season activities of the dredger "Alexander".

The Chamber's letter also invited attention to the unnatural silting of the rivers at Narayanganj and Chandpur caused by firms erecting buildings and jetties as close to the river channel as possible, as well as the deliberate sinking of the country craft of owners who wished to induce silting in the river bed; while at Chandpur the channel was further encumbered with large numbers of country boats anchored directly opposite the steamer ghats. Government was asked to keep such undesirable developments in check and continue the steps already taken against illegal encroachment in these vital waterways.

**Discharge of Salt Steamers: Lay Days.**—Because dock labour refused to work salt ships at night during communal disturbances, the Chamber on the advice of the Shipping Sub-Committee issued

a ruling in November 1946, and again in October 1947, stating that the hours 8 a.m.—4 p.m. should be adopted for the specified period of disturbance in the calculation of lay days under salt charters. On the second occasion it was notified that no similar ruling would be given in future for periods of stoppage for less than six working days.

## RAILWAYS

**The Railway Budget 1947-1948.**—The most important features of the 1947-1948 Railway Budget proposals were (1) an increase of one anna in the rupee on passenger fares; (2) additions to certain station to station freight rates; and (3) an extensive programme of construction including locomotive workshops, housing for staff etc. at Kanchnrapara, remodelling of stations and increase in lower class coaching stock. The Chamber had no criticisms to make on these plans, but suggested that the European Group at the Centre should oppose retrenchment and take up with the Transport Member the questions of the future provision of adequate facilities for the movement of coal, the need for improved supervision on the railways and support to railway officers in checking indiscipline among railway workers.

**Interim Railway Budget.**—On the declaration of independence on August 15th the Central Government in power introduced a fresh Railway Budget for the period 15th August 1947—31st March 1948 by which a rise in rates and fares was enforced from the 1st January 1948. On the expenditure side the budget provided for an all round increase in the railway wages bill, including further foodstuff concessions for railway staff. It was not commented on by the Chamber.

**Claims against the Railways Administrations for lost or damaged goods.**—Members were informed in the Chamber's reports for 1944, 1945 and 1946 of the efforts of the Chamber to bring about an effective change in the unsatisfactory methods of the Railways in dealing with claims for goods lost or damaged in transit. Ponderance with the Railway Board, while eliciting general assurances of the Board's attention to the matter, did not lead to any material improvement in the administration of the Claims Departments, or result in any noticeable difference in their routine methods

and general attitude. But bearing in mind the view of the Board that the remedy lay in closer contact between the commercial community and the local railways, the Chamber Committee in 1947, on receiving further complaints against the laborious process of establishing claims for losses on the railways, took steps in two directions. Firstly, complaints and criticisms were put before the Chamber's Railway Sub-Committee and, secondly, the Chamber initiated discussion on such matters at the Quarterly Informal Meetings held for some time past between the Railway Administrations and representatives of the Calcutta Chambers of Commerce. At one of these meetings, in May of the year under review, it was decided that a Sub-Committee including one member from each of the Chambers of Commerce should be appointed to go into the workings of the Railway Claims Departments and submit their reports to the Quarterly Meetings. The programme of this Sub-Committee was of necessity interfered with to some extent by the reorganisation of the East Indian and Bengal Assam Railways, pursuant on the recommendations of the Boundary Commission; but a copy of their report on the claims organisation of the E. I. Railway at Benares has already been forwarded to the Chamber by its representative, Mr. S. S. Mehta.

**Indian Railway Conference Association : Proposed revision of Rule 78 : Classification of Goods.**—Among the questions listed for discussion at the July 1947 meeting of the Commercial Committee of Interchange of the Indian Railway Conference Association was the revision of Rule 78 of the Indian Railway Conference Rules, for the purpose of associating trade and commercial interests with proposed changes in the general classification of goods, or the General Rules contained in the Goods Tariff. The Special Officer dealing with post-war revision had recommended the circulation of all such suggestions to Chambers of Commerce and Trade Associations whose opinions should be taken into consideration by the Commercial Committee in open session when applications by the railways for alterations in the Goods Tariff were under reference; and furthermore, that traders interested in the matter should have the collective right of arguing the case before the meeting in the manner and at the time agreed by the Chairman.

As the Commercial Committee themselves felt the scheme was impracticable, commercial interests and Railway Advisory Committees were invited in April to submit their ideas on a simple and workable plan by which the same object could be attained.

In a letter sent to the Chief Commercial Manager, B. N. Railway, the Chamber took the opportunity to express strong views on past experience of the disregard by the Commercial Committee of the I.R.C.A. of recommendations made by the Chamber interests in this connection. Strictly speaking, Rule 78 in its present form merely provided that revision of classification of the General Rules be referred to the General Secretary of the I.R.C.A. who should obtain the recommendations of the Commercial Committee on them; but in practice proposals of this kind were in fact circulated to Chambers of Commerce, and presumably the views so received were taken into account by the Commercial Committee. This concession was valued by the Chamber. The complaint was that the Committee rejected these proposals without giving any reasons or calling on the traders concerned to state their case. The Chamber was not convinced that the procedure visualised by the Special Officer was unworkable. Granting that the hearing of cases in open session might complicate the proceedings of the Committee, the Chamber stressed the need for continuing to consult Chambers of Commerce, Industrial Associations, etc., and for satisfying traders that attention had been given to their arguments. An amendment of Rule 78 with this object in view was accordingly suggested.

**Up-country Surveys: Shortage Claims on consignments conveyed by Railways.**—With reference to the form of Survey Report on up-country consignments showing evidence of damage or loss, which the Railways adopted in 1939 in consequence of an arrangement come to between the Associated Chambers of Commerce of India and the Indian Railway Conference Association, the Chamber moved the Associated Chambers in April to bring to the notice of the Conference that, according to information received from the Calcutta Insurance Association, consignees were finding it increasingly difficult to obtain these certificates of damages and shortages from station masters and other railway officials. It was thought that this might be due to staff changes since 1939 and that new railway personnel were not aware of the agreed procedure, which the Conference was now asked to bring to the attention of the Railways pledged to carry it out. The matter, it is believed, was rectified under instructions to the Railways from the Conference General Secretary's Office in the following month.

**Chirmiri (Bijuri) Barwadhi Survey.**—In March it was learned that the E. I. Railway proposed to lay a new line to traverse and

assist the development of the coalfields of Sonhat, Kurasia, Jhilmili, Barampur and Hutar situated in Rewah, Kores and Surguja States and Palamu District of Bihar Province. In order to estimate the volume of traffic from these fields on the proposed line from Barwadhi on the E. I. Railway to Chirmiri (Bijuri) on the Bengal Nagpur Railway, the E. I. Railway issued a questionnaire to elicit the necessary data. The replies completed by members and affiliated Associations of the Chamber were forwarded to the E. I. Railway with a general commendation of the scheme, which it was considered would provide a much needed outlet for coal from the Bokaro Coalfield to Western India, so relieving the congested bottleneck at Moghalsarai.

**Bengal Assam and East Indian Railways: Time Tables.**—Prior to the revision of the time tables of the East Indian Railway and the Bengal Assam Railway on the 1st April and 1st October 1947 respectively, the Chamber, after reference to members, submitted a number of suggestions to these Railway Managements for changes in train timings and additional travel facilities, mainly to meet the requirements of office staffs. In another part of this report mention is made of the analysis of office hours sent to the Railways for guidance in the provision of rail transport during the rush hours.

**Demurrage on Railway Wagons: Treatment of Sundays as dies non.**—It may be remembered that during the war the Port Commissioners and the Railways issued a joint notification withdrawing the privilege of treating Sundays as dies non for the purpose of demurrage on wagons to be unloaded by the consignee. There was no great difficulty in conforming with this order at the time, because the restrictive provisions of the Factories Act in regard to Sunday work were either not in operation at all, or were considerably relaxed to allow maximum production. A different position arose, however, when an amendment of the Factories Act further reduced working hours after the war, so that jute mills and other industries were faced with strict adherence to the Factories Rules governing Sunday working on the one hand and, on the other, the necessity to effect quick release of wagons by reason of the standing order of the Port Commissioners and the Railways that Sundays must count for demurrage.

The Chamber Committee after consulting their Railways Sub-Committee and Industrial Affairs Sub-Committee, made both

formal and informal approaches to the Railway Board with a view to the cancellation of the 1941 notification. The Board appreciated the difficulties of wagon clearance by industrial concerns subject to the Factories Act, but in their reply to the Chamber it was made clear that a return to the pre-war demurrage rule could not be considered as long as it was necessary to conserve wagon power, of which there was still an acute deficiency calling for all possible means of increasing wagon usage. In addition it was pointed out that the demurrage and wharfage rules framed under Section 47 of the Railway Act provided, and had for many years provided, that where the free time allowed includes Sundays, X'mas Day, or Good Friday, such days would be allowed free except as regards demurrage on goods vehicles waiting to be unloaded and on all coaching vehicles. In view of this statement the Chamber Committee agreed that there was no purpose in continuing the correspondence at this stage.

In a notification of the Chief Commercial Manager, East Indian Railway, dated the 22nd January, 1948 the following measures of the Railway Board for improving wagon turn-round on the E. I. Railway were intimated:—

- (1) The free time for loading and unloading of wagons would be reduced from 9 hours to 6 hours.
- (2) Sundays should not be treated as dies non.

**Proposed Scheme for the Prevention of Theft of Coal from the Shalimar Yard.**—Mention was made in previous reports of the Chamber's interest in steps for eliminating thefts of coal from the Shalimar Coal Yard. In the current year the Commissioners for the Port of Calcutta consulted the Chamber on a proposed scheme for enclosing and patrolling an area of the Shalimar Coal Yard as a preventive measure against thefts of coal,—a matter which had been the subject of discussion between the Joint Inland Steamer Companies and the Port Commissioners. The Commissioners offered to enclose the area in question at a capital cost of approximately Rs. 80,000/- and to arrange for permanent Watch and Ward staff costing a little over Rs. 7,000/- per month. To cover this expenditure it was proposed that a rental surcharge of Rs. 4/8/- per cotta per month should be levied upon all the existing rentals, which varied from Rs. 4/- to Rs. 12/- per cotta per month.

The Port Commissioners were informed that the members of the Chamber who were interested as Depot holders in the Shalimar

Yard were in favour of the scheme and were prepared to pay the surcharge necessary to finance it. In the event of the Port Commissioners being able to secure similar support from other holders, the costs and the final amount of the surcharge—which might preferably be a percentage on existing rentals—would presumably be worked out in more detail and might, the Chamber suggested, be subject to review at the end of each year's working of the scheme. No further information has reached the Chamber in this connection.

**Coal Production and Transport: Coal Distribution Lines.**—The Chamber was invited by the Associated Chambers of Commerce to comment on a plan drawn up by the Government of India for the development of coal distribution lines during the ensuing five years.

The Chamber recorded its general support to the plan after consulting those interests in this part of India who were concerned, on the assumption that a return to more normal trading conditions throughout the country coupled with the other measures now being taken would so improve the wagon position as to enable the railway to cope with the increasing traffic between the coalfields and Calcutta. The plan did not add to the line capacity of the railways in the coalfields themselves (apart from the proposed development of the Kajora-Jambad-Samla section), or between the coalfields and Calcutta, and the Chamber thought attention should first be given to the existing arrangements for clearing coal from the coalfields in Bengal and Bihar.

In bringing this aspect of the matter to Government's notice it is known that the Associated Chambers stressed the point that the immediate need was in respect to the coalfields of West Bengal and Bihar, whereas the plan of the Railway Board was a long term one which might well be delayed in completion through shortage of materials and technical personnel.

**Deduction of money order commission on payments of claims and refunds.**—A question concerning the obligation of the payer to tender the full amount due to the payee was the basis of a letter written by the Chamber to the Railway Board in September in consequence of a complaint from a member that one of the railways in Eastern India insisted on deducting money order commission from sums payable in respect to claims for refunds, etc. Although the amount involved was trivial in itself, the

Chamber thought the attitude of the railway concerned was wrong in principle and difficult to understand in view of the fact that other railways in this area customarily arranged refunds direct to the payee without deducting money order commission. In requesting the Railway Board to look into the matter the Chamber drew attention to the unnecessary correspondence as well as annoyance to claimants arising from this unusual procedure.

### POSTS & TELEGRAPHS

**Calcutta Telephone Service.**—At the beginning of July the Chamber, in response to complaints made by members, approached the General Manager, Telephones, Calcutta District, about the marked deterioration of the Calcutta telephone service which had set in during June.

The Chamber, while fully aware of the difficulties under which those responsible for the service were labouring, in particular the excessive load on the existing manual system and the worn-out equipment and shortage of replacements, did not think these technical defects were wholly responsible for the main complaint, namely the inordinate time taken in obtaining any answer from the Exchange and subsequently in establishing the call. It was no exaggeration to say that on occasion ten to fifteen minutes might elapse before an answer was made from the Exchange and waits of three to six minutes were frequent. Out of business hours the position in this respect was better, but certainly not satisfactory. The result was that business house exchanges consisting of several lines were quite incapable of coping with their normal telephone traffic. In view of the relatively improved service prior to the present deterioration which had set in, the Chamber could not but conclude that the recent relapse was not due solely to technical deficiencies. A further source of difficulty to business interests was the failure to adhere to the "grouping" hours specified on page VI of the Directory and, where "grouping" was in force, to give the particular number when asked for by the subscriber.

In his reply the General Manager, Telephones thanked the Chamber for its understanding and appreciation of the difficulties which were being experienced in the operation of the service in the Calcutta District and explained the extent to which deterioration in the service coincided with outbreaks of communal disturbances,

and how the slight improvement evident before these grounds for complaint had arisen was concurrent with a marked reduction in the number of communal incidents reported throughout the city, and less uneasy working and living conditions prior to H. M. G.'s and H. E. the Viceroy's announcements on June 3rd. Advantage was taken by the District Supervisor during this comparative lull to work off arrears in the maintenance of exchange apparatus and plant, and subscribers' lines and apparatus; opportunity was taken also to restore confidence among the female operative staff and encourage them to be more regular in attendance and to make special efforts for a much needed improvement in the service.

During the last week of May and the beginning of June, fear and tension was again prevalent particularly among the female telephone staff, when widespread trouble of a serious and grave nature was evidently anticipated. Simultaneously with the high percentage of absentees among the staff there was a greatly increased traffic load. The General Manager described the difficulties of maintaining the service in these conditions, in spite of the loyalty of many operators, and stated that sanction had been obtained for an increased number of operators as reserves to meet such abnormal situations, and for additional supervisory staff, but that it would take many months to train efficient operators and supervisors.

The Chamber was finally informed that the Park and Howrah Exchange Extension Schemes for additional operators' positions to reduce loading had been completed by District staff. The manufacture of the new switchboard for Calcutta Exchange had been completed by Bombay Telephone Workshops, and staff had arrived for installation. It was expected that the work of installation would be completed by the end of the year and the new switchboard would be brought into service for redistribution of loads, and a marked improvement in the standard of service might be expected. Bombay Telephone Workshops were still busy on the manufacture of the additional switchboards for Burrabazar Exchange and it was expected that this work would be completed early in 1948 when installation work would be taken in hand.

Mr. W. E. Skip with of Messrs. Gillanders Arbuthnot & Co. is the present representative of the Associated Chambers of Commerce of India on the Telephone Advisory Committee set up by the Government of India at the end of 1947.



**Postal Holidays.**—In reply to the Presidency Postmaster, Calcutta, who asked what the Chamber's views were on a proposal that the staff of the Postal Department should be granted the same number of holidays as were enjoyed by the administrative officers of the Central Government, the Chamber stated that it had and would consistently oppose such an increase. The Chamber had in fact pressed for a reduction in the number of holidays taken by Government Departments and strongly deprecated any extension of the holidays observed by a Department of such vital importance to commercial firms as the Postal Department. The vast majority of business houses were open for the handling of urgent business even on the restricted number of holidays observed commercially and would for that reason be greatly inconvenienced by suspension of the delivery of postal articles on closed holidays. The Chamber, therefore, pressed both that there should be no extension of the holidays observed by the Postal Department and for the continuance of postal deliveries on closed holidays.

