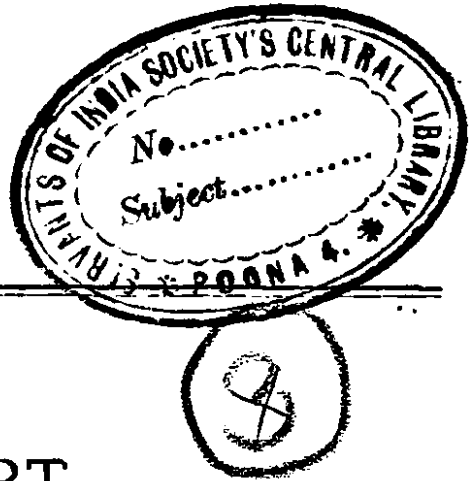


OFFICE OF THE HIGH COMMISSIONER FOR INDIA.



REPORT
on the work of the
INDIAN TRADE COMMISSIONER
during 1933-34.

By
Sir H. A. F. LINDSAY, K.C.I.E., C.B.E., I.C.S.

OFFICE OF THE HIGH COMMISSIONER FOR INDIA.

No. T. 90467.

INDIA HOUSE, ALDWYCH,

LONDON, W.C.2.

13th June, 1934.

*From: The High Commissioner for India,
London.*

*To: The Secretary to the Government of India,
Department of Commerce,
Simla, India.*

SIR,

I am directed to forward herewith, for the information of the Government of India, the report prepared by the Indian Trade Commissioner in London on the work of his Department during the year ended 31st March, 1934.

2. In his report of the previous year, Sir Harry Lindsay attempted to estimate the first-fruits of the Ottawa agreement between the United Kingdom and India. In the present report he has continued his estimate of these results and has been able to show that, in some lines of trade at any rate, a considerable advance has been made. This survey of the purchases of Indian raw materials and manufactured products by the United Kingdom has been correlated with general observations on modern trade tendencies, with special reference to the progress of scientific methods and their effect on the disastrous gap still noticeable between the prices which the agricultural producer secures and the prices which have to be paid for manufactured goods.

3. Special attention has been paid in this report to the efforts now being made by various Governments of the British Commonwealth to ensure co-operation, where this is possible, in the fields of economic and agricultural research. In Sir B. N. Mitra's opinion, such co-operation is rendered all the more necessary by the dissolution of the Empire Marketing Board, which occurred during the year under review.

4. In the chapter on Committees and Conferences, Sir Harry Lindsay describes the principal subjects which came up for discussion at the World Monetary and Economic Conference which was held during June and July, 1933. Although critics have expressed themselves as disappointed at the failure of this Conference to reach agreed results, yet there have been indications of practical results in industrial circles, particularly in the direction of schemes of control whereby attempts are made to correlate the production with the consumption of staple products in world markets. There is thus a close connection to be observed between the brief account given of the World Economic Conference in Chapter VIII and the observations offered both by the Indian Trade

Commissioner and by the Minerals Adviser to the High Commissioner in Chapters I and VI on the subject of industrial "planning."

5. Appendix E will bring home to readers in the United Kingdom the main outline of the programme of economic enquiry and research which is already well known in India and which is summarised in a resolution of the Government of India on the results of discussions at the Provincial Economic Conference held at Delhi in April, 1934. In the eleventh paragraph of that resolution (Appendix E to this report), the Government of India record that they have decided "actively to resume the programme for the appointment of Indian Trade Commissioners in foreign countries which had been temporarily suspended as part of the economy campaign." The High Commissioner is glad to take this opportunity of recording that Mr. M. R. Ahuja will shortly come to London for four months' training in his office prior to opening a new office of Indian Trade Commissioner at Milan. Like the Indian Trade Commissioners stationed at London and Hamburg, the Indian Trade Commissioner, Milan, will work under the High Commissioner's direct control.

6. It is a source of much gratification to the High Commissioner that during the course of the year the Indian Trade Commissioner received the honour of a Knight Commandership of the Indian Empire to mark the continued excellence of his work. That work has of recent years increased both in volume and complexity, and Sir Harry Lindsay's own enthusiasm has been consistently seconded by the devotion of his staff. Sir B. N. Mitra's thanks are also due to the official and non-official organisations and to the individuals too numerous to chronicle without whose freely-given aid and advice his Trade Department's efforts would be seriously handicapped.

I have the honour to be, Sir,

Your most obedient Servant,

A. M. GREEN;

Deputy High Commissioner.

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REPORT OF THE WORK OF THE INDIAN TRADE COMMISSIONER, LONDON, DURING 1933-1934.

INTRODUCTION.

The object of this report is to make clear to the public in India, and also in the United Kingdom, the principal activities of the Indian Trade Commissioner, London, whose office is at India House and who works under the High Commissioner for India in the dual function of Trade Commissioner for India and of Secretary in charge of the Trade Department of the High Commissioner's office.

I acted as Indian Trade Commissioner, London, throughout 1933-34, the year under review, save for the month of November when I was deputed to the United States of America to negotiate on behalf of the Indian Lac Cess Committee an arrangement with the New York Shellac Importers' Association for the conduct of research in natural lac. Mr. H. S. Malik, I.C.S., the Deputy Trade Commissioner, officiated as Trade Commissioner during my absence. Sir Hugh Watson acted as Timber Adviser to the High Commissioner throughout the year, Mr. Tipper as Minerals Adviser and Mr. Gibson as Special Officer, Lac Inquiry. Mr. B. D. Asli, the Indian Trade Publicity Officer, who has charge of the Publicity Section of the Trade Department, left London on the 7th July, 1933, to attend the World Grain Exhibition and Conference at Regina, Canada. Particulars of this Exhibition and Conference will be found in Chapter VII of this report. From Regina, Mr. Asli proceeded on deputation to India, where he spent eleven weeks, from 16th September to 7th December, 1933, in interviewing local industrial firms and associations and in securing their co-operation in the British Industries Fair and other fairs and exhibitions in which the High Commissioner, through his Trade Department, takes part. Mr. Asli returned to London from India on the 20th December, 1933. A brief account of his Indian tour will be found in Chapter VII.