According to recent letter from the Presidency Postmaster, it is proposed to arrange additional deliveries on postal holidays. Members were asked if the times of delivery suggested would be useful to them and in accordance with their replies the Presidency Postmaster has recently been informed that the majority opinion is in favour of an additional morning service, preferably before 11 a.m., but it is not thought an afternoon post on holidays will serve any useful purpose.

**Cash in Transit—West and East Bengal.**—The question of the extent of delays in deliveries of registered and insured parcels of currency notes addressed to East Bengal was broached by the Chamber in correspondence with those of its connected Associations whose members had financial dealings in that province. Certain isolated cases of undue delay were reported in a letter from the Calcutta Insurance Association, but it was felt that more substantial evidence was required to uphold a representation to the postal authorities concerned.

From the replies received to this enquiry the Chamber gathered that delays in remittances to East Bengal had been experienced and were attributed to recent orders of the Government of India governing the exchange of currency between the two Dominions, meaning that before the arrangement was properly organised, remittances were held up for weeks in their passage through the Exchange Department at Dacca. A marked improvement in the

time of delivery was, from all accounts, becoming evident at the beginning of 1948, so that the Chamber had no reason to pursue the matter beyond this point.

**Air Mail Fees.**—Members are aware from the last Chamber report that, pursuant on the 1946 Annual General Meeting of the Associated Chambers of Commerce of India, a resolution in the following terms was submitted to the Director General of Posts and Air :—

"That this Association, having regard to the importance to the economic welfare of the country, more particularly its industrial and commercial advancement, of the Air Mail Services, now, or likely to be, in operation between this and other countries, urges upon the Government the necessity of an early revision of the existing Air Mail rates with a view to bringing these nearer the levels which were in operation prior to the war."

According to an Associated Chambers of Commerce Circular to members, the Director General's reply stated that the Department were fully alive to the desirability of offering low air mail rates. The air mail fees to the U.S.A. had already been reduced and the Department would consider further reductions of rates as and when circumstances permitted. This did not seem to this Chamber to deal with the urgent requirements of the business community in this country, whose particular need was for a decrease in the cost of air mails to the U.K. In view of recent reductions in the U.K.—India rates, the Associated Chambers were asked specifically to request Government to introduce a reciprocal reduction in westward mail charges and enquire why there had been delay in this step.

**Dharamtalla Post Office.**—The Presidency Postmaster was informally approached in May regarding the need for the provision of extra staff to cope with the accumulation of mail, particularly registered mails and money orders, at the Dharamtalla Post Office, where, according to a member of the Chamber, the communal disturbances at that time were having the greatest effect on the postal service in the area. The Chamber was promised the co-operation of the Postmaster in this matter and the complaint has not been repeated.

**Posting of Indian Mails at the Calcutta G. P. O.**—By courtesy of the Presidency Postmaster, the Chamber was able to continue in the year under review the service extended to members last year, in the issue under cover of Circular No. 123-1947 dated the 1st July of a table showing the latest hours of posting of principal Indian mails at the Calcutta G.P.O.

## INDUSTRIAL

**Workmen's State Insurance Bill, 1946.**—The publication of this Bill in November 1946 brought into concrete form the proposals and counter proposals put forward over a number of years past on the question of legislation in India providing for health insurance for industrial workers. For the past decade or so the Chamber has had occasion to consider this subject and in recent years was closely associated with preliminary discussions of the Labour Conference, first on Professor Adarkar's Report and later the "Unified Scheme" suggested by Messrs. Stack and Rao after a visit to India, at the request of the Government of India, for the purpose of report on this and other allied matters.

On certain fundamental points the attitude of employing interests expressed through the Chamber in its criticism of the Workmen's State Insurance Bill was based on the opinion put forward and recorded in the Chamber reports of 1943, 1944 and 1945 in connection with the Adarkar and Stack and Rao recommendations, as for instance the objection of some sections of employers to the "triple cover", of employment injury, sickness and maternity benefits incorporated in the provisions of the Bill. The Chamber's views on the Bill were communicated to the late Government of Bengal on the 20th March. In summary they were as follows :—

1. *Contributory Character of the Scheme.*

The provisions of the Bill contained no specific reference to contributions from either the Central or the Provincial Governments. For the success of the scheme it was essential that direct contributions to it be made by the State as well as employers and employees and this should be expressed as part of the schedule governing the rate of employers' and employees' contributions.

2. *Financial Guarantee.*

It was considered that the Central Government should be responsible for the entire administration costs of the scheme and not as provided in the Bill for two thirds of it for the first five years. Moreover the State must be ultimately responsible for the scheme's financial solvency.

3. *Inclusion of Workmen's Compensation and Maternity Benefit*

It was thought this measure was premature as arrangements already existed to cover Workmen's Compensation and Maternity Benefit. Sickness insurance in itself was a sufficiently heavy undertaking for the early operations of the scheme.

4. *Representation of Employers' Interests.*

On the Corporation Board, its Standing Committee and Medical Benefit Council, the bodies to be set up to administer the scheme, the representation proposed on behalf of employers was inadequate and should be increased in consonance with the financial contribution they make to the scheme.

5. *Definition of Sickness.*

Certain forms of chronic diseases of an infectious character should be excluded from the benefits of the scheme; sickness arising from tuberculous, leprosy, etc. was a matter for State hospital treatment, since such diseases were prevalent among workers and would mean a heavy liability.

6. *Definition of Workmen.*

It frequently happened that in outlying areas clerical staff were dependant for treatment on medical facilities provided by employers. The Bill should therefore be amended to cover this category of employees in factories.

7. *Liability in respect of Contract Labour.*

The difficulties of applying the rule relating to weekly cash payments by and for casual labour of this class were such that this category should be excluded from the scheme in its initial stages.

8. *Extending Medical facilities provided by Employers.*

Consideration was necessary on the question of maintaining the private and frequently superior medical provision made already by employers and any negotiations between the Corporation and private bodies or individuals connected with the operation and costs of such treatment should, in the terms of the Bill, afford a safeguard for employees. Also as the Bill specified that employers should not reduce any privileges or benefits conferred on workmen, by reason of their liability under it, it was important that the Bill did not prejudice their right to withdraw hospital facilities.

9. *Dismissal during sickness.*

While agreeing that it was necessary to prevent dismissal of workmen because of casual sickness, it should be made clear in the Bill that an employer retained the right to dismiss a worker on account of commission of offences, whether he were sick at the time or not.

10. *Liability of Factory Owners for Excessive Cash Benefit.*

The matter of unsanitary conditions in factories or tenements was for the appropriate departments of the Local Government and it should not be within the powers of the Corporation to claim resulting extra expenditure from factory owners responsible for it, however commendable the object of this section of the Bill might be.

11. *Cash Benefits and Hospital Treatment.*

There should be no reduction of cash benefits for workers treated as in-patients in hospitals, which might increase the customary prejudice of such people against hospitals.

12. *Qualification for a Sickness Cash Benefit.*

Some provision linking up the amount of work done with weekly contributions appeared necessary if the relative section of the Bill were to operate satisfactorily. As the Bill stood it was possible for a workman to obtain full benefits after employment for 17 days in six months.

The Bill was referred to a Select Committee on the 22nd November, 1947.

**Industrial Disputes Act, 1946.**—Reference was made in the Chamber Report for the year 1946 to the provisions of the Industrial Disputes Bill, 1946. The Bill was passed by the Indian Legislature and became effective on the 1st April 1947. The new Act is a comprehensive piece of legislation which takes the place of the Trade Disputes Act of 1929 and also replaces the provisions of Section 81A of the Defence of India Rules which expired on the 31st March 1947. Its main features are the new forms of conciliation and adjudication machinery which have been provided to deal with trade disputes, the authority now given to the decisions of Tribunals against which there is no appeal and the withdrawal of the war-time prohibition on strikes and lock-outs which are now restricted only in the case of those occurring in public utility services.

As regards conciliation and adjudication machinery, the Act retains the Boards of Conciliation and Courts of Enquiry provided for under the previous Act, but creates two new organisations, Works Committees and Tribunals. The Act also gives statutory recognition to Conciliation Officers who in most cases have so far been appointed by executive action.

The provisions for Works Committees appear to be possibly the most controversial section of the new legislation, since the Act gives power to require the employer to constitute Works Committees consisting of representatives of employers and workmen engaged in the establishment, the function of such Committees being the promotion of measures for securing and preserving good relations between the employer and the workers. The rules required to prescribe the procedure for the election and operation

of Works Committees were issued during the year by the Central Government in respect of the undertakings carried out by them, and also by the Government of Bengal in respect of industries falling under provincial control. Towards the end of the year it was announced that Works Committees would be instituted in the first place in the jute industry but, at the time of writing this report, the preparations for elections were still being made, and no Committees were actually in being.

Quite the most outstanding effect of the new legislation was the development under it of adjudication as a means of the settlement of labour disputes. Power had, of course, been conferred under the Defence of India Rules for the settlement of disputes by adjudication and had been extensively used, but proceedings were invariably held up by the small number of officials available to act as Adjudicators. With the passage of the new Act, the Government of Bengal added considerably to Adjudicators available to deal with disputes and, as a result, an increasing number of cases was dealt with and formed the subject of awards. A new and striking feature of the system was the reference of disputes involving entire industries or groups of employers to general adjudication. In Bengal, before the new Act, individual cases were invariably dealt with but in August the Government of Bengal referred certain disputes in the Jute Mill industry to a general Tribunal covering the industry in Bengal as a whole, and similar action was taken subsequently in respect of the Engineering industry, the Hydraulic Press industry and, finally, in the case of a large number of commercial offices, including the Chamber itself.

It would be wrong to give any impression that the general run of decisions under the new Act was satisfactory. Earlier experience of adjudications had shown that awards were often doctrinaire and that Adjudicators often made concessions to workers' demands quite apart from the intrinsic merits of the case. These defects continued, but the situation as a whole was made even more unsatisfactory as a result of three other developments. In the first place, the increased number of Adjudicators now available inevitably made for differing interpretations and different emphasis in awards, and a strong tendency towards divergent decisions in similar circumstances revealed itself. In the absence of any right of appeal whatsoever from decisions of Adjudicators, employers affected by such decisions were powerless to take any

remediate action. In the second place, following on the publication of the Central Pay Commission Report, Adjudicators tended to accept the views of the Commission on minimum earnings in a very uncritical fashion and, as a result, a strong tendency for increasing wage rates asserted itself. In many cases awards, involving an increase of 33% over what had been deemed sufficient two years before, were made even in cases where the increase in the cost of living had been catered for by the payment of dearness allowance. In the third place, a number of very undesirable precedents appeared to be in process of establishment, and decisions on bonus questions, on issues affecting retrenchment and on strike pay were felt by employers to encroach on well-established conventions and, in some cases, on accepted aspects of the law of master and servant.

In these circumstances, consideration was given to the desirability of a revision of the Industrial Disputes Act and, in its general aspects, was the subject of a special resolution at the Annual General Meeting of the Associated Chambers of Commerce of India in December 1947. The resolution is now before the Government of India and the question of further action on the part of the Chamber is now under consideration. The main alteration proposed was the grant of the right of appeal to the High Court against the awards of Adjudicators, but a number of other important points, including a restriction on retrospective awards and a prohibition on reinstatement in cases of dismissal, were also included.

**Bengal Tripartite Labour Conference.**—A further step in governmental intervention in the relations of employer and employed was taken in November when the Provincial Labour Minister convened a Tripartite Conference with equal representation of the Government of West Bengal, employers and labour to discuss:—

- (1) Maintenance of the *status quo* in industrial relations.
- (2) Stay in strike and intimidation of the management.
- (3) Go slow tactics.
- (4) Proposals for amendments of the Industrial Disputes Act.

Of the six seats reserved for employing interests on the Conference, each of the five principal Chambers of Commerce in Calcutta were allotted one seat and one delegate was called from

the Bengal Millowners Association. The first sitting took place on the 8th December, and immediately before the second meeting on January 6th, the Chambers, together with the Bengal Millowners Association, the Indian Jute Mills Association and the Indian Mining Association jointly endorsed a letter to Government setting out their common views on the subject matter of the Conference agenda.

A great part of the deliberations at this and the former meeting ranged around the question of employers' rights in the matter of dismissals or retrenchment of workers during the pendency of adjudication proceedings, an important issue on which the Chambers and the Bengal Millowners Association were at variance with the view pressed by Government that employers should agree not to exercise their privilege in such circumstances, except on grounds of misconduct, which if it amounted to a criminal offence was for reference to a court, other cases being for settlement by Government or a Tribunal. An understanding in regard to this point had not been reached at the time of writing and consultations were proceeding between the Chambers and those other industrial bodies who stand to be affected by what they are inclined to regard as interference with a principle of good order and the long recognised rights of employers.

The Vice-President, Mr. A. P. Benthall, and Sir Charles Miles acted in turn for the Chamber at the Conference meetings on the 9th December and the 6th January.

**Establishment of new factories and extension of existing factories.**—In October the Employers Federation of India, Bombay, invited attention to a letter received from the Government of India, Department of Labour, indicating that with a view to remedying defects in certain factory buildings, machinery layout and arrangements for the disposal of industrial and trade wastes, Government had decided to revise the Factories Act so as to provide that plans for factory development should be submitted to the Chief Inspector of Factories before construction was undertaken. Government therefore advised industrialists to consult and obtain the approval of local Factory Inspectors to any such plans before the amendment of the Act, in order to avoid the necessity of carrying out alterations to, and possibly demolishing buildings which did not conform with standard requirements.

In support of the views of the President of the Employers Federation and their Industrial Affairs Sub-Committee, the Chamber Committee commended Government's suggestion to members contemplating expenditure on new factories, or extension of existing factories. At the same time the East India Committee of the Employers Federation (the Industrial Affairs Sub-Committee) stressed in a letter to the Federation the case already urged by Employers' representatives at a recent Tripartite Labour Conference for a guarantee that factory development schemes would not be held up indefinitely awaiting Government's sanction. It was suggested that the Federation approach Government again to fix a time limit within which the authorities concerned with the inspection of factory construction plans should be required to accept or reject them, and in the latter case to give reasons before the expiry of the specified period. The Committee felt that industrialists should be free to proceed with the project in question if a reply were not received from Government in reasonable time.

**Observance of May Day as a General Holiday.**—In a letter to the Director of the India Branch of the International Labour Office, the Chamber asked for information on the position in other countries regarding the practice of observing May Day as a general holiday, as it had been learned from the Government of India, Department of Labour, that, arising from a suggestion of the All-India Trade Union Congress, the question of recognition of a May Day holiday in India would come up for discussion at the next Labour Conference. In the light of the particulars received in answer to this letter in July, and the opinion of the Industrial Affairs Sub-Committee, the Chamber came to the conclusion that in this country, where so many festival days are observed as holidays, it would be a mistake to increase the list of non-working days at a time when greater production was so important an objective. The All India Trade Union Congress had based its proposal on the custom of certain countries such as Australia, France, Finland and Sweden; but in heavily industrialised countries like Great Britain, the United States and Belgium, the granting of a holiday to workers on May Day was not, as far as the Chamber was aware, an accepted rule. Government was therefore advised that the Chamber and the industrial interests represented by it, strongly opposed the suggestion.

The East India Committee of the Employers Federation of India, were likewise not in favour of a more recent proposal

that the May Day holiday might, in view of the present production drive, take the place of one or another of the usual festival holidays. The Committee foresaw trouble if an attempt were made to carry out this change, since it was bound to attract opposition from some section of the community or other. It is understood that the Employers Federation of India addressed the Government of India on the subject in very similar terms last December.

**Fair Wages Clauses in Public Contracts.**—With reference to a Government of India enquiry into points included in the agenda of the International Labour Conference being held at San Francisco in June, 1948, the Employers Federation of India invited comments from the East India Committee of the Federation on a proposal that the Labour Conference should adopt world-wide regulations regarding labour clauses in public contracts.

The East India Committee recorded their opposition to the proposal which they thought would be unnecessary and cumbersome, besides involving contractors in trouble and expense, and might give rise to serious difficulties, in as much as contractors could not ensure that their sub-contractors and suppliers had complied with the regulations. They did not think the lack of such rules in present organised conditions would be felt and no contractor could expect to pay less than the usual rates for the services of his employees.