As explained in previous reports, the work of this office falls under three main heads: Commercial Intelligence, Commercial Publicity and Commercial Committees. The term Commercial Intelligence covers not only trade enquiries from Indian exporters seeking to extend their connections with the United Kingdom, Southern Europe and America (excluding Northern Europe, which is dealt with by the Indian Trade Commission, Hamburg), and from importers in those areas desiring to import Indian goods, but also correspondence with and services rendered to official, semi-official or unofficial bodies in India. These services include research work undertaken on behalf of the Imperial Council of Agricultural Research in India and the testing of local markets for the prices

obtainable for Indian goods. Special reports are written from time to time by this office on special features of India's export trade, and these reports are published in the *Indian Trade Journal* if they are not of a confidential nature. Where such reports are written at the request of a private firm, they are not published until sufficient time has elapsed to enable the enquiring firm to take full advantage of the information supplied to it.

As a general rule it is recommended that trade enquiries relating to foreign markets and arising in India should, in the first instance, be addressed to the Director-General of Commercial Intelligence and Statistics at 1, Council House Street, Calcutta; this procedure will, in the long run, save time as that office may already have on record the whole or part of the information required and, if not, can obtain it with little delay from the Indian Trade Commissioners in London or Hamburg. Replies to any enquiries received direct from business men in India are invariably addressed in duplicate to the Director-General of Commercial Intelligence and Statistics, who forwards one copy and retains the duplicate so that the information which it contains may be on record in his office and may assist him in replying to any requests for similar information which he may receive direct from other enquirers in India.

This office is not concerned with the import trade of India, and enquiries of this character are usually returned for address to the British or foreign trade commissioners or consular authorities in India within whose jurisdiction they properly fall. At the same time we are prepared to assist Indian merchants who encounter difficulties in their dealings with foreign merchants, whether in import or export lines of trade. We have thus been able to settle disputes in which Indian firms were at a disadvantage either through their remoteness and lack of close personal contact with western firms or through misunderstandings having arisen on either side. We are also prepared to furnish information regarding machinery or processes to business men or Government Departments desiring such assistance to further the agricultural or industrial development of India.

Commercial Publicity also covers a wide range of activities, from the organisation of Indian stands at exhibitions and fairs, including cookery demonstrations of Indian foodstuffs, and the sale of samples of Indian food products, to the collection, editing, and display of Indian films, the giving of lectures and distribution of pamphlets on Indian trade subjects and the loan of lantern-slides and films to schools or other institutions. The Exhibition Hall, the Library, and other public rooms at India House, serve a useful purpose in their display of panelling, furniture and flooring manufactured entirely of Indian decorative woods. Indeed, no timber has been used for constructional or furnishing purposes in the entire building which is not Indian, and the woodwork is the frequent object of admiration and enquiry by visitors. In addition, the

Exhibition Hall contains an exceptionally fine collection of artistic products of India, including gifts by Their Majesties the King-Emperor and the Queen-Empress, and gifts by the Central and Local Governments in India and by Indian States. Finally, the Director of the Imperial Institute co-operates with the High Commissioner for India in the display of samples of Indian produce and manufactures in the Indian Gallery of the Institute. The fitting-up of the Commercial Samples Room at India House, which was referred to in last year's report, is now complete. With the co-operation of Departments of Agriculture and Forests, of the Imperial Council of Agricultural Research, the Geological Survey of India and the Indian Central Cotton Committee, samples of the best grades of Indian agricultural, mineral and forest products are displayed in the Samples Room.

The chapters in this report which deal with Commercial Intelligence under the various heads of agriculture, timber, lac and minerals and with Commercial Publicity have been written by the officers of the Trade Department primarily concerned with those subjects. In addition, a chapter will be devoted (as in my last report) to Modern Trade Tendencies, and another will describe the various Commercial Committees of which officers of the Department are members. A chapter on Staff and Acknowledgments will close the report, and will comprise an account of the Exhibition Hall and Commercial Samples Room.

Chapter I.—Modern Trade Tendencies.

Survey.

In an earlier report* an attempt was made to summarise post-war trade developments in a series of chapters, of which the headings might suitably run as follows:—

First Chapter—Currency and Finance. Many currencies are inflated and national debts are written off whilst at the same time national capital and credits are dissipated.

Second Chapter—Tariffs. Many tariffs are raised to protect national industries or to induce favourable trade balances with a resulting encouragement to the development of export subsidies and dumping methods, against which tariffs are still further raised.

Third Chapter—Stocks of Primary Products increase partly as a result of the wide application of scientific methods and partly on account of diminished purchasing power.

Fourth Chapter—Gold is now the centre of interest. It is realised that the gold standard no longer functions according to pre-war formulæ, and the United Kingdom abandons it.

* "Report on the work of the Indian Trade Commissioner during 1931-32."

Fifth Chapter—Exchange Restrictions and Trade Quotas are applied in a desperate effort to maintain trade balances and to protect internal prices against the continuous sag of world prices. To these might now be added a

Sixth Chapter, in which the United States Government virtually abandons the gold standard, and enters on a career of economic planning such as many States have discussed at international conferences, but few have actually undertaken.

The escape from our present troubles is likely to be tedious and difficult. Already nearly a fifth of a century has passed since the outbreak of war and yet the way of escape is by no means clear. All that we can say at present is that we seem to be in a transition stage between the old *régime* of *laissez-faire* economics, when economic laws worked with almost automatic precision, and a new *régime*, at present only dimly visualised, in which each step must be thought out and in which nothing can be left successfully to chance, a *régime* of conscious constructive control in which instinctive methods have given way to rational methods.