**War Emergency Camps for Stevedore Labour : Finance.**—In the Chamber reports for 1942/43 members were informed of the several responsibilities undertaken by the War Transport Department of the Government of India, the Shipping Sub-Committee of the Chamber and the Master Stevedores Association in the establishment and maintenance of camps for stevedoring labour outside the city area during the war. On the closing of the camps early in 1946, the War Transport Department demanded reimbursement of the surplus funds in hand in return for the capital costs of the camps, which had been a charge on Government. In 1945 it had been agreed between the Shipping interests and the Master Stevedores Association that any funds standing to the camps' account when they were terminated would be distributed among the Shipping interests in proportion to the amounts they had contributed towards the running costs, and Government's claim was strongly refuted for different reasons, among them being that the camps had been forced on Shipping interests as part of

the war effort and Government, after providing the initial capital for the construction of the camps, had definitely refused to have anything to do with their working costs, which had been met by Shipping interests or the British and American War Shipping Administrations in respect of those vessels owned or operated by them, to whose foresight in providing against possible contingencies the surplus in question was due. No surcharge had been placed on the rates of freight at the time in order to cover this financial burden on the Shipping interests in the Chamber, who together with the Master Stewards Association, and after lengthy correspondence with the War Transport Department, finally stated that Government's claim to the surplus could not be entertained.

The question of the disposal of these funds to the best advantage is still under the consideration of the Chamber Committee in the light of the joint recommendations of the Shipping Sub-Committee and the Master Stewards Association.

**Capital Goods for West Bengal.**—On the invitation of the Minister-in-Charge, Commerce, Labour and Industries Department of the Government of West Bengal, the President and Vice-President of the Chamber attended a conference on the 25th August at which representatives of other Chambers of Commerce in Calcutta, as well as from the Bengal Mill Owners Association, were present. At the conference it was explained that, with a view to discussions with the Central Government and negotiations with the Trade Commissioners of the various manufacturing countries, Government was anxious to obtain an approximate over-all estimate of machinery and capital goods which would be needed by West Bengal during the three years commencing from September 1947. It was agreed that a questionnaire should be circulated by the Chambers to their constituents asking for this information and therefore in a circular issued on the 13th September, members of this Chamber and affiliated Industrial Associations were invited to submit the necessary particulars on the prescribed form under the heads—

- (a) Replacement
- (b) Expansion of existing units and
- (c) New Units

In all 32 estimates of requirements were received from members and forwarded to the Commerce, Labour and Industries Department.

**Terms of Payment for Supply Department, Government of India.**—The Chamber took strong exception to the decision of the Government of India to revert to the former system relating to contracts with the supply Department, whereby 90% of the price of each consignment was paid on proof of despatch and the balance of 10% on production of consignee's receipt of the goods. This system was abandoned in favour of the 100% payment on proof of inspection and despatch some years ago and for sound reasons:

As the result of the representations made to them at the time, the Government of India recognised the injustice to suppliers of the payment system then in force. It caused—as will be the recent decision to revert to it—not only financial embarrassment to many suppliers, but also heavy additional clerical work and costs to contractors and Government alike, the needless delays to which attention was already drawn, irresponsibility on the part of consignees, and the sense of unfairness and inequity which the decision to introduce the 100% payment system recognised.

Reversion to the old procedure on the grounds that the 100% payment system was a war-time measure and the present change merely a return to the standard Conditions of Contract was in the opinion of the Chamber no justification for what could not but be regarded as a retrograde and inequitable decision. It seemed to the Chamber that the real reason must be the difficulty experienced by Government in obtaining receipts from their own consignees, in most cases departments of their own organisation, and that the recent revision of the contract conditions of payment must have as its object the retransfer to the contractor of the onus of obtaining these receipts, apparently on the theory that the contractors would obtain them more quickly if 10% of the contract price were withheld until they had done so. In the view of the Chamber, this was an evasion of an obligation which rightly attached to the party placing the order and not to the party executing it. The obligation of the latter was to deliver the goods promptly and in accordance with the specifications, and of the former to pay without delay for the goods when delivered in terms of the contract. The Chamber had no reason to believe that experience of the 100% payment system during the past few years had been other than satisfactory and economical; and it was relevant to point out that under that system Government was covered by the contract in respect of claims for breakage and the like as the contractor was in no way absolved from his responsibilities in that or any other respect by the 100% payment procedure.

In reply to these representations of the Chamber, Government stated that they did not see any justification for altering the normal system of advance 90% and balance 10% payment in respect of supplies made by contractors against contracts placed by the Purchase Organisations of the Department of Industries and Supplies. They had, however, authorised the Director General, Industries and Supplies, to relax the condition of 90% advance and 10% balance payment and to allow full advance 100% payment in exceptional circumstances.

**Utilisation of Industrial Research.**—Continuing the usual practice, the non-technical notes on different manufacturing and chemical processes emanating from the Scientific and Industrial Research Council were again this year issued through the Chamber to members likely to have use for them. Items of interest included in the notes were the manufacture of Sintered Glass Filters, Mosquito Repellent Cream and Rubber Sponges.

#### Coal Supplies to Industrial Consumers in the Calcutta Area.

Arising from an emergency meeting of affected interests convened in March by the Provincial Coal Controller to consider the situation which had arisen owing to the failure of the Transport Department, Government of India, to deliver supplies of coal for domestic and industrial purposes to Bengal, two proposals were put to the Chamber for views and co-operation. These were (1) that the Government of India should suspend, for a period of approximately three months, all allotments to certain specified consumers in the Calcutta industrial area and arrange for rakes of coal and coke to be sent down to six central depots from which the industrial allottees would draw their monthly requirements on a reduced (66%) basis; (2) that arrangements should be made by the various Chambers of Commerce, individually or collectively, to bring down coal from the coalfields by motor transport and issue it to their constituents from selected dumps.

The Chamber endorsed the first proposal subject to consideration of certain points, but at a second meeting held under the auspices of the Directorate of Fuels in April it was decided (a) not to proceed with the arrangements noted under (1) above; and (b) that those requiring coal by road should indent through their respective Chambers of Commerce for a transport permit from

the Deputy Coal Commissioner (Distribution) who would also arrange for the issue of permits for the extra petrol required.

In pursuance of this decision members of the Chamber who were engaged in the manufacture of pottery, matches, chemicals, soap, ice, glass, rubber, leather, enamels, paints or mineral oils and who desired permits and petrol coupons for the transport of coal by road were requested to submit the following particulars to the Chamber for transmission to the Deputy Coal Commissioner:—

- (i) Name and address of applicant;
- (ii) Location of factory;
- (iii) Quantity of coal required by road, during [May,] 1947; and
- (iv) Quality of coal required.

This scheme was carried out by the Chamber until, at the end of the year, the Government of West Bengal implemented its own road transport arrangements for bringing coal into the Calcutta industrial area by road, so that members' requirements of transport permits and petrol were from then on diverted to the Provincial Coal Controller.

**Coal Transport Advisory Committee.**—In January 1948 a Coal Transport Advisory Committee composed of representatives of Government, Coal and Transport interests and Chambers of Commerce in Calcutta was set up under the auspices of the Government of India in accordance with the recent recommendations of the Department of Industry and Supply. Its main function was a review of the coal transport position as a whole. Experience so far clearly indicates that the Advisory Committee is performing a most useful service.

## MUNICIPAL

**The Calcutta Municipal Election Ordinance.**—This Ordinance was promulgated by the Government of West Bengal on the 4th October. It seeks to amend the Calcutta Municipal Act of 1923, having in view as its main essentials:—

1. the introduction of a joint electorate system;
2. the abolition of Government nominated seats; and
3. the inclusion of other public institutions hitherto unrepresented.

As the amendments came into immediate force they apply to the holding of the next Corporation elections. They came before the Provincial Assembly for adoption in the form of legislation and are now law. The representation of European business interests in the Corporation under the Act has been reduced from six seats to one in the case of the Chamber Constituency, and from four seats to one in the case of the Calcutta Trades Association. The Chamber has the position under review in connection with the 1948 elections.

**Traffic in the business area: Proposed re-alignment of the Tramlines in Dalhousie Square.**—At the end of July the Chamber was invited to give an opinion on a scheme of the Calcutta Improvement Trust for the re-alignment of the tramlines in and around the congested area of Dalhousie Square. The gist of the new plan was to provide two single-line one way loops, one inner loop and one outer and larger loop, so designed as to—

- (a) carry all the trams without one loop frequently crossing the other as they do at present in Dalhousie Square;
- (b) give trams direct access to a larger part of the business quarter;
- (c) reduce congestion by dispersing over a large area the points at which office goers alight from and board trams; and the points where trams and vehicles interfere with each other.

As might be expected from the intricacies of this problem, the Calcutta Tramway Company's report on the Improvement Trust Scheme received by the Chamber pointed out the practical difficulties surrounding the proposed changes, particularly the high cost of relaying tram tracks and re-making the roads from which tracks had been removed. Consideration was given to several new suggestions for re-organising the Calcutta-tramway system which were put forward by the Chamber's representative on Traffic Advisory Committee when commenting on the Improvement Trust Scheme at the Chamber's request. These were forwarded to the Tramway Company who commented as follows—

Regarding the first suggestion, namely, through running of tram cars, the value of a through running service was appreciated

by the Company, but experiments with the system in the past had not proved very successful, although it was still carried out where possible. The cost of the second scheme—removal of trams from the city area—was not, in the Company's opinion, justified, nor did they think it would be any help from the point of view of congestion, as more than double the number of vehicles would be required to move people from the tram termini.

The Company advanced their own suggestions as to means of relief from, and causes of traffic congestion, viz:—

1. A very definite staggering of office hours.
2. Removal of hawkers from pavements.
3. Prohibition of garages using the public streets for repairs
4. Parking of Government vehicles in Dalhousie Sq. North
5. Complete lack of traffic control at Esplanade opposite the Metro cinema, especially at 5 p.m.
6. Indiscriminate parking of cars.
7. Control over use by bullock carts and hand carts of the main roads during rush hours.
8. Action by the Police against bad driving of motor vehicles and other breaches of the recognised rules of the road.

Similar points were put forward by the Chamber in correspondence with Local Government concerning traffic control, to which reference is made in below.

**Traffic Control in the Business Area of Calcutta.**—The Chamber addressed the Government of West Bengal, Home Department (Police), on the need for a thorough investigation into the existing traffic conditions in the business quarter of Calcutta, with particular reference to the Olive Street area. Due partly to the increasing number of vehicles on the roads and partly to the relaxation of control, conditions for both vehicular and pedestrian traffic had greatly deteriorated during the past few months and were approaching a chaotic stage.

In the view of the Chamber, the problem called for measures of two types—firstly, those involving long-term and permanent replanning, and secondly, those which could readily be brought into



immediate operation, or at least given a trial at little or no cost, and which would go far towards relieving a situation that was fast getting out of hand. Within the first category fell such measures as the improvement of street lighting throughout the city, especially in the principal thoroughfares; and the tentative scheme, considered in the early days of the war, for the provision of adequate parking facilities in Dalhousie Square. It was appreciated that this particular scheme involved far-reaching and expensive measures such as the realignment of the existing tram lines, referred to in the preceding paragraph of this report, and the construction of a well-organised modern car park capable of serving the requirements of the district for many years to come. The eventual necessity for a scheme on these lines could not be gainsaid and early consideration of it was recommended by the Chamber.

The circumstances to be met by immediate action and the proposals for meeting them which the Chamber placed before Government were as follows:—

(i) *Pavement Hawkers.*—The side-walks—and in some cases even the streets themselves—in the Clive Street area, and in many other parts of the city, had been transformed into a veritable bazaar by the numerous hawkers who had established themselves there in defiance of municipal regulations. The result was that pedestrian traffic was forced off the pavements on to the streets which were already overburdened by badly controlled traffic. The removal of these hawkers, and of the street nuisance and litter in which their activities resulted was an urgent necessity which called for drastic action. On several occasions they had been dislodged only to return in increasing numbers: sustained vigilance was therefore necessary on the part of the authorised if this initial step towards the restoration of reasonable conditions for both vehicular and pedestrian traffic was to be achieved.

(ii) *Parking.*—The parking problem in the business area could not be permanently solved until a large car-park, preferably in Dalhousie Square, was provided. But the problem could be greatly relieved by measures which in the Chamber's opinion could and should be taken now.

Recognised parking places (and alighting places) should be laid down and clearly demarcated. The use of these parking places—which should be as numerous as possible consistently with the volume of traffic in the particular street—should be limited to private vehicles. Buses and lorries used for transporting staff should be permitted only to deposit and take up passengers, not to remain as at present throughout the greater part of the day projecting far into the street and thus seriously interfering with the channel left for traffic; or alternatively should be required to put down and take up passengers in Dalhousie Square and not allowed to ply or park in busy streets such as Clive Street and Clive Row.

(iii) *Pedestrian Overbridges.*—Much of the congestion was caused by the slowing down of fast-moving traffic to allow pedestrians to cross—in particular at the four corners of Dalhousie Square, the east end of Fairlie Place and the west end of Royal Exchange Place. It was suggested that serious consideration should be given to the question of pedestrian overbridges at such strategic points—especially so in Dalhousie Square. Even at rush hours, the pedestrian traffic there moved in both directions and the overbridges should therefore be divided in the middle to ensure that each way traffic kept to the left.

(iv) *Bullock and Hand-Cart Traffic.*—One of the main causes of congestion in Clive Street and the adjoining streets was slow-moving bullock and hand-carts. There should be a complete prohibition of these forms of traffic between 9 a.m. and 6 p.m. except in certain selected streets such as Strand Road where access to the river ghats was necessary.

(v) *Traffic Diversions: One-way Streets.*—The Chamber commended the enterprise of the Police in experimenting with one-way traffic in Dalhousie Square and urged that further experiments be made in adjoining streets. As subjects for experiment, the following were suggested:—

(a) Clive Ghat Street should be a one-way street east to west and no traffic from north to south should be allowed up Clive Street from Canning Street to the junction of Clive Street with Clive Row.

- (b) Canning Street should be a one-way street from west to east as far as Lower Chitpore Road, with Harrison Road still one-way from east to west.

The Bengal Branch of the Safety First Association of India had also, it was understood, placed before the police suggestions for the introduction of a system of diverting rush hour traffic, to and from Clive Street to certain "express" routes such as Mayo Road and Red Road. The Chamber commended experiments on these lines and trusted the Safety First Association proposals would receive full consideration.

- (v) "U"-Turning.—"U"-Turning should be prohibited in the Clive Street area. It was one of the many causes of congestion responsible for the slowing-up of traffic in both directions.

As the result of prompt action on the part of Government in consultation with the Traffic Advisory Board, steps on the general lines of the Chamber's proposals were subsequently taken by the Police Authorities to regulate the parking of motor vehicles on Clive Street and remove bullock and hand cart traffic from the most congested thoroughfares of the city. Obstruction caused by pavement hawkers was also somewhat, though not entirely, eradicated through enforcement of a prohibiting order and with the introduction of one way traffic in Clive Ghat Street and Canning Street, most of the short term proposals put forward by the Chamber were brought into effect.

One of the items discussed at a meeting of the Traffic Advisory Board held in November was the question of constructing pedestrian overbridges at the north-west corner of Dalhousie Square. Despite the previous decision of the Board to proceed with this project as part of the Traffic Control Scheme reported in the Press on September 26th, it was rejected at the meeting under reference mainly on the grounds of expense. It was agreed that in place of should be established on the north-west side of Dalhousie Square, while buss which now stop at the north-west crossing of the Square should be made to stop by the new pedestrian crossing. The Chamber's representative pointed out that although a pedestrian crossing might help to some extent, traffic would still be held

up while pedestrians were crossing the road, whereas the proposed overbridges would keep the road clear of pedestrians altogether, and since police supervision would be necessary at pedestrians' crossings it might be more profitably employed in seeing that pedestrians made use of overbridges.

**One-Way Traffic in Dalhousie Square.**—The views of the Chamber were requested by the Commissioner of Police, Calcutta, on a proposal to make Dalhousie Square a one-way traffic route, except for trams, with traffic running in a clock-wise direction. This idea was experimented with in 1941 and was believed to be successful; it was discontinued owing to the severe petrol rationing at the time.

The Chamber was in favour of giving the proposal a further trial. When one-way traffic was tried out in 1941, the Chamber drew attention to several requirements which it was thought should be met under the scheme. These were (a) that traffic proceeding north along Council House Street should be permitted to proceed direct north along the west side of Dalhousie Square; (b) that west-bound traffic along Mango Lane should similarly be able to join the clock-wise traffic along the south side of the Square; (c) that west-bound traffic along the south side of the Square should not be prevented from turning left into Council House Street and (d) that traffic proceeding eastwards along Hare Street should not be allowed to turn right into Council House Street. The Chamber hoped that in re-introducing the one-way traffic system in Dalhousie Square for further trial these points would be adequately catered for. This has been done but further improvements are still necessary to ensure the efficiency of the system.

**Thefts of Motor Vehicles in Calcutta and Howrah.**—In August the Chamber addressed the Commissioner of Police, Calcutta, with certain suggestions following consideration of the steps which could be taken to reduce the risk of theft of motor vehicles with particular reference to the business quarter of the city where a number of thefts had recently occurred.

The Chamber stated that watch and arrangements on the part of individual firms were being strengthened, and arrangements had also been made, it was understood, between the Calcutta Insurance Association and the Automobile Association of Bengal whereby the latter would post attendants from 9-30 a.m. to

5-30 p.m. daily at a number of strategic points in the business area where cars were parked. The Chamber said that any additional assistance which the Police could give in support of these precautions against car thefts would be much appreciated. Several suggestions were also put forward which it was thought might assist in tracing and in preventing the re-registration of stolen cars.

The Chamber's suggestions had the wholehearted approval of the Commissioner of Police to whom the Chamber passed on two sets of statements concerning stolen motor vehicles and accessories received from the Calcutta Insurance Association.

**Use of Motor Vehicle Headlights: Traffic Police Restriction Order.**—A Chamber circular dated the 3rd November advised members and their staffs to comply immediately with an order of the Commissioner of Police for observance of the regulations in respect to the use of headlights in Calcutta, under which the public were required to black-out the top half of headlight glasses of motor vehicles as from the 4th November.

**Calcutta Corporation: Water Supply.**—As a member enquired if a Calcutta Corporation charge for water used for washing one of the firm's cars was a new regulation, the Chamber ascertained from the European Group in the Corporation that, in terms of a Corporation resolution adopted on the 27th March, 1947, it was agreed to levy from the 1st April the following charges for supplying filtered water for the purpose of washing vehicles.

Motor Cars	... Rs. 6/- per quarter
Lorries	... Rs. 12/- do .
Rickshaws	... Rs. 2/- do

**Garbage on the streets of the Calcutta Business Area.**—A strong complaint from a member in connection with the refuse piled in the streets and bye-lanes in and around the business area of the city led the Chamber Committee in May to approach their Municipal Sub-Committee to take, as the Chamber's representatives in the Calcutta Corporation, such action as they thought useful in order to move the Corporation to deal effectively with this nuisance. In return the Chamber was informed that the European Group in the Corporation were fully alive to these dis-

graceful conditions and would continue to follow the matter up vigorously on the floor of the House and through the appropriate Standing Committees of the Corporation.

The "cleaner Calcutta" problem, the Chamber understands, calls for special arrangements suitable to the different areas of the city, for which it has not proved easy to find a solution.

**Projected New Town Levy on Wines Spirits and Beer.**—A protest put up by the Wine Spirits and Beer Association of India to the Chief Executive Officer, Calcutta Corporation against a proposal of the Corporation to levy a town duty on certain dutiable articles, including wines, spirits and beer imported into the city, came before the Chamber Committee for consideration of the Association's request that support be given to the claim that foreign liquor was already taxed beyond the limits of equity and the Corporation's proposal should be withdrawn.

Having obtained the opinion of their Municipal Sub-Committee, and after informal enquiries, the Chamber Committee wrote to the Leader of the European Group in the Corporation saying they were inclined to agree with the view of the Wines, Spirits & Beer Association and it was thought the Corporation should take full advantage of the existing rates and taxes before it sought for fresh sources of revenue such as this new and doubtful tax.

## MISCELLANEOUS

**Central Peace Committee: Relief and Rehabilitation of victims of communal riots in Calcutta.**—Members are aware that the late Mahatma Gandhi called the representatives of the different Chambers of Commerce in Calcutta to an informal meeting at his camp in Beliaghata on the 31st August 1947 and suggested that the business community should contribute a crore of rupees towards the cost of rehabilitation of the riot affected areas of the city. Shortly afterwards, a Finance Sub-Committee of the Central Peace Committee, over which the Mayor of Calcutta presides, was set up under the Chairmanship of the Prime Minister of West Bengal, and including representatives of the Chambers, to control the funds raised from Mahatma Gandhi's appeal.

On the 24th September the Chamber strongly appealed to the heads of member firms for donations to the Fund on the basis of

contributions of Rs. 5,000/- each already promised by the Chamber Committee firms to aid in the work of restoration of the homes of riot victims and, by replacement of equipment and tools, to rehabilitate them in their former livelihoods. The question of financial assistance in this work from Associations connected with the Chamber was discussed informally at a meeting of representatives of the Associations held in the Chamber offices on the 6th October, resulting in arrangements by the Jute and Engineering interests of the Chamber for donations on a fixed scale and for such support from other Associations, or their individual members, as they decided.

By the end of 1947 contributions from members and affiliated Associations amounted to an appreciable sum. Since the first disbursements of money by the Finance Sub-Committee of the Central Peace Committee were made to riot affected people on the 28th December 1947, the Chamber has been in correspondence with the Finance Committee with a view to ensuring that adequate and reliable machinery was in operation for allotment and distribution of the funds collected from members and Associations, in accordance with the assurance to this effect given by the Chamber at the time of the issue of the appeal.

**Scarborough Commission : Recommendations on Oriental, Slavonic, East European and African Studies.**—Through the Associated Chambers of Commerce of India the attention of the Chamber was drawn in July to a letter from the Office of the High Commissioner for the United Kingdom which discussed the recommendations of the Scarborough Commission of Enquiry on Oriental, Slavonic, East European and African Studies, with particular reference to (1) the provision of training in the U. K. for careers in Eastern Europe, Asia and Africa; and (2) arrangements for the establishment of training centres abroad.

Commenting on the various proposals of the Scarborough Commission under these heads, the Chamber Committee endorsed— from the point of view of India and Pakistan and from their own experience—the steps suggested to implement appropriate training of personnel taking appointments in the East and spoke of the usefulness of the short course of instruction provided by the London School of Oriental and African Studies.

As regards the questions of training and the setting up of training centres abroad, the Chamber Committee did not feel in a

position to give any definite opinion without further skilled advice and proposed that a representative of the London Schools be deputed to visit India with the object of reporting on the position after a survey on the spot in consultation with Government and commercial interests. The Chamber went on to mention the Indian Language Classes held under the auspices of the Chamber for men (and women) coming out to this country for the first time which, it was stated, had met a real need and had been reasonably successful in the experimental stages. As the need for language instruction would undoubtedly continue while there were newcomers to India and Pakistan, the Chamber thought an expert survey was essential in order to determine—

- (a) the balance to be held between language instruction and related subjects;
- (b) methods of teaching—a matter which, with limited experience and resources, presented considerable difficulty in the case of adults with a full day's work to do;
- (c) relations with the Universities here;
- (d) examination standards;
- (e) the potential field for studentships and the provision of facilities for first-hand contact with India and Pakistan on the part of teaching staff in London;
- (f) finance.

A recent request to the Associated Chambers of Commerce from the U. K. High Commissioner for a more detailed report on the position in regard to the numbers of students receiving or requiring such instruction, is now under reply by this Chamber.

**Chamber Language Classes.**—The courses of language instruction started under the auspices of the Chamber towards the end of 1946 have been well supported and have shown increasingly satisfactory results. A good percentage of passes was gained by students taking the examinations in higher, lower and colloquial Hindustani and lower Bengali in April and August, carried out by the Inter Service Language Section of G.H.Q. India. In the August examinations passes were 100% for all subjects except lower Hindustani, in which 75% of the entrants were successful. The average of passes was maintained at a good level for the remaining part of the year.

Owing to the interruption in telegraphic and postal communications arising from the disturbed conditions in Northern India and Pakistan, the examination due to be held in October 1947 had to be postponed and since it appeared uncertain whether the future Language Sections of India and Pakistan would be able to arrange examination facilities for Chamber students, the Chamber provided, as a temporary measure, for independent examinations in higher, lower and colloquial Hindustani to be held, on the 17th November and again in January 1948. Long-term proposals for establishing a Chamber Examinations Board in consultation with the Calcutta University were receiving the Chamber's attention when this report went to press. Meanwhile interim arrangements continue for the periodical examination of students.

**Tribunal of Arbitration: Institution Fees.**—Towards the end of 1946 the Committee of the Chamber decided in consultation with the Jute interests associated with the Chamber, whose arbitration references constitute the greater part of those coming before the Tribunal, to amend the schedule fees of the Chamber Tribunal of Arbitration. At a meeting of the Chamber Committee held on the 25th February of the year under report a resolution affecting institution fees was unanimously adopted, having the following intentions:—

- (i) To bring about the necessary improvement in the revenue of the Tribunal, which had not recently covered expenditure and to narrow the difference between the "Member" and "Non-Member" rates of Institution fee by making the following charges, the previous rates being those shown in brackets:—

	"Member" cases.	"Non-Member" cases.
(a) Piece-Goods	... Rs. 60 (40)	Rs. 80 (60)
(b) Jute	... " 80 (40)	" 120 (140)
(c) Gunnies	... " 80 (40)	" 120 (140)
(d) Other arbitrations	... " 80 (40)	" 120 (150 max.)

- (ii) To apply the revised "Member" rate of Institution fee to members of any Association working in connection with the Chamber under Article 56(d) of the Articles of Association of the Chamber;

- (iii) To authorize the Chamber, in cases of an unusually difficult or elaborate nature, to determine that an Institution fee exceeding the above figures, but subject to a maximum of Rs. 250, shall be payable to the Tribunal.

Copies of the resolution were distributed to members with Circular No. 38-47 dated the 28th February 1947.

**Chamber Rules for Surveys: Scale of Fees.**—To conform with the increase in the rates of arbitration fees referred to above, revised scales of (1) rates of Chamber institution fees in survey cases and (2) fees payable to surveyors for (a) cotton piecegoods cases, (b) oleseeds, foodstuffs etc. and (c) oils in drums were adopted by the Chamber Committee in September. Copies of the resolution were distributed to members on the 24th September.

**Autonomy of the Profession of Accountants.**—As members are aware, in 1939 the powers to grant Auditors' certificates and maintain the requisite standard of professional qualifications, required under Section 144 of the Indian Companies Act, were vested in the Governor-General-in-Council assisted by an Indian Accountancy Board. The Chamber, after consulting the Society of Chartered Accountants in India on the advice of its Finance Sub-Committee, expressed to the Government of India in July, and afterwards to the West Bengal Government, its whole-hearted approval of a draft scheme of the Government of India to bring into being an Autonomous Association of Accountants—a Board consisting of 13 registered accountants and twelve nominated members—whose function would be the assumption of the existing responsibilities of Government in regard to:

- (a) the maintenance of a Register of Accountants entitled to apply for Auditors' Certificates;
- (b) the fixation of qualifications for enrolment on the Register and the fees therefor;
- (c) examination of candidates for enrolment and prescription of the fees paid to examiners;
- (d) collection of fees from Registered Accountants and examinees;
- (e) restoration to the Register of Accountants under Rule 16 of the Auditors' Certificate Rules;
- (f) establishment, if necessary, and settling the constitution and procedure of local Accountancy Boards to advise the Board on matters referred to them.

As a constituent of the Associated Chambers of Commerce of India, the Chamber voted in favour of the nomination of Sir B. J.

Whitby of Bombay to the Expert Committee appointed by Government for the purpose of making recommendations regarding the Association of Accountants, but up to date nothing more has been heard regarding progress made in the establishment of that Committee. The Associated Chambers, the Chamber is informed, wrote to Government last October for enlightenment on the position.

**Payment of bills through Collecting Sircars.**—The Chamber addressed members in the early part of the year asking for their co-operation with any requests made to them for payment of bills by crossed cheque sent by post or by peon, in place of the method of collection or settlement of bills through collecting sircars, rendered largely unworkable by the disturbed conditions then prevalent in Calcutta. It was not thought opportune to raise this as a general issue at that stage; though members will recall that an investigation into the possibility of abolishing the sircar collecting system in favour of payments by crossed cheque was instituted by the Chamber in 1941 and 1942. In view of the difficulties to be overcome, the idea, while receiving considerable support, could not then be recommended for adoption in all establishments.

**Indian Red Cross Appeal.**—In response to a request of the late Governor of Bengal, Sir Frederick Burrows, the President in August again appealed for the continued support of members to the Indian Red Cross Society on which rested at the time the additional burden of relief of distress caused by the Chittagong floods.

Members were asked to send their donations to the Organising Secretary, Bengal Provincial Branch, Indian Red Cross Society, 5/6, Government Place North, Calcutta. The response was very gratifying.

**Transit visas for Iraq.**—It was brought to the notice of the Chamber in April that, whereas passengers travelling by air to the United Kingdom via Iraq were previously given the necessary visa by the Government of Bengal, it had recently been notified that only Indian, British and Allied officials proceeding on duty would be issued with transit visas, and that all other persons would need to apply to the Iraqi Consulates at Bombay and Karachi. In the meantime the Iraqi Consulate at Karachi had closed down, meaning that valuable time was taken up in sending passports

to Bombay where the Consulate insisted that passengers should have certificates for inoculation against plague or typhoid fever as well as the vaccination certificate normally required, before the issue of the visa.

The Chamber's representation of these difficulties to the Home Department of the Government of Bengal had a satisfactory outcome, in that transit visas for Iraq were issued from the Passport Office, Calcutta under Government's orders from the 10th June.

**Advanced Studies Abroad for Selected Students: Government Scheme.**—The Government of India have a scheme for the provision of overseas scholarships to universities in the United Kingdom and the United States for selected young men and women. Originally the object of the scheme was to provide special training courses for personnel to be employed in the various Government post-war development plans. Full details of this scheme can be obtained from the Department of Education brochure entitled "Information for Students desiring to proceed Overseas for Advanced Studies in 1947/48" available from the Manager of Publication, Delhi, at a cost of 8 as.

In April the Government of India were considering the extension of the scheme to meet the demand from industry and commerce for specialists who had received advanced education and training abroad, and through a questionnaire, which was issued to all members by the Chamber, obtained from firms who were interested, details of the number of trainees they would require and the countries, educational institutions and specialist courses which would be selected. Government were prepared to meet 50% of the cost of training.

**Resettlement and Employment of Ex-service Personnel: Apprenticeship Scheme.**—In the report for 1946 reference was made to the co-operation of the Chamber with the Regional Directorate of Re-settlement and Employment through representation on the Employment Advisory Committee and by commending to members the registration of a certain percentage of vacancies in their establishments with local Employment Exchanges.

Contact with the Directorate of West Bengal and Assam was renewed this year at a meeting of the Regional Director with

representatives of the Industrial Affairs Sub-Committee of the Chamber, held on the 26th November for the purpose of discussion on the Government of India's scheme for the training and employment of ex-service men and women.

A point of special interest to the Chamber's representatives at this meeting was the facilities now offered to ex-service personnel for training under an apprenticeship scheme lately introduced by Government with a view to qualifying such men for employment in the engineering, building and other trades. Whilst undergoing training in factories in a presidency town, Government, it is understood, pays a subsistence allowance to trainees of Rs. 38/- p.m. and Rs. 35/- p.m. in the case of trainees in factories situated in outlying areas.

As agreed at the meeting, particulars of the aims of the Re-settlement and Employment Directorate and of Government's scheme were passed on to Industrial Associations affiliated to the Chamber for such action as they thought necessary.