In our search for a solution we have one unailing index to help us, namely, the barometer of prices. As we stand to-day, the position may be roughly surveyed as follows: Since the autumn of 1929 the slump in world prices has been almost continuous. There was a slight recovery so far as the British Empire was concerned, when the Empire went off gold, two years later; but the recovery was only short lived, as the following index of United Kingdom (Board of Trade) prices will show:—

	1929	1930	1931	1932	1933	1934
January ...	83·2	78·8	64·3	63·4	60·3	63·0
April ...	83·4	74·4	63·6	61·6	58·5	61·9
July ...	82·7	71·7	61·5	58·8	61·5	
October ...	81·9	68·0	62·8	60·8	61·8	

(N.B.—Average prices of 1924=100).

If the prices of all commodities had fallen equally and simultaneously, but little inconvenience would have been caused. Standards of living would not have been affected because individuals would not have had to pay, as consumers, any higher prices for the goods they required than the prices which they obtained in their capacity of producers. Unfortunately prices have fallen irregularly and still more unfortunately (for the strain thus falls where resistance is least) the prices of raw materials have fallen further than the prices of manufactured goods. The mal-adjustment of prices is a measure of the extent of our misfortunes and only by readjustments of the price factors can we hope to recover balance and security. Our chief difficulty lies in the number and complexity

of the price factors awaiting readjustment: prices of foodstuffs and industrial raw materials, of necessaries and luxuries, of rents and clothes and fuel and lighting, of machinery and of the products of the machine, costs of insurance and transport, of loans and mortgages, rural and urban wage-levels, rates of international exchange. It seems as if each of these rudiments of economic life were being reduced to its lowest common denominator. One thing is certain, that so long as one factor is underpaid for the services it renders, so long must the process of general recovery be delayed.

If we consider the various commodities which are the staples of international trade, we find that they fall into five main groups:—

- A. Agricultural products, such as foodgrains, vegetable fibres, oilseeds, etc.
- B. Pastoral and forest products, such as milk, butter, meat, hides and skins, timber.
- C. Plantation products, such as tea, coffee, rubber, and, in some countries, tobacco and sugar.
- D. Mineral products.
- E. Factory products.

Each of these groups is fighting for adequate economic recognition, that is, for an adequate price-return. Success seems to attend the group which is best organised for the struggle. And yet the solution, thus stated, is stated in terms too simple for so complex a problem as the relativity of prices; for the relative dearth of any one group removes it from the benefits of the purchasing-power afforded by the other groups while increasing its own purchasing-power relatively to the others. We are, therefore, aiming at a price relationship which will bring each group within the maximum purchasing-power afforded by the other groups, while contributing its own maximum demands to the general pool. Stated in simple language, the group which is best organised, in the sense of being most capable of adjustment of price and quality to a maximum public demand, is not only itself the most prosperous but is also best fitted to help the others towards prosperity.

It will be observed that the five groups have been drawn up according to their origin; but an attempt has also been made to arrange them roughly in order of organising capacity. At one end of the list will be found the producers of primary agricultural products, such as rice, wheat, jute, cotton, linseed, groundnuts, etc. It is generally admitted that the small-scale farmer in all countries finds it very difficult to organise his production; for organisation involves co-operation with other producers of the same class and the bare fact of the large numbers of producers involved makes co-operation and therefore organisation difficult. At the other end of the scale will be found the manufacturer of factory products. Here also organisation may be difficult if manufacturers of any one class of products in any one country are so numerous that co-operation between them is impossible. But on the whole it

will be generally recognised that co-operation among manufacturers is an ideal not unattainable. The Continental cartels of industrialists may be quoted as examples. Between these two extremes lie the producers of pastoral and forest products, of plantation products and of mineral products. Not all these intermediate groups are equally capable of organisation. Considerable success has so far been attained particularly in tin, in tea and (recently) in rubber. On the other hand, attempts to control the production of coffee and sugar cannot be said to have succeeded as yet.

Setting aside for the moment the intermediate groups, the first and last groups, namely, the small agriculturist and the large-scale manufacturer, stand in vital contrast. The agriculturist is intent on producing the maximum of which his fields are capable, while the manufacturer is in a position to reduce output and so to adapt supplies to demands. Other reasons also exist for this disparity into which it is unnecessary to enter. It is sufficient, by way of illustration, to quote side by side the index numbers of prices of raw cotton, cotton yarn and cotton manufactures as shown in the statement of wholesale prices for April in the United Kingdom. Assuming the average prices of 1913 = 100, the price of middling American cotton on the Liverpool market was, at the end of April, 1934, represented by the index-number 77; the price of cotton yarn, 32's twist, was 82; and the price of cotton shirtings, 8½ lb., was 108. A reference to the index-numbers of prices of raw cotton and cotton manufactures, raw jute and jute manufactures on the Calcutta market, as compiled by the Department of Commercial Intelligence and Statistics and published monthly in the *Indian Trade Journal*, will show that, by comparison with pre-war levels, there is nowadays no less wide a spread between the prices of raw materials and manufactures in India, than there is in the United Kingdom. Indeed, the phenomenon is world-wide.

But the agriculturist and other producers of raw materials in world markets are the chief consumers of manufactured goods; or, more correctly, their products originate the credits against which demands for manufactured goods of all kinds are ultimately satisfied. Hence a contraction in the price of raw materials contracts the purchasing power of the agriculturist, contracts the demand for manufactures, contracts their supply, raises the proportionate cost of the reduced supplies and increases the basic disparity between the prices of raw materials and manufactures. This disparity is still further increased by the reduced purchasing power of factory labour thrown out of employment. Standards of living are depressed, profits are reduced and Government revenues are curtailed. Nevertheless a common interest joins both these classes of producers. The primary products of the agriculturist find their chief demand in industrial circles, namely, foodstuffs for supply to industrial labour and industrial products as raw material for the factory. Conversely the products of the factory depend largely for

their demand on the agriculturist. The problem, therefore, is how to reduce the gap which exists between the purchasing power of the agriculturist on the one hand and the sale price of factory products on the other.

* * * *

These developments are generally admitted and there is nothing very new or startling in the above survey. It is the more recent developments of 1933/34 which are interesting and instructive. At first sight and as a part of the general survey it is probably true to say that world trade conditions have, if anything, deteriorated during the past year. Any movement of tariffs has been upwards. Quota and exchange restrictions have increased. The efforts of all countries, particularly those of the Continent of Europe and the United States of America, are concentrated on national industries and are diverted from international trade. The struggle to protect national industries and to discourage imports has now passed the elementary stage of tariff walls and has stimulated the policy of import quotas by which imports are reduced to the minimum essential for internal requirements. The deterioration shows itself in different ways.

Some Continental countries are unable to produce for themselves the raw materials necessary for the maintenance of their national standard of living. In normal times a country of this class was able, by a surplus of exports, visible or invisible, to purchase the raw materials of which it was deficient. But in these days when national self-sufficiency has become almost a political faith the external demands for goods and services are at a minimum. It thus becomes difficult to export surplus products and equally difficult to pay for normal requirements of raw materials. For example, a recent bulletin of the British Chamber of Commerce in Italy announces, with reference to the Italian cotton industry, that "Exports have fallen from 38 per cent. of the total production (of cotton textiles in Italy) to 30 per cent. and consequently the output sold abroad is no longer sufficient to cover the cost of the necessary raw cotton." In some countries the result is that the production of local substitutes (even those so unsuitable that they can barely be called substitutes at all) is stimulated; all but essential raw materials are excluded and the standard of living falls.

Even a creditor country so generously provided with raw materials as the United States is adversely affected. For this country, if it is deficient in some raw materials such as rubber, linseed, tin, jute, wool, shellac, at the same time produces some commodities much in excess of its internal needs, such as wheat and cotton. Its unwillingness to import, and its efforts for example to substitute cotton for jute bags in spite of the natural defects of cotton bags, are a measure of its incapacity to sell its surplus abroad. Other countries producing primary products surplus to

the world demand are compelled even to destroy the surplus, to prevent a glut in world markets. For example, it is reported that the agencies of the National Coffee Department of Brazil had by the middle of April, 1934, been compelled to destroy as many as 26,561,000 bags of Brazil coffee.

So grave have become the disabilities of international trade, and so pressing the desire for a favourable trade balance, that many Governments are compelled to negotiate with foreign Governments on the basis of a reciprocity of trade values. In other words, international relations are nowadays visualised narrowly, as a series of transactions between one State and another. It is too easily forgotten that the chief interest to any single State is to maintain not predominant but equal trade relations, on balance, as between itself and all other States; and that, in fact, it would be an economic impossibility for all States to maintain a favourable trade balance, even taking all invisible items into the account.

It seems legitimate, therefore, to draw the following conclusions:—

- (a) That the present discontents are due to complex causes uniting to produce a world-wide lack of co-ordination of prices;
- (b) That the remedy must come from increasing application of scientific methods, not only in production, for which so much has been, and is being, done, but also for distribution as well;
- (c) That the various groups of producers are not equally capable, but are only capable in different degrees, of the organisation which appears to be necessary;
- (d) That the poverty of the agriculturist and of the unemployed industrialist shows them to be the weakest links in the chain;
- (e) That nevertheless the agriculturist is capable of organisation and that improved methods of production and marketing are likely to bring him an increasing revenue as the knowledge of scientific method extends;
- (f) That the objective of the other groups of producers which are more readily susceptible of organisation should be to bring their products within the scope of the purchasing power of the agriculturist;
- (g) That the return to prosperity will thus be two-fold—on the one hand better organisation and more scientific production and marketing will strengthen the purchasing power of the agriculturist, while on the other hand the manufacturer will use his powers of co-operation and control of output not to increase prices but to reduce them and so bring them down to the level of the purchasing power of the poorest classes.

Nevertheless, the British Empire seems to be holding its own with fair success in the present world-wide economic confusion. The value of Government bonds in financial markets is only a rough-and-ready way of estimating the value attributed to national methods and policies, but it is a spontaneous and automatic form of estimation. The following quotations of May, 1929, before the slump, and of May, 1934, are relevant and may be cited for what they are worth:—

	7.5.29.	7.5.34.
Value of £100 U.K. Conversion Loan $4\frac{1}{2}\%$...	£98	£111
India (1950) $4\frac{1}{2}\%$...	£89	£110
Australia (1945) 5% ...	£98	£111
Canada (1940) 4% ...	£89	£104
New Zealand (1945) $4\frac{1}{2}\%$...	£96	£107
*French 4%... ...	£27	£27
+German $7\frac{1}{2}\%$...	£104	£77
*Italian $3\frac{1}{2}\%$...	£18	£34
+Japanese (1899) $4\frac{1}{2}\%$...	£71	£64
Value of \$100 U.S.A. $4\frac{1}{2}\%$ Try. Bond 1947/52 ...	\$108	\$111

The Discovery and Application of Scientific Method.

For any country, it seems desirable to arrive at a compromise between the admission of cheap foreign goods, whereby costs of living are kept low and the standard of living is maintained or improved, and the exclusion of foreign goods which compete unduly with indigenous industries and so undermine local employment and purchasing power. This compromise received expression and effect, so far as the United Kingdom is concerned, in the Import of Goods Act of 1931 and subsequent legislation whereby duties were imposed on all but a few essential commodities. These duties were not unreasonably high, but they have generally sufficed to encourage local industries. The effect of the Ottawa agreements of 1932 was to retain a free market in the United Kingdom for practically all Empire products except those subject to revenue duties, and even in these cases preferences have been stabilised. A further development during 1932-34 has been the promulgation of agricultural marketing schemes in England and Scotland in terms of the Agricultural Marketing Acts of 1931 and 1933. It is impossible within the compass of this report to describe the details of these schemes. It will suffice to quote the following summary of a speech to the Food Manufacturers' Federation which was delivered on the 25th April, 1934, by Lord De La Warr, Parliamentary Secretary to the Ministry of Agriculture:—

“ Lord De La Warr summarised the principles of the Agricultural Marketing legislation under the following five heads.