**Sub-Regional Employment Exchange, Barrackpore : Employment Advisory Committee.**—Mr. C. B. Miller, Manager, Empire Jute Mills, was nominated to represent the Chamber on the Employment Advisory Committee attached to the Sub-Regional Employment Exchange, Barrackpore.

**Regional Directorate of Re-settlement and Employment: Women's Employment Advisory Committee.**—Mrs. C. M. Taylor Honorary Provincial Secretary of the Women's Voluntary Services, Bengal, was nominated by the Chamber to serve on the Women's Employment Advisory Committee.

**F. A. Q. Specifications of Foodgrains.**—In reply to a reference from the Government of India, Ministry of Food, concerning amended F. A. Q. specifications of wheat, barley, gram, jowar, bajra and maize, the Chamber, after consulting the Calcutta Grain Oilseed & Rice Association and other affected interests, stated that from the hurried study possible in the time given for opinions it appeared that the proposed schedule of tolerances and allowances were complicated and cumbersome compared with the existing ones. A less involved method of fixing tolerances, particularly in the rates for slightly damaged and shrivelled grains, would be more acceptable. Subject to the above objection, the Chamber

was inclined to think the proposals were not altogether unreasonable, since it was realised that to conform with present conditions Government felt obliged to standardise as a safeguarding measure. Government was however reminded that hitherto F. A. Q. was universally deemed by the custom of the trade to be available at the time of supply and seasonal conditions partly determined this factor; thus the F. A. Q. of later crops was still to be decided.

**Settlement of Government Contractors' Claims.**—At the end of 1946 the views of constituent Chambers were invited by the Associated Chambers of Commerce of India on a complaint emanating from the Northern India Chamber against the procedure for settlement of contractors' claims in respect of supplies which had been rejected, after delivery on Government orders during the war. It was alleged that arbitration proceedings in such cases were heavily weighted in favour of Government and conducted without regard to the convenience of, or cost to the claimants, who also found themselves at a disadvantage because of the under-selling of surplus goods of the same class lying in Government store depots.

Judging from the experience of members, the Bengal Chamber agreed that the position ought to be represented to Government; but there was no supporting evidence from the remaining Chambers and the Associated Chambers thought it advisable to let the matter drop.

**Non-Official Enumeration of European British Subjects in India.**—The Associated Chambers of Commerce of India invited the co-operation of the Chamber in preparing a preliminary register of persons of European British nationality, including European British Commonwealth subjects but excluding British members of the Armed Forces and their families and Anglo-Indians, for the U. K. High Commissioner in India.

Forms for return by the 31st May were issued to all members covering all staff concerned, with wives and families, in Bengal, Assam, and the Eastern States Agency. The returns were compiled and forwarded to the Associated Chambers.

**British Industries Fair and Indian Industries Exhibition in London.**—Papers received from the Government of India in connection with the arrangements for participation in the above

Exhibitions, held in London in May and June 1947, were circulated to members in February. The Indian Industries Exhibition was run more or less concurrently with the British Industries Fair in which India also took part in the industrial and commercial section.

**Indian Standard Time: Office Hours.**—With the change from Bengal time to Indian Standard time which the Government of West Bengal brought into effect from the 31st August, the Chamber, having in view the need for a rapid revision of transport timings, asked members to give an indication of their intended office hours, keeping in mind that a certain amount of "staggering" was desirable and that on the shortest day in the year it would be dark by 5-15 p.m.

From the replies received to this circular the Chamber compiled a list of week-day and Saturday office hours together with the number of employees in 201 business houses in Calcutta, which clearly showed that, so far as arrivals and departures from offices were concerned, the peak hours for transport were between 9-30-10 a.m. and 4-30-5 p.m. on week-days.

The analysis was passed on to the Railways and the Calcutta Tramways Co. for their guidance.

**Transport for business women.**—As was recorded in the 1946 Chamber Report, the Chamber last year consulted members on a proposal that arrangements be made for a private morning and evening, and possibly lunch hour bus service, exclusively for the use of ladies employed in the business area. In view of the substantial support given to the scheme by business houses in Calcutta the Chamber entered into preliminary negotiations with several transport organisations to ascertain whether they could assume responsibility for organising and running such a service. Unfortunately the Chamber's efforts in this direction have had to be abandoned, for the present at least, principally because of difficulties which these transport companies are experiencing in importing motor vehicles of a suitable type.

**Government Contract Terms: Forward Deliveries.**—A member brought to the Chamber's notice the provisions contained in Government contracts relating to the supply of materials for forward delivery.

The main purpose of these provisions was to cover sellers and buyers against the fluctuations in prices which were inseparable from the supply of machinery and other similar materials in the present trading conditions. This was an essential safeguard; but it was considered by the Chamber that the provisions of the Contract Form weakened, to a serious extent, the protection given to sellers. In particular, the attention of Government was invited to the provisions of Clause 2 of the Contract which stated that alterations of 5% or below in respect of sterling f. o. b. prices should be ignored by either side. The Chamber saw little justification for this restriction. There was no accounting reason for making such a proviso, since the system of provisional payment with final adjustment made it possible for variations in price, however small, to be covered. Apart from this it seemed probable that the movement of prices over a considerable period of time would continue to be upward and the effect of this clause in practice was consequently to safeguard Government against rising prices while providing private suppliers with a theoretical protection which they would be unlikely to require. The Chamber was therefore of the opinion that Clause 2 should be withdrawn and that payment should be governed by the provisions of Clause 1.

The Chamber considered for similar reasons that Clause 4 was unsatisfactory. The effect of its provisions was to withdraw any safeguard that sellers of small lots might otherwise have against rising prices and it was felt that this was entirely unreasonable. The Chamber, therefore, strongly urged that Clause 4 of the Contract should likewise be withdrawn and that the seller should obtain the protection of Clause 1 for variations in prices however small.

On the issue raised by the Chamber—protection of buyers and sellers against fluctuations in price—Government wrote in November to the effect that as a result of discussions held between representatives of the Department of Industries and Supplies and important commercial concerns, on the 27th and 28th May, the price variation clause in question had been revised and two clauses adopted, one to be incorporated in contracts for all imported stores other than machine tools and the other to be incorporated in contracts for imported machine tools. The redrafted clause quoted by Government read as follows:—

*"Tenderers who cannot quote a firm price, will, while submitting their offer, indicate the F. O. B. price included in their*



rate quoted. If there is either a decrease or increase in the F. O. B. price the successful tenderer will produce the invoice together with documents on which the original rate was based for necessary check. The adjustment will be allowed on the F. O. B. cost and Customs duty and not on other elements. Government reserve the right to have variation in the F. O. B. price checked either by D. G. 1st, Blackpool or I. S. M.' Washington, or by relative Trade Associations in U. K. U. S. A. or any other authority acceptable to D. G. 1st or I. S. M. and certified by them.

"If the change in F. O. B. price involves a difference in the Customs Duty paid, the difference as worked out on the change in F. O. B. price, will be added to or deducted from the rate quoted."

The Chamber referred this amendment to the affected industrial and commercial interests who thought the matter need not be reopened, since the new clause had been accepted by a large number of firms and it would be difficult to reach agreement on a formula suitable to every case. As regards the certification of invoices, the Chamber learned that an enquiry was to be made by a member of the Calcutta Import Trade Association as to whether the D. G. Blackpool was agreeable to this new procedure.

**Import Trade Control.**—The position arising from the Government of India's revised import trade control policy announced on May 16th was carefully watched by the Chamber Committee, who in July sought the guidance of the Chamber Committee, who in July sought the guidance of the Calcutta Import Trade Association in reaching a decision as to whether, in view of the undoubted need to conserve India's foreign exchange resources, there was any justification for the Chamber to recommend modification of the limitations placed on imports under the new arrangement.

In accordance with the advice of the Calcutta Import Trade Association, the Chamber Committee—who were mainly concerned with the wider aspect of Government's policy—decided to refrain from pressing for a review of the current import licensing system until a later date when the new Government would have had time to settle down. In view, however, of the difficulties of importers in getting licences revalidated owing to pressure of work

on the administration at New Delhi, and in effecting shipments in the time available, the Chamber moved the Associated Chambers of Commerce to urge strongly on Government an extension of the period given for the revalidation of import licences from September 30th to November 30th. Later, in a notification of the Government of India dated September 1st, all licences revalidated up to September 30th 1947 and new licences valid up to that date for goods ordered within the terms of Open General Licence Nos. VII and VIII were extended to December 31st, 1947. A revised procedure for obtaining import licences in respect to the shipping period for the first six months of 1948 was notified on the 12th December.

From the start, however, there was evidence that the new licensing system was proving a source of increasing worry to trade and industry in all parts of the country and towards the end of the year the Chamber had reason to believe that it was unworkable, despite modifications notified by Government from time to time. Apart from such questions as the doubtful usefulness of the system for maintaining the balance between payments and trade and the loss of the confidence of manufacturers and exporters abroad because of delays and difficulties in obtaining import licences in India and their effective utilisation within the period of validity, heavy congestion at the ports of goods for which licences were not available was causing chaotic conditions, with corresponding effects on transport and distribution throughout India.

At the 1947 Annual General Meeting of the Associated Chambers of Commerce of India held in December, the following resolution was sponsored by the Chamber in consultation with the Calcutta Import Trade Association. It was seconded by the Madras Chamber and carried unanimously.

"This Association draws the urgent attention of Government to the need for a comprehensive review of the present import licensing system and urges that Government immediately convene a round-table conference of representatives of Government, Commerce and Industry to discuss the matter and to set up a Standing Panel or Committee of businessmen to collaborate with Government in evolving and operating an improved system".

While awaiting Government's reaction to the proposals put forward by the Associated Chambers, the Chamber in a letter to the Commerce Ministry pressed for some alleviation of the hardships

suffered by industries and firms interested in the import of essential plant, electrical equipment and component parts from the sterling area, which could seldom be manufactured and shipped within the usual six months shipping period for which import licences were revalidated. The result was that in the absence of a guarantee that licences in India would be revalidated automatically or on application, importers and manufacturers could not take the responsibility of placing or accepting orders for goods which might eventually be shut out altogether, particularly in the case of goods of special or expensive manufacture, saleable only in India. In Dominion as a whole, as well as the individual firm or consumer, the Chamber pressed Government to remedy this position as soon as possible. It was suggested that while foreign currency had to be conserved, Government might allocate sterling funds for later periods when they were likely to be made use of, leaving a certain amount of available funds for payment in respect of urgently wanted goods which could be shipped from the U. K., for instance, in the normal shipping period. If this were done, the Chamber believed import licences could be issued for longer periods in special instances, or granted with an assurance that revalidation in the case of reliable applicants who have genuine reasons for the request.

These and many other detailed points connected with import trade controls are still engaging attention.

**Hospital and Nursing Home Benefits Scheme.**—In September the Chamber Committee had before them the Hospital and Nursing Home Benefits Scheme drawn up by the European Association on the lines of the one which has been in operation in Bombay for some years past. The scheme and the draft Memorandum and Articles of Association appertaining to it had the Committee's approval, subject to a slight amendment which they thought desirable in the draft rules.

**Marriage of H. R. H. The Princess Elizabeth.**—On the occasion of the marriage of H. R. H. The Princess Elizabeth with the Duke of Edinburgh on the 20th November, the Chamber sent a good wishes and greetings telegram to Buckingham Place which was acknowledged through the Governor-General of India.

**Civilian Passages: India to U. K.**—In the year under review the Chamber, in collaboration with the Associated Chambers of Commerce of India, continued by means of informal correspondence with the officials concerned to keep in touch with the position as regards the provision of sea and air passages for non-official and business personnel travelling to and from the U. K. Every effort was made to gain official recognition of the requirements of such persons during the summer months and to ensure that plans for the regulation of sea passages were well organised and in the hands of staff adequate to deal promptly with applications for registration of accommodation on outward bound ships.

Instructions regarding the registration procedure announced by the Government of India in August were issued to members in the same month.

## MEMBERSHIP

The following have been provisionally elected to membership subject to confirmation at the next Annual General Meeting:—

### CHAMBER MEMBERS

1. Alkali & Chemical Corporation of India, Ltd.
2. Associated Instrument Manufacturers (India) Ltd.
3. G. Atherton & Co., Ltd.
4. Babcock & Wilcox of India Ltd.
5. Birkmyre Bros. Ltd.
6. British Tabulating Machine Co., Ltd.
7. Carritt Moran & Co., Ltd.
8. Columbia Gramophone Co., of India Ltd.
9. W. S. Cresswell & Co., Ltd.
10. A. W. Figgis & Co., Ltd.
11. The Indian Cable Co. Ltd.
12. Jardine, Henderson Ltd.
13. Kaye Marden & Co., (Eastern) Ltd.

14. Mirlees Watson Co., Ltd.
15. Kilburn & Co., Ltd.
16. Phipson & Co., Ltd.
17. Power Gas Corporation Ltd.
18. Queensland Insurance Co., Ltd.
19. Harold F. Ritchie (India) Ltd.
20. A. J. Shellim & Co., Ltd.
21. J. Thomas & Co., Ltd.
22. J. Thomas & Co., (Jute & Gunnies) Ltd.
23. Weddell (India), Ltd.
24. James Wright Ltd.

#### ASSOCIATE MEMBERS.

- Messrs. Air France
- .. Firestone Tyre & Rubber Co., of India, Ltd.
  - .. Freedom-Valvoline Oil Co.
  - .. Great American Insurance Co., Ltd.
  - .. National Cash Register Co.
  - .. Nestle's Products (India), Ltd.

The number of members of the Chamber on the 31st December 1947 was: Chamber members—280, Associate members—28. The total has since increased to 310, its maximum allowed under the present Articles of Association.

#### FINANCE AND ACCOUNTS.

Chamber.—The reduction in the Capital of the Chamber in 1947 amounts to Rs. 1,63,479-6-5.

Bengal Chamber of Commerce Deficit	Rs.	1,40,209	9	5	
Royal Exchange Deficit	"	23,269	13	0	
	Deduction	Rs.	1,63,479	6	5

The corresponding figures for 1946 were:—

Bengal Chamber of Commerce Surplus	Rs.	53,655	14	2	
Royal Exchange Deficit	"	11,944	4	6	
	Addition	Rs.	41,711	9	8

The Income and Expenditure for 1946 and 1947 are as follows:—

		1946	1947	
<i>Income</i> —				
Members' Subscriptions	Rs.	1,14,200	1,30,900	
Monthly Contributions	"	5,68,107	5,81,995	
Arbitration Fees	"	36,506	96,470	
Certificates of Origin	"	10,136	17,320	
Interest and Rent received less paid for taxes, repairs and electric charges	"	679	...	
Strike Certificate Fees	"	30	90	
Profit on sale of Royal Exchange Restaurant Equipment	"	4,171	...	
Profit on sale of Motor Car	"	...	3,400	
Profit on revaluation of Investments	"	5,696	...	
		Rs.	7,39,525	8,20,075
<i>Expenditure</i> —				
Establishment		1946	1947	
(a) Current	Rs.	3,92,449	4,97,334	
(b) Dearness Allowance	"	92,579	1,81,230	
(c) Pensions	"	25,370	26,060	
Printing and Stationery	"	12,632	18,205	
Taxes, repairs and electric charges less received for Interest and Rent	"	...	12,759	
Depreciation	"	20,685	34,667	
Other Account Heads (See Income and Expenditure Account)	"	69,893	91,713	
Legal Charges	"	348	15,046	
Prices Current	"	365	749	
Contribution to Provident Fund	"	31,537	37,990	
Reserve for Income-tax on Chamber Revenue	"	33,961	36,006	
Running expenses of Staff Grainshop	"	6,050	5,035	
Loss on revaluation of Investments	"	...	2,991	
		Rs.	6,85,869	9,60,285
Surplus	"	53,656	...	
Deficit	"	...	1,40,210	
		Rs.	7,39,525	8,20,075

Royal Exchange.—The deficit for 1947 is Rs. 23,269-13-0 against the deficit of Rs. 11,944-4-6 for 1946.