* French and Italian bonds are quoted in units of 2,500 francs and lire at a conventional rate of 25=£1.

† The German and Japanese quotations are for sterling bonds.

Industrial self-government is to be preferred to State control. In return for statutory power to make self-government effective, certain statutory obligations and controls have to be accepted by the industry. Where the majority of an industry wish to organise they should not be held up by a small minority. Where State assistance, such as control of imports, is granted, it should be conditional on the Government being satisfied with the organisation of the industry. Where, as in agriculture, distribution rather than production is the source of disequilibrium, a marketing scheme rather than a scheme for amalgamation of productive units will satisfy the last condition."

There is little doubt that, as a result of these measures, economic conditions in the United Kingdom have improved. Whereas imports declined from £701 million in 1932 to £676 million in 1933 it was the imports of articles of food and of manufactured articles which declined and the imports of industrial raw materials which increased. Exports from the United Kingdom remained practically stationary at £416 million in 1932 and £416.5 million in 1933; but during the latter year the exports of indigenous manufactures increased while re-exports declined. The employment statistics show that there were, in thousands of unemployed men in the United Kingdom:—

2,304	in January, 1932.
2,416	„ July, „
2,455	„ January, 1933.
2,123	„ July, „
2,017	„ January, 1934.
1,736	„ April, „

The Royal Economic Society's quarterly index numbers of industrial production in the United Kingdom were as follows (based on 1924 average = 100):—

1st quarter of 1932	...	...	...	91.3
2nd „ „ „	...	...	...	83.2
3rd „ „ „	...	...	...	77.8
4th „ „ „	...	...	...	87.2
1st „ „ 1933	...	...	...	88.0
2nd „ „ „	...	...	...	88.8
3rd „ „ „	...	...	...	87.9
4th „ „ „	...	...	...	97.4
1st „ „ 1934	...	...	...	102.2

Parallel with the work of the Import Duties Advisory Committee in the United Kingdom may be set the work of the Indian Tariff Board in India which scrutinises applications for preference referred to it by the Government of India. Parallel with the work inaugurated by the Agricultural Marketing Acts of 1931 and 1933 of the United Kingdom Government may be set the activities of the Imperial Council of Agricultural Research in India. Parallel with



**FURNITURE OF INDIAN SILVERGREY WOOD (*Terminalia bialata*)
presented by the Government of India to the League of Nations.**

the British Cotton Growing Association in Manchester and the Empire Cotton Growing Corporation in London may be set the Indian Central Cotton Committee with headquarters at Bombay. Special mention should also be made of the work of the Indian Lac Cess Committee with headquarters at Ranchi, whose research operations in the United Kingdom are described in Chapter V of this report by Mr. A. J. Gibson, the Special Officer Lac Inquiry, who is attached to the High Commissioner's staff and whose headquarters are at India House. These are a few outstanding examples of organisations in India responsible for research in production and distribution. A comprehensive list of research organisations in India under the heads of Agriculture, Public Health, Science, Forestry and Timber, Minerals and Economics, was given in Appendix E to the report on the work of the Indian Trade Commissioner during 1932/33 and may be referred to for details. A campaign of rural economic planning is outlined in a statement issued by the Government of India in May, of which extracts are annexed as Appendix E to this report.

The complaint is often made that science is largely responsible for the economic maladjustments from which the world is at present suffering. To some extent that charge is correctly based. The progress of scientific method and discovery, stimulated by the pressure of war conditions and particularly by the necessity of saving man-power, has had wide and varied repercussions. For example, it is reported from the United States of America that between 1920 and 1929 industrial output increased in the United States by 36 per cent., but that the number of men employed increased by only 6 per cent.; and that, if all American factories could in 1934 recover the peak output of 1929, only one half of the present numbers of unemployed in the United States would be re-employed.

Another instance of the spread of scientific method which has results particularly embarrassing to countries such as the overseas parts of the British Empire producing primary products, is the development of synthetic substitutes for natural raw materials. The development seems in most cases to be somewhat as follows. Demands for the natural product increase at a more rapid rate than supplies. Prices then rise to a point at which chemical or other synthetic substitutes are encouraged. With the rapid advance of these substitutes the prices of the natural product fall; but the prices of the synthetic product also fall as improved methods of manufacture are introduced and bulk production reduces overhead costs. It was as a result of developments on lines similar to those described above that artificial nitrates made their appearance on the world's markets in competition with natural nitrates; that artificial silk appeared in competition with natural silk, cotton and other textile materials; that synthetic plastics and varnishes compete on almost level terms with natural shellac. No effective

substitute for rubber has yet been discovered and, fortunately for the agriculturist, synthetic foodstuffs are still at a discount; for example, saccharine is not a serious competitor with vegetable sugars although to a slight extent it took their place in western countries during conditions of shortage occasioned by the War.