	1946	1947.
<i>Income :—</i>		
Subscriptions ...	Rs. 26,237	26,450
Sale of Telephone Ticket Books ...	355	300
	Rs. 26,592	26,750
<i>Expenditure :—</i>		
Rent ...	12,000	12,000
Contribution to Chamber ...	6,000	6,000
Establishment ...	13,992	24,088
Books and Newspapers ...	1,536	1,756
Sundries ...	5,008	6,176
	Rs. 38,536	50,020
Deficit ...	11,944	23,270
	Rs. 26,592	26,750

D. C. FAIRBAIN,  
*Secretary.*

H. D. CUMBERBATCH,  
*President.*

## BENGAL CHAMBER OF COMMERCE.

---

Secretarial Department—General.

---

(1) Balance Sheet as at 31st December 1947.

(2) Revenue Account for the year ended 31st December 1947.

BENGAL CHAMBER OF  
(SECRETARIAL

Incorporated as a company under section 26

*BALANCE SHEET* as

CAPITAL AND LIABILITIES.	Rs.	As. P.	Rs.	As. P.
<b>Capital Account—</b>				
Balance at 1st January 1947	..		6,04,379	11 8
Less—Deficit from Income and Expenditure Account		..	1,40,209	9 5
Less—Royal Exchange Deficit		..	4,64,170	2 3
Loan—Unsecured—			23,269	13 0
Imperial Bank of India—				
Over-draft on Current Account		..		1,23,536 5 2
<b>Liabilities—</b>				
<b>For Expenses—</b>				
Law Charges	..		13,416	0 0
Establishment	..		5,757	15 0
Motor Car Expenses	..		510	6 0
Petty Charges	..		1,817	3 0
Charges General	..		4,352	10 0
Printing	..		572	0 0
Stationery	..		6,107	13 0
Provident Fund Contribution	..		3,390	1 0
Sundry Subscriptions	..		1,800	0 0
Food-stuffs (recoverable)	..		6,674	11 0
Audit Fee	..		1,250	0 0
Current Repairs	..		1,633	5 0
Electric Fans, Lights, Lifts etc.	..		1,985	14 0
Communist Education Prizes	..		450	0 0
Telephone Charges	..		314	5 0
Medical Expenses	..		226	8 0
Sundries	..		1,397	7 6
			51,656	2 6
Carried over Rs.			6,16,092	12 11

COMMERCE, CALCUTTA.  
DEPARTMENT)

of the Indian Companies Act 1882.

at 31st December 1947.

PROPERTY AND ASSETS.	Rs.	As. P.	Rs.	As. P.
<b>Land No. 2, Olive Street, at cost</b>	..			3,11,912 8 0
<b>Royal Exchange Building at cost</b>	..		6,02,166	12 9
Less—Depreciation to date		..	4,49,432	10 3
<b>Furniture and Fittings at cost to 31-12-46</b>	..		1,26,177	11 2
Additions during the year at cost		..	7,340	11 0
			1,33,418	6 2
Less—Depreciation to date		..	1,33,318	6 2
<b>Library and Pictures at cost</b>				100 0 0
Less—Depreciation to date		..	42,820	1 5
			42,729	1 5
<b>Standard Weights, Measures and Test Appliances at cost</b>				100 0 0
Less—Depreciation to date		..	4,577	5 0
			4,477	5 0
<b>Installation of Electric and Sanitary Works at cost</b>	..		1,20,997	8 9
Less—Depreciation to date		..	1,20,897	8 9
				100 0 0
<b>Air Conditioning Plant at cost</b>				100 0 0
Additions during the year at cost		..	26,137	8 0
			13,056	5 0
Less—Depreciation to date		..	30,193	13 0
			21,626	2 1
				17,541 10 11
<b>Motor Car and Van at cost to 31-12-46</b>				5,000 0 0
Additions during the year at cost		..	49,218	5 3
Add Profit on Sale		..	54,818	5 3
			3,400	0 0
			58,218	5 3
Less—Depreciation to 31-12-47		..	13,332	5 3
Sale Proceeds		..	3,500	0 0
			16,832	5 3
				41,366 0 0
<b>Debts due to Chamber (unsecured)—</b>				
Considered Good		..	58,406	15 9
Due by Royal Exchange Contribution, Rent and Expenses		..	16,909	15 0
			1,05,316	14 9
Carried over Rs.			6,39,271	4 2

BENGAL CHAMBER OF  
SECRETARIAL

Incorporated as a Company under section 26

BALANCE SHEET as

	Rs.	As.	P.	Rs.	As.	P.
Brought forward Rs.	...	.....		6,16,092	12	11
Provision for Taxation	...	68,278	13	0		
Less—Advance Payment of Tax under Section 18A	...	50,720	0	0		
				17,558	13	0
Other Finance—						
Deposits for Arbitration cases	...	2,53,085	14	0		
Income Tax Deductions a/c Staff	...	15,845	5	0		
Deposit for Food-stuffs Supply	...	6,686	0	0		
Royal Exchange Deficit	...	23,269	13	0		
				2,98,887	0	0

TOTAL Rs. .... 9,32,538 9 11

COMMERCE, CALCUTTA.

DEPARTMENT).

of the Indian Companies Act 1882.

at 31st December 1947.

	Rs.	As.	P.	Rs.	As.	P.
Brought forward Rs.	...	.....		6,39,271	4	2
Advances	...	.....		38,521	9	0
Investments in Government Securities at Market valuation						
Rs. 63,600/- 3% Loan 1963/65 @ Ra. 102/- %	...	64,872	0	0		
" 55,100/- 3% Loan 1951/54 @ Rs. 102/13/- %	...	56,615	4	0		
" 88,000/- 4% Loan 1960/70 @ Rs. 113/12/- %	...	91,000	0	0		
				2,12,487	4	0
Interest Accrued on Investments	...	.....		1,567	15	0
Cash and other Balances—						
Unused Stamps in hand	...	1,018	6	9		
Cash in hand	...	49,652	3	0		
				50,670	9	9

TOTAL Rs. .... 9,32,538 9 11

BENGAL CHAMBER OF  
(SECRETARIAL)

*INCOME AND EXPENDITURE ACCOUNT for the*

EXPENDITURE.	Rs. As. P.	Rs. As. P.
To Establishment—(a) Salaries ...	5,33,893 14 0	
(b) Dearness Allowance ...	1,81,220 2 0	
		7,05,124 0 0
.. Municipal Taxes ...	...	12,338 15 0
.. Current Repairs ...	...	17,042 10 0
.. Electric Fans, Lights, Lifts and Pumps including cost of current and up-keep ...	25,683 14 0	
Less—Received for the use of Lights & Fans ...	3,693 5 0	
		21,990 9 0
.. Depreciation on Buildings ...	15,054 2 8	
.. do. on Air Conditioning Plant ...	3,919 6 0	
.. do. on Furniture and Fittings ...	7,240 11 0	
.. do. on Motor Cars ...	8,452 5 3	
		34,666 8 11
.. Fire Insurance ...	...	1,850 0 0
.. Contribution to Provident Fund ...	...	37,989 8 0
.. Printing Reports ...	...	753 2 0
.. Printing, General ...	11,159 7 3	
Less—Sundry Receipts ...	462 15 0	
		10,696 8 3
.. Charges General ...	...	33,986 11 0
.. Petty Charges ...	...	16,465 13 6
.. Stamps ...	...	2,184 3 6
.. Telegram ...	...	802 12 6
.. Book-Binding ...	...	636 4 0
.. Govt. Gazettes etc. ...	...	174 13 0
.. Audit Fee ...	4,800 0 0	
.. do. re: Income Tax Assessment ...	150 0 0	
		4,950 0 0
.. Stationery ...	...	6,755 3 9
		9,08,407 9 5
Carried over Rupees ...		9,08,407 9 5

COMMERCE, CALCUTTA.  
DEPARTMENT)

*year ended 31st December, 1947.*

INCOME.	Rs. As. P.	Rs. As. P.
By Members' Subscriptions ...	...	1,20,900 0 0
.. Contributions from the Associations and other organisations recognised by the Chamber ...	4,67,994 15 0	
.. do. Licensed Measurers Dept. ...	30,000 0 0	
.. do. Royal Exchange ...	6,000 0 0	
.. do. Indian Tea Market Expansion Board ...	30,000 0 0	
.. do. Indian Tea Licensing Committee ...	30,000 0 0	
.. do. Calcutta Liners Conference ...	18,000 0 0	
		5,81,994 15 0
.. Arbitration Fees ...	...	96,470 0 0
.. Fees for Certificates of Origin ...	...	17,220 0 0
.. Fees for Strike Certificates ...	...	90 0 0
.. Interest on Investments and other sources ...	...	7,413 5 0
.. Profit on sale of a Motor Car ...	...	3,400 0 0
.. Rent of No. 2 Clive Street— Royal Exchange ...	12,000 0 0	
Licensed Measurers Department ...	11,100 0 0	
Blacker & Co. ...	3,000 0 0	
.. Indian Jute Mills Association A/c. Priority Assistance Advisory Panel 1,500/- ...	...	
A/c. Coal Dump 900/- ...	...	
A/c. Requisition Department 1,350/- ...	...	
A/c. Industrial Pool 1,350/- ...	...	
	5,100 0 0	31,200 0 0
.. Deficit for the year carried to capital account ...	...	1,40,209 9 5
Carried over Rupees ...		9,98,897 13 5

BENGAL CHAMBER OF  
(SECRETARIAL

INCOME AND EXPENDITURE ACCOUNT for the

EXPENDITURE—(Contd.)	Rs.	As. P.	Rs.	As. P.
Brought forward ... ..			9,08,407	9 5
To Telephone Charges ... ..			2,672	7 0
.. Publications ... ..			1,141	14 6
.. Commercial Education Prizes ... ..			225	0 0
.. Medical Expenses ... ..			3,521	10 0
.. Legal Charges ... ..			15,016	0 0
.. Sundry Subscriptions				
(a) Associated Chambers of Commerce ... ..	1,800	0 0		
(b) Indian Institute of Art in Industry ... ..	250	0 0		
(c) Institute of Personnel Management ... ..	14	0 0		
(d) Federation of Chamber of Commerce ... ..	42	1 0		
(e) Indian Statistical Institute ... ..	20	0 0		
			3,126	1 0
.. Provision for Taxation ... ..			36,006	5 0
.. Running Expenses of Staff Grain Shop ... ..			5,034	14 0
.. Passages ... ..			16,596	6 0
.. Prices Current ... ..			749	3 0
.. Motor Car Expenses ... ..			3,305	2 6
.. Motor Car Insurance ... ..			1,074	4 0
.. Loss on revaluation of Securities ... ..			2,991	1 0
TOTAL Rs. ... ..			9,98,897	13 5

AUDITORS REPORT TO MEMBERS.

We beg to report that we have audited the foregoing Balance Sheet of the Bengal Chamber of Commerce, Secretarial Department, as at 31st December 1947 and Income and Expenditure Account for the year ended on that date. We have obtained all the information and explanations we have required and in our opinion such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Departments' affairs according to the best of our information and the explanations given to us and as shown by the books of the Department. The Balance Sheet and the Income and Expenditure Account do not include the Accounts of Licensed Measures' Department nor of the Foodstuffs Section.

CALCUTTA,  
The 18th February 1948.

LOVELOCK & LEWIS,  
Chartered Accountants,  
Registered Accountants, } Auditors.

COMMERCE, CALCUTTA.  
DEPARTMENT)

year ended 31st December, 1947.

INCOME—(Contd.)	Rs.	As. P.	Rs.	As. P.
Brought forward ... ..			9,98,897	13 5
TOTAL Rs. ... ..			9,98,897	13 5

H. D. CUMBERBATCH, *President.*  
A. P. BENTHALL,  
*Vice-President.*  
D. C. FAIRBAIRN,  
*Secretary.*

W. A. BELL  
L. P. S. BOURNE  
A. J. ELKINS  
H. W. T. HAIN  
C. W. MILES  
E. A. PATERSON  
A. C. WATKINS

Members of the  
Committee.



**SUNDRY REFERENCES**

- Advisory Committee on Secondary and Higher Education, West Bengal Government.
- Anglo-Dutch Frustrated Cargo Committee Claims.
- Bengal Acquisition of Waste Land Bill, 1947.
- Bengal Factories Rules, 1940, Amendment of the.
- Bengal Industrial Tribunal.
- Bengal Motor Spirit Sales Taxation Act, 1941.
- Bengal Pure Food Bill, 1947.
- Brussels International Industries Fair.
- Business in Pakistan.
- Calcutta Terminal Facilities Committee, 1947.
- Canadian National Exhibition, Toronto.
- Capital Goods Registration Scheme : Import of Capital Goods.
- Coal Charter Parties : Calculation of lay-days at Calcutta.
- The Coal Mines Labour Welfare Fund Bill, 1947 : Recommendation of the Advisory Board.
- Collection of employment and unemployment statistics in establishments other than factories.
- Collective fines : Ordinance No. 42.
- Control of Capital Issues.
- Damodar Valley Scheme.
- De-requisitioning of premises : Town planning Committee and Standing Quartering Board.
- Detention of boats alongside ships or at Mills.
- Detention of labour in the docks as the result of Curfew Orders.
- Disposals Enquiry Committee.
- Dock Workers (Regulation of Employment) Bill, 1947.
- Double Income Tax Relief : Time limit for making claims—Admissibility of Provincial Claims.

- Drugs Control Order, 1945 : Bengal Drugs Control Continuance Bill.
- East Indian Railway : Direct recruitment of staff in skilled categories.
- Excess Profits Tax : Disallowance of Commission and Bonuses.
- Export quotas for Jute Goods.
- Export of tea to the Maritime States of Kathiawar & Cutch.
- The Factories (Amendment) Act, 1945 : Holidays with Pay.
- Financial Agreement between India and Pakistan.
- Foodgrains Policy Committee.
- Food supplies for Industrial Labour.
- Fuel Crisis in the U.K. Effect on overseas trade.
- Government Interferences in Export Trade.
- Government of India's Labour Policy.
- Grievances of Tally Clerks.
- Incinerators for Industrial Establishments.
- Income Tax : Advances under Section 18A.
- Income Tax and Super Tax : Taxation of earned and unearned Income.
- Indian Institute of Art in Industry.
- Indian Mines (Amendment) Act, 1946.
- Indian Railways Enquiry Committee, 1947.
- Indian Standard Institution.
- India's Sterling Balances.
- Industrial Dispute : Constitution of Panels of Adjudicators and Board of Conciliation.
- Insurance for Imports into India from Iran & Argentina.
- Izmir Fair.
- Labour Advisory Board of the Government of Bengal.

Lead imports from Australia.  
Liability for boating charges.  
Machine Tools Exhibition, Chicago, September 1947.  
Manual Workers: Supply of Supplementary rations during Strike.  
Marking of consignments tendered for despatch by Rail.  
Military Accounts Department: Absorption of surplus staff.  
Mineral Policy of the Government of India.  
Motor Vehicles (Amendment) Act, 1947: Bengal Motor Vehicles Rules, 1940—Amendments.  
Overseas visitors to London: Honorary Membership of the London Chamber of Commerce.  
Pakistan Duty on Raw Jute.  
Pakistan Income Tax.  
Payment of Wages Act, 1936; Wrongful dismissal.  
Release of Wagons booked to line delivery points.  
Rise in Prices of U.K. Capital Goods.  
Shortcomings of Posts & Telegraphs services: Telegrams.  
Social Insurance for Indian Seamen.  
State Acquisition of Zemindaris.  
Status of Bonus payments to Labour: Implied Contract.  
Tariff Board Enquiry.  
Telephone service: Trunk and Ordinary: Delays.  
Treatment of Tubercular Employees.  
Visit to Calcutta of the Director, Indian Supply Mission to Washington.  
War Risks "Goods" and "Factories" Insurance Schemes.

## REPORT ROYAL EXCHANGE.



ROYAL EXCHANGE.  
CALCUTTA.

*Report of the Committee for the year ended 31st December, 1947.*

THE PRESIDENT AND COMMITTEE,  
BENGAL CHAMBER OF COMMERCE,

Gentlemen,

In accordance with the provisions of Rule 7 of the Rules of the Royal Exchange, we have the honour to submit a report on its working for the year ended 31st December 1947.