The fact is that Science, while she can be embarrassing in her effects on trade and industry when short-time standards are applied, is nevertheless the mother of all real economic progress when longer views are taken. The pursuit of scientific method in the field of economics, or "planning" as it is frequently called, must necessarily take different forms according to the character of the commodity handled, the environment and other aspects of the individual problem. In agriculture, for example, the objective appears to be to enable the farmer to produce crops of high yield and good quality, with a minimum of risk from disease. It is the plantation crops, such as tea, coffee or rubber, which are susceptible of control in the sense that co-operation between growers is possible with a view to approximating supplies to demands. And, moreover, in this field it is possible to reduce costs while reducing output, as the least productive areas are naturally closed first. In the factory, however, while output can always be reduced to the level of demand, costs of production per unit tend to rise as output is reduced. This process thus tends to force up prices and so to defeat the object in view, that of supplying maximum demand at minimum prices. In factories, therefore, the objective would appear to be co-operative action whereby costs and prices are reduced and output is approximated not only to existing demands at current rates but to potential demands at still lower rates. By this means alone can the gulf be bridged between the agriculturist, whose hope of improved returns consists in the application of scientific method and improved quality and yield, and the manufacturer who will call in the aid of science to produce what is required by all at prices payable by all.

These seem to be the general principles underlying the "planning" of agriculture and industries. The following conclusions seem to emerge:—

- (a) That scientific method aims at improving either the yield or the quality or both yield and quality of agricultural production and so increasing the purchasing power of the agriculturist;
- (b) That scientific control has already done much to rationalise the output of plantations, forests and mines, and may do yet more;
- (c) That the science of factory production has already made great strides;

- (d) That scientific control of national manufacturing industries has made some progress, but still awaits a solution of the problem of dealing with recalcitrant minorities;
- (e) That the science of distribution, whereby manufactures can be brought within the purchasing power of the poorest classes of the community is yet in its infancy.

India and the United Kingdom Market.

Turning now to the United Kingdom market for Indian goods, Appendix A to this report will illustrate price developments during 1933/4 as compared with the prices secured during each of the two preceding years. The price of rice, which declined in all markets of the world from 1931/2 to 1932/3, declined still further in 1933/4. It is true that fluctuations of price, as measured by the margin between highest and lowest quotations for the year, have contracted from a difference of 3s. 10½d. in 1931/2 and of 3s. 6d. in 1932/3 to only 1s. 5d. in 1933/4. But dullness characterises all rice markets of the world at present and if fluctuations are less than they were, the reason can only be found in the reduced purchasing power of the Far East and consequent apathy of the rice trade. Fluctuations of jute prices also are less in 1933/4 than they were during the two earlier years, but the market cannot be said to be buoyant. Oilseeds and oilcake were generally lower in 1933/4 than in either 1931/2 or 1932/3, with the exception of Indian linseed which is protected by a 10 per cent. preference against foreign linseed. Linseed prices improved during 1933/4 and are at present firm on indications of good demand. Tea, tin and shellac are the three commodities which, with linseed, make the best showing in Appendix A. The rise in shellac prices during 1933/4 is explained by Mr. A. J. Gibson, the Special Officer Lac Inquiry, in chapter V of this report. Schemes of control have succeeded in reviving the prices both of tea and of tin. Lead prices were much the same in the year under review as during the two previous years, and have remained on the whole fairly steady.

From the point of view of the Ottawa Agreement and its effect on imports of staple Indian goods in the United Kingdom, the remainder of this chapter will be devoted to an examination of each of the chief groups into which this trade naturally falls. Imports during the first quarter of 1934 (the latest available) will be compared with the imports during the corresponding quarters of 1932 and 1933. The monthly sea-borne trade accounts of the United Kingdom Government, from which these import statistics have been taken, have been extended and improved since the issue of January, 1934. The groups now shown will not, therefore, correspond exactly with those shown in the corresponding chapter of

last year's report. All items for which separate figures of imports from British India are published have been included in this survey, with the sole exceptions of tin ore and rubber, which constitute only a small fraction of total imports, and timber and shellac, which are dealt with in chapters IV and V. Against each commodity are shown the rates of duty (Empire and Foreign) under the United Kingdom tariff, so that the extent of the preference (save for free-list commodities) can be seen at a glance.

Taking first the rice imports, it is, unfortunately, impossible to distinguish imports of paddy from imports of husked rice, and both are shown together under the heading of "whole rice." The duty on foreign paddy is 10 per cent. *ad valorem*, while the duty on foreign husked rice is 1d. per lb. in terms of the Ottawa agreement between India and the United Kingdom. It should, further, be explained that the imports of whole rice from India consist entirely of husked rice which is cleaned in the United Kingdom, while imports of paddy from foreign countries developed only during 1933, and are estimated at about 55,800 cwt. (or, say, 27,900 cwt. in terms of whole rice) during the first quarter of 1934. Broken rice is dutiable at 1d. per lb. (as whole rice) if it contains more than two per cent. of whole rice grains. Practically all the trade in rice meal and dust is from India, the balance of United Kingdom requirements being met by the local rice-milling industry. The figures are as follows:—

Commodity.	Unit.	From	First Quarter of			DUTIES.		
			1932.	1933.	1934.		Empire.	Foreign.
Rice Whole	... 000 cwt.	India	141·9	165·4	108·0	Husked	Free	1d. per lb.
		Other				Paddy	Free	10% <i>ad valorem</i>
		British	2·5	1·0	14·6			
		Countries						
		Spain	176·3	4·9	37·9			
		U.S.A.	84·0	25·8	50·0			
		Other						
Foreign	59·8	2·3	59·0					
Countries								
Total	464·6	199·5	269·5					
Rice Broken and mixtures	... 000 cwt.	India	76·7	96·8	69·1		Free	Free
		French						
		Indo-	24·8	·5	44·9			
		China						
		Other						
Foreign	33·0	47·6	84·4					
Countries								
Total	134·5	145·5	200·9					
Rice meal and dust	... 000 tons	India	48·5	35·1	67·0		Free	10% <i>ad valorem</i>
		Total	50·8	35·7	68·0			

It will be noticed that imports of whole rice from India fell off considerably between 1933 and 1934 whereas imports of foreign whole rice—while not so great as during the first quarter of 1932—increased. It must be remembered, however, that January-March is the slack season for Burma rice on the United Kingdom market. Moreover, as already explained, imports of foreign rice during January-March, 1934, must be discounted to the extent to which they consisted of paddy. Even so, however, the imports of foreign paddy at only 10 per cent. duty constitute a novel feature which will have to be carefully watched if the benefit of the Ottawa preference on whole rice from India and Burma is not to be jeopardised. It should be explained that several new and improved strains of Burma rices are now on the United Kingdom market in commercial quantities and are capable of offering effective competition with the best types of Continental rice.