As a measure of economy, we have again decided to issue the Annual Report of the Royal Exchange this year in its present form, with the omission of the following appendices, copies of which however can be supplied to or inspected by any interested member at the Royal Exchange on application to the Secretary :—

1. List of members as on 31st December 1947.
2. Royal Exchange: Rules & Bye-Laws.

**Committee** :—As already announced—in Circular No. 5 R.E.—the following gentlemen have been elected to form the Committee of Management for the year 1948-49 :—

- (1) The President of the Bengal Chamber of Commerce  
*ex-officio*.
- (2) The Vice-President of the Bengal Chamber of Commerce  
*ex-officio*.
- (3) Mr. A. Caiger-Watson (Merchant) Messrs. H. D. Cartwright & Co.
- (4) „ A. C. Watkins (Banker) The Chartered Bank of India, Australia & China.
- (5) „ W. R. Elliot (Stock Broker) Messrs. Place Siddons & Gough.
- (6) „ E. C. A. Miles (Exchange Broker) Messrs. Thomas Seth Apar & Co.
- (7) „ D. S. Smith (Produce Broker) Messrs. Landale & Morgan.

- (8) " J. R. T. Burrows (Freight Broker) Messrs. Blacker & Co.  
 (9) " R. W. Plummer (Merchant) Messrs. Plummer Bros. & Co.

**Membership** :—During the year one firm member resigned its membership ; at the end of the year there were upon the Exchange Register 105 firms and 6 individual members.

**Accounts**.—We submit a balance sheet and revenue account for the year ended the 31st December 1947 audited by Messrs. Lovelock & Lowes, Auditors of the Bengal Chamber of Commerce. The revenue account shows a deficit of Rs. 23,269-13-0 on the year's working compared with Rs. 11,944-4-6 for 1946 the difference being due almost entirely to increased establishment charges and dearness allowances. The deficit has been transferred to the Bengal Chamber of Commerce contribution account.

The comparative figures of income and expenditure in 1946 and 1947 are given below :—

	1946.			1947.		
	Rs.	As.	P.	Rs.	As.	P.
<b>Income</b> —						
Subscriptions .....	26,237	0	0	26,450	0	0
Entrance Fees .....	—	—	—	—	—	—
	<u>Rs. 26,237</u>	<u>0</u>	<u>0</u>	<u>Rs. 26,450</u>	<u>0</u>	<u>0</u>
<b>Expenditure</b> —						
Charges General .....	—	—	—	58	0	0
Rent .....	12,000	0	0	12,000	0	0
Contribution to Chamber .....	6,000	0	0	6,000	0	0
Establishment .....	13,992	0	0	24,087	12	0
Books and Newspapers .....	1,536	0	0	1,755	15	0
Telephone subscription less received from members for use .....	587	0	0	617	1	0
Tickets for Members .....	—	—	—	407	8	0
Stationery .....	151	0	0	153	13	0
Printing .....	41	0	0	398	11	0
Stamps .....	29	0	0	25	0	0
Electric Fans, Lights and Lifts .....	3,000	0	0	3,000	0	0
Petty Charges .....	845	0	0	1,316	1	0
Depreciation on Furniture .....	—	—	—	—	—	—
Carried over	<u>38,181</u>	<u>0</u>	<u>0</u>	<u>49,719</u>	<u>13</u>	<u>0</u>

	1946.			1947.		
	Rs.	As.	P.	Rs.	As.	P.
Brought forward	38,181	0	0	49,719	13	0
Less—						
Deficit transferred to Chamber	11,944	0	0	23,269	13	0
	<u>Rs. 26,237</u>	<u>0</u>	<u>0</u>	<u>Rs. 26,450</u>	<u>0</u>	<u>0</u>

We are Gentlemen,  
 Your obedient servants,

D. C. FAIRBAIRN,

Secretary.

H. D. CUMBERBATCH, *President.*

A. P. BENTHALL, *Vice-President.*

A. CAIGER-WATSON  
 L. O. TASKEE  
 C. H. HEAPE  
 E. C. A. MILES  
 R. E. BIRTWISTLE  
 H. E. F. TAYLOR  
 R. W. PLUMMER

Members.

Calcutta, 24th February, 1948.

( 114 )

ROYAL  
BALANCE SHEET

LIABILITIES.	Rs. As. P.
<b>SUNDRY CREDITORS—</b>	
Sundries .....	12,409 7 0
<b>CONTRIBUTION AND RENT—</b>	
Bengal Chamber of Commerce from April to December 1947 .....	13,500 00

TOTAL ... 25,909 7 0

Calcutta, 9th February 1948.

Examined and found correct,  
Sd/- LOVELOOK LEWES,  
Chartered Accountants,  
Registered Accountants.

( 115 )

EXCHANGE.

as at 31st December 1947.

ASSETS.	Rs. As. P.	Rs. As. P.
<b>OUTSTANDINGS—</b>		
Subscriptions .....		1,920 0 0
<b>BOOKS AND NEWSPAPERS—</b>		
Subscriptions paid in advance .....		302 7 0
<b>FURNITURE AND FITTINGS, WATER COOLER—</b>		
Expenses to-date .....	1,090 0 0	
Less—Depreciation to-date .....	1,090 0 0	
Advance .....		45 0 0
<b>BENGAL CHAMBER OF COMMERCE, CONTRIBUTION ACCOUNT—</b>		
Deficit for the year .....		23,269 13 0
<b>CASH—</b>		
With Imperial Bank of India .....		374 3 0

TOTAL ... 25,909 7 0

Sd/- D. C. FAIRBAIRN,  
Secretary.

Sd/- H. D. CUMBERBATCH,  
President.

( 116 )

## ROYAL

## REVENUE ACCOUNT

EXPENDITURE.	Rs. As. P.		Rs. As. P.	
To Monthly contribution to the Bengal Chamber of Commerce			6,000	0 0
.. Books and Newspapers			1,755	15 0
.. Establishment			24,087	12 0
.. Electric Light, Fans and Lift			3,000	0 0
.. Petty Charges			1,216	1 0
.. Printing			398	11 0
.. Rent			12,000	0 0
.. Stationery			153	13 0
.. Stamps			25	0 0
.. Telephone		917	1	0
Less—Recovered from members for use		300	0	0
.. General Charges			617	1 0
.. Ticket for Member			58	0 0
			407	8 0
<b>TOTAL</b>			<b>49,719</b>	<b>13 0</b>

Examined and found correct,  
Sd/- LOVELOCK & LEWES,  
Chartered Accountants.  
Registered Accountants.

Calcutta, 9th February, 1946.

( 117 )

## EXCHANGE.

for the year ended 31st December, 1947.

INCOME.	Rs. As. P.	
By Subscriptions	26,450	0 0
Bengal Chamber of Commerce Contribution A/c.	23,269	13 0

**TOTAL** ... **49,719 13 0**

Sd/- D. C. FAIRBAIN,  
Secretary.

Sd/- H. D. CUMBERBATCH,  
President.

**REPORT**

**OF THE**

**LICENSED MEASURERS DEPARTMENT.**

BENGAL CHAMBER OF COMMERCE,  
Licensed Measurers Department.

ROYAL EXCHANGE,

Calcutta, 14th February 1948.

To

THE PRESIDENT AND THE COMMITTEE,  
BENGAL CHAMBER OF COMMERCE.

GENTLEMEN,

We have the honour to submit our report on the working of the Licensed Measurers Department during the year ending 31st of December 1947, and request you to appoint a new Committee of Management of the Department for the ensuing year.

Mr. J. W. MacLure of Messrs. Hoare Miller & Co., Ltd., was elected our Chairman and served as such throughout the year.

Committee.

Mr. R. J. Clough of Messrs. James Finlay & Co., Ltd.,  
—Mr. G. R. Dods of Messrs. Mackinnon Mackenzie & Co.,—Mr. A. H. Hume  
of Messrs. Turner Morrison & Co., Ltd.,—Mr. G. D. Butchart of Messrs.  
Thomas Duff & Co., Ltd., also served on the Committee throughout  
the year.

In November Mr. G. A. Hogg of Messrs. George Henderson & Co., Ltd., resigned on transfer and the vacancy was filled by Mr. W. B. Greene of the same firm. Mr. T. L. Swales of Messrs. Ralli Brothers Ltd., proceeded on furlough when his place was taken by Mr. P. N. Flangini of the same firm. Mr. Swales has since returned and resumed office.

The strength of the Staff as at 31st December 1947 together with the strength of the past six years is given below.

Year.				
1941	...	...	...	115.
1942	...	...	...	85.
1943	...	...	...	83.
1944	...	...	...	86.
1945	...	...	...	99.
1946	...	...	...	117.
1947	9	...	...	135.



The Staff as on 31st December 1947 consisted of 1 Superintendent (Mr. John Henfrey) 4 Assistant Superintendents (Messrs. B. Perry, Mr. S. J. Warwick, E. A. Butchart and J. R. Gee Smyth), 1 Head Office Manager (Mr. F. W. Kendall), 1 Dock Office Manager (Mr. C. P. Fernandez), 1 Chief Inspector (Mr. W. E. Barlow), 8 Inspectors, 113 Measuring Officers, 3 Probationers and 3 Seawrights.

We have to record the retirement during the year under review, on the grounds of age, of Mr. G. C. Gee Smyth, Superintendent. We have much pleasure in placing on record our appreciation of the services rendered by him as an Assistant Superintendent since 1922 and as Superintendent of the Department during the past nine years.

We have appointed as Superintendent Mr. J. E. F. Henfrey who has been an Assistant Superintendent since 1928.

Dr. W. E. Etherstonhaugh and Lt.-Col. Shorten, I. M. S. (Retd)

Medical Officers. continued throughout the year in medical charge of the Measuring Staff and our thanks are due to them for their care and attention. Dr. S. N. Ghose and Dr. S. K. Ghose also merit our thanks for their attention to the Indian Staff.

The Revenue and Profit & Loss Accounts together with the Balance Sheet as at the end of the financial year 31st December 1947 are issued herewith, and show that Measurement Fees increased by Rs. 1,83,270-14-9, Mill Fees etc., increased by Rs. 1,187, and Sundry Charges by Rs. 22,302-10-0. The total revenue earned amounts to Rs. 15,43,399-15-9, an increase of Rs. 4,18,842-9-9 over the year 1946. Expenditure amounted to Rs. 16,45,356-13-0 an increase of Rs. 4,13,696-2-3 over that of the previous year. Revenue and Expenditure therefore show a deficit of Rs. 1,956-13-3 for the year under review; deducting this deficit, Accounts and Rs. 4,253-2-4 for Income-tax; from interest on Securities Rs. 24,178-15-5 we are left with a credit balance of Rs. 9,986-6-1. This amount has been credited to Capital Account as the net surplus for the year under review.

SECURITIES GENERAL ACCOUNT.	Holding at 31st Dec. 1946.		Holding at 31st Dec. 1947.	
	Face Value	Market Value.	Face Value.	Market Value.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Twenty Shares in the Imperial Bank of India (Partly Paid) ...	2,300 0 0	13,400 0 0	2,500 0 0	11,200 0 0
Five Shares in the Reserve Bank of India ...	500 0 0	750 0 0	500 0 0	585 0 0
31% Rangooon Municipal Loan (1966-76)	2,61,300 0 0	2,61,300 0 0	2,61,300 0 0	2,61,300 0 0
31% New Howrah Bridge Loan (1934-64)	10,000 0 0	10,350 0 0	10,000 0 0	10,250 0 0
3% Govt. of India Loan (1963-65)	1,65,000 0 0	1,70,775 0 0	...	...
3% Govt. of India Loan (1965-68)	2,44,000 0 0	2,32,540 0 0	...	...
Post Office National Saving Certificates (12 years) ...	5,000 0 0	5,000 0 0	5,000 0 0	...
3% Govt. of India Loan (1970-75)	40,000 0 0	41,435 0 0	...	...
3% Govt. of India Loan (1957) ...	35,000 0 0	36,481 0 0	...	...
41% Govt. of India Loan (1948-55)	...	...	4,88,800 0 0	4,92,160 8 0

SECURITIES (PROVIDENT FUND ACCOUNT)	Holding at 30th June 1946.		Holding at 30th June 1947.	
	Face Value.	Market Value.	Face Value.	Market Value.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
4% Bombay Municipal Debentures (1952) ...	7,000 0 0	7,927 8 0	7,000 0 0	7,910 0 0
4% Punjab Govt. Bonds (1948)	80,100 0 0	83,003 10 0	80,100 0 0	80,500 8 0
4% Govt. of India (1960-70) ...	3,42,800 0 0	10,96,005 0 0	...	...
4% Govt. of India (1955-60) ...	30,000 0 0	35,400 0 0	30,000 0 0	34,087 8 0
5% Govt. of India (1963-65) ...	3,92,100 0 0	3,15,705 0 0	...	...
3% Defence Bonds (1946) ...	1,30,000 0 0	1,31,500 0 0	...	...
Post Office National Saving Certificates (12 years) ...	1,42,290 0 0	1,42,290 0 0	1,42,290 0 0	1,42,290 0 0
21% Govt. of India Loan (1948-52)	1,42,290 0 0	...	13,45,700 0 0	13,59,598 1 0

The Accounts of the Provident Fund of the Department closed as on 31st December 1946 and 30th June 1947 showed a surplus of Rs. 16,486-1-11 and a deficit of Rs. 4,401-10-3 equivalent to a surplus of Rs. 1% and a deficit of Rs. -4/2% respectively. The Assets amounted to Rs. 17,63,482-4-8 and Rs. 17,71,185-4-3 as on 31st December 1946 and 30th June 1947 respectively. The Trustees of the Fund were our Chairman, Mr. J. W. MacLure, and Mr. R. J. Clough.

The Basic Rates and surcharge of 30% remained unchanged during the year under review.

Rates & Charges.

The number of packages measured during the year shows an increase of 14,37,480 over 1946. The principal increases Working on the Department Measurement. occurred in Tea, Gunnies and Sundries. The decreases were in Jute, Bag Cargo, Shellac and Wool.

	Pkgs.	Total 1945	Total 1946	Total 1947	Increase	Decrease
Jute	...	15,99,535	19,05,545	17,92,632	...	1,05,913
Hemp	...	39,032	60,378	63,272	3,494	...
Tobacco	...	6,932	3,848	4,774	306	...
Cotton	...	10,493	48,288	39,721	...	8,567
Wool	...	17,07,818	20,85,124	25,33,102	4,47,978	...
Tea	...	30,43,170	29,81,322	27,38,970	6,37,748	...
Gunnies	...	75,672	50,911	31,210	...	29,701
Shellac	...	14,142	20,475	39,616	19,141	...
Hides & Skins	...	...	...	4,616	4,616	...
Perishable	...	...	30,861	49,719	18,858	...
Hardware	...	83,452	1,25,981	12,499	...	1,13,482
Bag Cargo	...	7,57,573	20,50,620	26,10,728	5,60,108	...
Sundries	...	...	...	...	...	...
Earthenware	...	...	...	...	...	...
TOTAL	...	74,10,678	85,23,145	99,60,625	...	...

Increase 14,37,480.

The number of packages weighed during the year shows a decrease of 7,00,547 over the figure for 1946, the main increases Weighment. being in Tea, Gunnies, Shellac and Hardware while the largest decreases occurred in Jute, Bag Cargo, Wool and Sundries.

	Pkgs.	Total 1945	Total 1946	Total 1947	Increase	Decrease
Jute	...	9,85,784	13,70,535	13,24,945	...	45,590
Hemp	...	75,370	37,465	54,054	...	3,408
Tobacco	...	1,730	10,455	15,186	2,731	...
Cotton	...	8,821	4,351	1,022	...	8,559
Wool	...	9,274	29,915	19,411	...	19,502
Gunnies	...	14,57,740	16,15,123	17,33,608	1,18,335	...
Tea	...	3,40,832	1,91,091	3,68,596	1,77,593	...
Shellac	...	36,930	7,183	15,371	8,188	...
Hides & Skins	...	1,848	26,306	37,372	1,156	...
Perishable	...	...	2,47,700	12,721	12,721	...
Hardware	...	18,75,199	10,77,232	2,72,745	25,045	...
Bag Cargo	...	6,31,615	12,37,574	5,99,211	...	3,16,466
Sundries	...	...	...	...	...	6,58,663
Earthenware	...	...	...	...	...	...
Salt - 5.8&113	...	...	...	...	...	...
Maunds	...	...	...	...	...	...
TOTAL	...	51,18,670	58,95,185	51,94,638	...	...