The next group to be examined is typical of the oilseeds and oilcakes:—

Commodity.	Unit.	From	First Quarter of			DUTIES.	
			1932	1933	1934	Empire.	Foreign.
Linseed ...	000 tons	India	1·3	5·6	48·4	Free	10% ad val.
		Argentine	92·4	64·6	18·6		
		Total	95·9	72·1	67·0		
Linseed ... cake and meal	"	India	8·7	10·1	7·9	Free	10% ad val.
		U.S.A.	2·7	·1	3·0		
		Argentine	2·4	·8	1·1		
		Total	18·5	12·7	16·9		
Groundnuts Decorticated	..	India	23·6	15·6	17·8	Free	10% ad val.
		Total	37·0	33·9	35·4		
Groundnut cake and meal	..	India	17·1	15·0	44·9	Free	10% ad val.
		Total	18·1	15·6	47·5		

Indian linseed, on the strength of its preference of 10 per cent. is competing successfully with that from the Argentine, and now furnishes the bulk of the United Kingdom supplies. Linseed cake and meal accounts for nearly half the requirements of this country, the chief competitors being the United States of America and the Argentine. Both for decorticated groundnuts and for groundnut cake and meal the United Kingdom depends largely on Indian supplies.

Jute, cotton and wool are all on the free list:—

Commodity.	Unit.	From	First Quarter of			Duties.
			1932,	1933.	1934.	
Jute, raw	... 000 tons	India	74.1	59.8	77.2	Free.
Wool ... other than Merino and Crossbred	... 000 lbs.	India	10683	9361	15211	Free.
		Other British Countries }	2540	1522	3521	
		Argentina	4555	9102	16435	
		Other Foreign Countries }	4496	2211	4049	
		Total	22274	22196	39216	
Cotton, raw under 1½" staple	... 000 centals of 100 lbs.	India	127.5	209.9	389.8	Free.
		Other British Countries }	68.9	88.6	81.6	
		U.S.A.	2077.8	2065.5	1738.0	
		Egypt	362.3	201.9	350.7	
		Other Foreign Countries }	169.5	51.2	311.1	
Total	2806.0	2617.1	2871.2			

Imports of jute, all from India as the monopolist producer, increased during the first quarter of 1934. Imports of wool, other than merino and crossbred, from India also increased, but the Argentine is a serious rival. Chief interest turns on the imports of raw cotton, in view of article 8 of the Ottawa Agreement between India and the United Kingdom, the terms of which are, for convenience; reproduced here:—

“His Majesty’s Government in the United Kingdom undertake that they will co-operate in any practicable scheme that may be agreed between the manufacturing, trading and producing interests in the United Kingdom and India for promoting, whether by research, propaganda or improved marketing, the greater use of Indian cotton in the United Kingdom.”

The following extract from the annual report of the British Cotton Growing Association for the year 1933 summarises the action taken in Lancashire during that year to implement Article 8 of the Ottawa Agreement:—

“As mentioned in the previous annual report, the Association undertook the secretarial and administrative

work of the Indian Cotton Enquiry Committee which was appointed by His Majesty's Government in 1932 for the purpose of promoting the greater use of Indian cotton in this country. The Committee has given careful consideration to the causes operating against the uses of Indian cotton, and has also gone into the question of the manufacture of cloth from various qualities of Indian cotton. It has been demonstrated that satisfactory yarns and cloths can be made from both the improved and indigenous types. The co-operation of Manufacturers and Merchants has been invoked, and the Cotton Industry Research Association is engaged in carrying out valuable experimental work. The Committee has interviewed a number of leaders of the Cotton Industry in India, including Sir Purshotamdas Thakurdas, Mr. H. P. Mody, and the President of the Indian Central Cotton Committee. On the return of the British Cotton and Artificial Silk Industries Delegation from their Mission to India the Committee met the Members of the Delegation with the object of determining how the recommendations of the Delegates could best be carried out. The Mission suggested that the Cotton Industry should appoint two Cotton Commissioners who would carry out their duties principally in India, and act as liaison officers; further that the possibility of encouraging the off-take of Indian cotton by arranging for the holding of adequate stocks in Liverpool and Manchester should be investigated.

“One of the difficulties experienced by Spinners who in the past were desirous of using Indian cotton has been the shortage of stocks of suitable Indian cotton in this country, and, in order to encourage Spinners, the Association has purchased a quantity of Indian cotton of various qualities from the Khanewal and Sind areas, the latter being the first consignment of Improved Cotton grown under the Sukkur Barrage Irrigation Scheme. This cotton is being sold in small lots in order that the users may have an opportunity of making practical tests and ascertaining how the cotton can be used to the best advantage.”

It will be seen from the statistics quoted above that total imports of cotton into this country remained fairly steady during the three quarters under review, while imports from India increased. Indeed, the imports during January-March, 1934, from India were more than three times what they had been during January-March, 1932.