Decrease 7,00,547

The average measurements of Jute, Jute Cuttings and Rejections obtained by the Department from various Press-houses are shown hereunder, together with figures since 1938-39.

SEASON July - June	Total Bales measured.	Average measurement		Largest average of a press		Smallest average of a press.	
		Ft.	In.	Ft.	In.	Ft.	In.
1938-1939	36,54,840	51	3.77	54	3.73	48	2.64
1939-1940	27,84,127	51	10.47	55	2.66	48	10.42
July to Dec. 1940	5,93,077	52	6.41	54	7.21	50	4.16
Calendar year 1940	17,37,011	52	11.34	55	7.71	50	10.43
" " 1942	14,75,227	54	2.82	59	1.17	51	5.57
" " 1943	10,58,091	53	8.47	55	11.44	50	11.25
" " 1944	9,95,001	53	7.29	57	8.93	51	0.94
" " 1945	16,88,337	53	11.20	57	5.11	51	5.21
" " 1946	19,65,923	53	11.89	58	6.28	51	1.71
" " 1947	18,63,504	53	7.43	56	5.21	49	11.54

We are

Gentlemen,

Your most obedient servants,

J. W. MacLURE, *Chairman*  
 G. D. BUCHART,  
 R. J. CLOUGH,  
 F. R. DODS, *Members*  
 P. N. FLANGINI,  
 W. R. GREENE,  
 A. H. HUME,

## BENGAL CHAMBER OF COMMERCE,

Dr. REVENUE ACCOUNT from

EXPENDITURE.	Rs.	A.	P.	Rs.	A.	P.	
Establishment—							
Salary and Wages—							
Executive Officers	...	1,38,855	5	9			
Scalewrights	...	5,81,353	13	0			
Babes	...	23,454	0	0			
Mechanics	...	93,065	2	0			
Motor Lorry Drivers	...	11,921	8	0			
Peons	...	2,651	11	0			
Scale-room Subordinate Staff	...	19,665	8	0			
Shipping Subordinate Staff	...	12,399	3	0			
Compounder	...	55,446	0	0			
	...	1,662	14	0			
					7,34,406	0	9
Fees (Officers)—							
Early & Late	...	12,023	0	0			
Sunday	...	13,092	0	0			
Special and Ordinary Holiday	...	7,677	0	0			
Special Overtime	...	398	8	0			
					39,189	8	0
Fees (Medical)—							
	...				13,387	4	6
Night Allowances—							
Officers	...						
Babes	...	38,673	4	0			
Peons and Subordinate Staff	...	10,015	6	0			
	...	9,033	4	0			
					57,718	0	6
Allowances to Peons and Subordinate Staff—							
Sunday and Holiday	...						
	...				5,999	8	9
Allowances to Officers—							
Travelling Expenses	...	1,245	7	0			
Dinghee Hire	...	3,458	15	0			
					4,724	6	0
Carried over Rs.	...				8,55,424	12	6

## LICENSED MEASURERS DEPARTMENT.

1st January to 31st December 1947.

Cr.

REVENUE.	Rs.	A.	P.	Rs.	A.	P.	
Measurement—Jute and Hemp	...	1,70,602	4	0			
do Gunnies	...	3,72,242	5	0			
do Hides and Skins	...	12,237	8	0			
do Tobacco, Cotton, Wool etc.	...	4,667	1	0			
do Cased Cargo	...	1,15,555	2	0			
do Sundries	...	74,446	0	0			
do Attendance	...	50,123	11	0			
					8,00,873	15	0
Weightment—Jute and Hemp	...	1,59,979	10	0			
do Gunnies	...	3,09,553	14	0			
do Bag Cargo	...	23,029	10	0			
do Sundries	...	38,900	10	0			
do Tobacco, Cotton, Wool etc.	...	3,136	3	0			
do Cased Cargo	...	32,850	12	9			
do Hides and Skins	...	6,701	15	0			
do Attendance	...	2,823	13	0			
do Salt	...	22,331	4	0			
					6,01,392	11	9
Fees—							
Mills, Presshouses and Godowns	...	2,610	0	0			
Sunday	...	43,219	0	0			
Holiday (Special and Ordinary)	...	3,550	0	0			
Early and Late	...	11,425	0	0			
					65,804	0	0
Sundry Charges—							
Overtime	...	1,472	4	0			
Certificates	...	6,155	4	0			
Calculations	...	59,307	0	0			
Labour	...	3,933	11	0			
Supply and Delivery of Certificates	...	4,458	0	0			
					75,319	5	0
Carried over Rs.	...				15,43,399	15	9

## BENGAL CHAMBER OF COMMERCE,

Br. REVENUE ACCOUNT from

	Rs.	A. P.	Rs.	A. P.
Brought forward	...	...	8,55,424	12 6
Pensions	...	7,069	78	0
Provident Fund Contribution	...	63,716	16	10
Coolie Hire	...	541	14	0
Motor Car Allowances and Expenses	...	19,085	6	6
Rents and Taxes	...	14,738	14	0
Contributions to Bengal Chamber of Commerce	...	30,000	0	0
Uniforms and Clothing	...	28,338	2	3
Stationery and Printing	...	18,088	1	0
Dearness Allowances	...	4,25,136	12	0
Inspectors' Allowances	...	13,640	0	0
Scallowright's Allowances	...	1,800	0	0
Passage Allowances to Executive Staff	...	5,141	15	3
"Independence Day" Bonus	...	8,377	2	0
			6,31,675	1 10
Sundry Expenses—				
Poons Train and Dinghi Hire	...	4,501	10	6
Petty Conveyance Charges	...	383	14	6
Peons' Cycle Mtc	...	825	9	6
Club Contribution	...	1,200	0	0
Electric Light and Fans	...	1,324	9	6
Telephones	...	4,930	3	0
Departmental Transport Expenses	...	5,767	8	6
Stamps (Postage)	...	87	14	6
Stamps (Receipt)	...	75	0	0
Miscellaneous Charges	...	10,934	4	2
Medicines	...	2,700	15	0
Medicines (Doct Dispensary)	...	980	0	1
Hospital Dues (Officers)	...	1,025	8	0
Repairs and Renewals to Plant	...	2,128	5	5
Tea and Refreshments Mtc.	...	1,219	6	0
Law Charges	...	45	0	0
			38,554	12 8
Carried over Ra.	...	...	15,25,654	11 0

## LICENSED MEASURERS DEPARTMENT.

1st January to 31st December 1947.

Cr.

	Rs.	A. P.	Rs.	A. P.
Brought forward	...	...	15,43,399	15 9
Carried over Ra.	...	...	15,43,399	15 9

( 130 )

BENGAL CHAMBER OF COMMERCE,

Dr. REVENUE ACCOUNT from

	Rs.	A. P.	Rs.	A. P.
Brought forward	...	...	15,25,654	11 0
To Audit Fees	...	2,400	0	0
.. Insurance	...	6,049	12 0	
.. Dock Building (Repairs)	...	6,374	13 0	
.. Interest	...	4,877	9 0	
			19,702	2 0

TOTAL Rs. ... .. 15,45,356 13 0

Calcutta, 13th February, 1946,

JOHN HENFREY,  
Superintendent.

( 131 )

LICENSED MEASURERS DEPARTMENT.

1st January to 31st December 1947. Cr.

	Rs.	A. P.	Rs.	A. P.
Brought forward	...	...	15,43,399	15 9
By Balance being gross Loss carried to Profit and Loss Account	...	...	1,956	13 3

TOTAL Rs. ... .. 15,45,356 13 0

D. C. FAIRBAIRN,  
Secretary.

## BENGAL CHAMBER OF COMMERCE,

Dr. PROFIT AND LOSS ACCOUNT

1947		Rs.	A. P.	Rs.	A. P.
Decr. 31	To Depreciation on Furniture A/c.	...	1,321	7	6
"	" Department Transport A/c.	...	7,561	2	3
"	" Income Tax	...	4,253	2	4
"	" Loss carried from Revenue and Expenditure A/c.	...	1,956	13	3
"	" Balance being net surplus carried Capital A/c.	...	9,086	6	1
				24,178	15 5

TOTAL Rs. ... .. 24,178 15 5

Calcutta, 13th February, 1946.

JOHN HENFREY,  
Superintendent.

## LICENSED MEASURERS DEPARTMENT.

for the year ending 31st December 1947.

Cr.

1947		Rs.	A. P.	Rs.	A. P.
Decr. 31	By Interest on Securities	...	...	24,178	15 5

TOTAL Rs. ... .. 24,178 15 5

D. C. FAIRBAIRN,  
Secretary.

**BENGAL CHAMBER OF  
LICENSED MEASURERS**

Incorporated as a Company under section 26

**BALANCE SHEET as**

CAPITAL AND LIABILITIES.	Rs.	A. P.	Rs.	A. P.
<b>Capital—</b>				
Balance at credit at 31st December 1945	7,00,865	5 3		
Add Profit for the year	9,086	6 1		
<b>Securities Reserve Fund —</b>			7,09,952	11 4
Balance as at 31st December 1946	95,334	13 0		
Loss less on revaluation at 31st December 1947	11,303	0 6		
<b>Deferred Allowances—</b>			81,031	12 6
Inspectors' and Sealewrights' Allowances	...	...	28,067	0 0
Compassionate Fund—(Babus and Officers)	...	...	5,837	15 6
<b>Liabilities—</b>				
For Credit Balances on Constituents Account	1,20,709	9 7		
Sundry Creditors for Expenses	37,923	9 4		
<b>Bank Overdraft</b>			1,49,633	8 7

Note:—There is a contingent liability in respect of the investments in 50 (partly paid) Shares of the Imperial Bank of India amounting to Rs. 7,500/-.

Carried over ... .. 11,36,156 2 10

**COMMERCIAL**

**DEPARTMENT.**

of the Indian Companies Act, 1882.

at 31st December 1947.

PROPERTY AND ASSETS.	Rs.	A. P.	Rs.	A. P.
<b>Fixed Capital Expenditure—</b>				
<b>Dock Buildings—</b>				
Expenditure to 31st December 1947	76,316	2 8		
Depreciation to date	75,315	3 8		
			1,000	0 0
<b>Weighment Plant—</b>				
Net cost to 31st December 1947	73,333	4 6		
Depreciation to date	73,233	4 6		
			100	0 0
<b>Measurement Plant—</b>				
Balance as at 1st July 1949	2,674	0 0		
Additions to 31st December 1947	829	7 11		
Depreciation to date	3,494	7 11		
			10	0 0
<b>Furniture—</b>				
Balance as at 1st July 1949	2,052	0 0		
Additions to 31st December 1947	15,077	1 8		
Depreciation to date	20,139	0 0		
	18,309	1 8		
			1,200	0 0
<b>Machinery—</b>				
Balance as at 1st July 1949	1,887	15 0		
Additions to 31st December 1947	6,139	11 9		
Depreciation to date	8,027	10 9		
	7,977	10 9		
			50	0 0
<b>Departmental Transport—</b>				
Net Cost to date	71,875	10 9		
Depreciation to date	15,275	10 9		
			56,000	0 0
<b>Measurement Calculators—</b>				
As per last Balance Sheet	...	...	80	0 0
<b>Tonnage Calculators—</b>				
As per last Balance Sheet	...	...	20	0 0
Carried over ... ..			58,460	0 0

( 136 )

BENGAL CHAMBER  
LICENSED MEASURERS

Incorporated as a Company under Section 26

## BALANCE SHEET

	Rs.	A. P.	Rs.	A. P.
Brought forward	...	...	11,36,156	2 10

Carried over Rs. ... .. 11,36,156 2 10

( 137 )

## OF COMMERCE.

## DEPARTMENT.

of the Indian Companies Act, 1932.

as at 31st December 1947.

	Rs.	A. P.	Rs.	A. P.
Brought forward	...	...	58,460	0 0
Stores and Stock of Certificate Paper etc.— Stock at 31st December 1947 (at cost)	...	...	21,036	2 8
Unbilled Work— For Sundry measurements and weighments carried out during the month of December 1947, not charged at date	...	...	1,59,524	0 0
Book Debts (Unsecured but considered good)— Sundry Debtors	...	638 6 4		
Due by Constituents	...	39,714 15 6	40,353	5 10
Advances— Loans to Staff (Compassionate Fund)	...	2,278 0 0		
Unexpired telephone Rents, Road Tax for Lorries, Insurance Premium etc.	...	8,475 8 0		
Rents (Security Deposits)	...	126 13 0		
Due by B.C.C. Food Stuff Section	...	5,808 0 0		
Income Tax paid in advance under Section 18A	...	12,633 0 0		
Refund due on A/c. on Income Tax	...	2,419 0 0	31,740	4 0
Grocery A/c. (Stock)—Value of Stock— As at 31st December 1947	...	472 10 0		
Grocery A/c (Sales)—Sundry Outstanding— As at 31st December 1947	...	4,073 8 6		
Cloth Rationing A/c.—Value of Stock— As at 31st December 1947	...	1,773 1 3	6,319	3 9
Interest accrued on Investments— Amount of Interest on Govt. Securities etc.	...	...	3,938	2 3

Carried over Rs. ... .. 3,31,371 2 6



( 138 )

BENGAL CHAMBER OF  
LICENSED MEASURERS

Incorporated as a Company under section 26

BALANCE SHEET as

	Rs.	A. P.	Rs.	A. P.
Brought forward	...	...	11,36,156	2 10

TOTAL Rs. ... 11,36,156 2 10

Calcutta, 13th February, 1948.

JOHN HENFREY,  
Superintendent  
D. C. FAIRBAIN,  
Secretary

( 139 )

COMMERCE.

DEPARTMENT.

of the Indian Companies Act, 1882.

at 31st December 1947.

	Rs.	A. P.	Rs.	A. P.
Brought forward	...	...	3,21,271	2 6
Investments (At Market Value)—				
3½% Rangpoor Municipal Loan (1966/76) Rs. 4,91,300/- at par	...	...	2,61,300	0 0
3½% New Howrah Bridge Loan (1956/66) Rs. 10,000/- @ Rs. 102/80% 20 Shares Imperial Bank of India (Partly Paid) @ Rs. 500/- per Share	...	...	10,250	0 0
5 Shares Reserve Bank of India @ Rs. 117/- per Share	...	...	585	0 0
Post Office National Savings Certificates (12 years) Rs. 5,000/- at par	...	...	5,000	0 0
Amount of investment made in Hospital Scheme 3½% Govt. of India Loan (1948/52) Rs. 4,88,800/- @ Rs. 100/110%	...	...	4,82,160	8 0
Deferred Allowance Account—			7,82,095	8 0
3% Govt. of India Loan (1953/55) Rs. 25,000/- at cost	...	...	26,125	0 0
Cash—				
In hand (Petty Cash)	...	...	221	10 10
In hand (Imprest Cash)	...	...	840	14 0
On Current Account with Imperial Bank of India, Olive Street, Branch.			1,062	8 10
Deferred Allowance Account	...	...	1,942	0 0
Officers' Comp. Fund Account	...	...	2,942	13 2
Babus' Comp. Fund Account	...	...	617	2 4
TOTAL Rs. ...	...	...	11,36,156	2 10

Auditors' Report—

We beg to report that we have audited the foregoing Balance Sheet of the Bengal Chamber of Commerce, Licensed Measurers Department, as at 31st December 1947 and the Revenue and Profit and Loss Accounts for the year ended 31st December 1947. We have obtained all the information and explanations we have required and in our opinion such Balance Sheet and Revenue and Profit and Loss Accounts are drawn up in conformity with the law and the Balance Sheet exhibits a true and correct view of the state of the Department's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Department.

In our opinion books of account have been kept by the Department as required by law.

LOVELOCK & LEWES,  
Chartered Accountants, } Auditors.  
Registered Accountants, }