Tea, coffee and tobacco may next be considered, all of them subject to revenue duties with Empire preferences:—

Commodity.	Unit.	From	First Quarter of			DUTIES	
			1932.	1933.	1934.	Empire.	Foreign.
Tea ...	mill. lbs.	India	65.6	69.8	60.4	2d. per lb.	4d. per lb.
		Ceylon	39.1	36.0	34.4		
		Java	24.4	16.4	8.2		
		Total	132.3	126.0	107.0		
Coffee... not kiln dried, roasted or ground	000. cwt.	India	32.9	28.9	33.1	4/8 per cwt.	14/- per cwt.
		British	113.8	144.6	68.2		
		East					
		Africa					
		Costa Rica	175.8	200.5	191.2		
		Other	38.5	23.1	25.3		
Foreign Countries							
Total	361.7	397.8	318.0				
Tobacco (unmanu- factured)	mill. lbs.	India	1.2	1.2	.9	7/5½ per lb.	9/6½ per lb.
		Canada	4.7	7.8	3.3		
		U.S.A.	31.8	26.1	38.2		
		Total	39.1	36.8	43.9		

The falling-off of tea imports from India during 1934 is on the whole a healthy sign, accompanied by reductions of imports from both Ceylon and Java. Now that production and exports are controlled, and supplies by the chief producers are adjusted to demands, it is to be expected that the trade will increase, as between these three producing countries, only proportionally to the success of propaganda for increased tea-drinking in the world's markets.

The demand for East Indian coffee declined between January-March, 1932, and the same quarter of 1933, but recovered in 1934 the whole ground lost and slightly more. Imports from British East Africa fell off seriously during 1934 as a result of the drought of 1933 in those areas. For unmanufactured tobacco, the United Kingdom is still largely dependent on the United States of America. Imports from Canada declined heavily, and from India slightly during 1934.



SPORTS GOODS SECTION, INDIAN STAND, BRITISH INDUSTRIES FAIR, 1934

Dry goatskins and half-tanned hides and skins imports were as follows:—

Commodity.	Unit.	From	First Quarter of			DUTIES.	
			1932	1933	1934	Empire.	Foreign.
Goat-skins, ... 000 dry and dry salted		India	1690·7	1370·4	1485·6	Free	10% ad val.
		British West Africa	437·2	246·6	403·6		
		U. of South Africa	172·0	112·7	45·5		
		Total British Empire	2382·8	1875·5	2077·4		
		Total Foreign Countries	325·5	167·3	233·0		
		Total	2708·3	2042·8	2310·4		
Hide leather, 000 cwts. undressed		India	53·3	42·0	64·7	Free	10% ad val.
		Total	98·3	58·0	92·4		
Goat and ... 000 cwts. sheep leather, undressed		India	23·7	26·1	31·8	Free	10% ad val.
		Total	34·7	36·0	41·7		

All three receive preference and in all three India takes the lion's share of the trade. The progress made by India with half-tanned hides and skins is steady and satisfactory.

Pig iron and pig lead may be considered together:—

Commodity.	Unit.	From.	First Quarter of			DUTIES.	
			1932	1933	1934	Empire.	Foreign.
Pig Iron ... 000 tons		India	23·4	15·3	23·2	Free	33½% ad val.
		Total	53·4	17·7	27·5		
Pig Lead ... 000 tons		India	9·0	12·7	13·0	Free	10% ad val.
		Total	71·3	61·0	84·3		

Imports of pig iron from India fell off during the first quarter of 1933 by comparison with the same quarter of the previous year but recovered again during January-March, 1934. India now fulfils nearly all the United Kingdom requirements of pig iron from overseas. Progress with pig lead has been slow but sure during the three quarters.

The last commodities to consider are coir yarn, coir matting and carpets:—

Commodity.	Unit.	From	First Quarter of			DUTIES	
			1932	1933	1934	Empire	Foreign
Coir Yarn	000 cwts.	India	112·1	29·1	29·4	Free	10°/o ad val.
		Total	119·1	34·0	34·9		
Coir mats and matting	000 sq. yds.	India	1992·4	2071·2	1928·2	Free	20°/o ad val.
		Total	1998·0	2094·5	1953·1		
Carpets	000 sq yds.	India	245·3	224·2	408·0	} Hand-made Free	4/6 per sq. yd.
		Total	431·5	756·9	1131·7			} Other kinds Free	{ 9d. per sq. yd. or 20°/o ad val. whichever is greater

Practically all the United Kingdom requirements of coir yarn and coir matting from abroad are met from India. Imports of carpets have increased considerably during the three periods under review and imports from India have increased with the help of a preference of approximately 20 per cent. *ad valorem*.

* * * *

This chapter began with a general survey of the new tendencies apparent in post-war trade; it continued with some observations on the importance of scientific method and concluded with practical illustrations drawn from trade developments as between India and the United Kingdom. The following conclusions seem to suggest themselves:—

- (a) That no country is so richly endowed with natural resources as to be wholly self-sufficient;
- (b) That successful national planning is the best criterion for successful international planning;
- (c) That the British Empire offers favourable opportunities to its members for planning on an international scale;
- (d) That within the Empire the United Kingdom offers the best market for Indian goods, which are on the whole in least competition with United Kingdom producers, whether agricultural or industrial;
- (e) That the British Empire itself can never be wholly prosperous unless and until it shares its prosperity with foreign countries as well.

***Chapter 2.—Agricultural Products.—Foodstuffs.**

The year under review may reasonably be said to have marked the first signs of the recovery from that world-wide economic depression which set in before the close of the year 1929, and under which the world, as a whole, is still struggling. The signs of a turn in the tide were particularly marked in the United Kingdom, where increased activity in most parts of the country's industrial and commercial machinery was definitely noticeable. As a result, greater interest in commodities generally was shown than during the previous three years. Moreover, the continued tendency for United Kingdom manufacturers and others to seek agricultural products, both raw materials for the manufacturing industries and foodstuffs, from Empire countries in place of those coming from foreign countries, has resulted in greater interest being taken in commodities from British India, with the consequence that the year, as a whole, has been a particularly busy one for this Office. A large number of enquiries both from importers in the United Kingdom and the other countries with which this Office deals, seeking connections with exporters from India, and from exporters in India seeking outlets for their commodities, has been received and dealt with.

In this Chapter it is proposed to give an account of the principal enquiries that have been received in connection with foodstuffs that India exports.

CHUTNEY, PICKLES, JAMS, ETC.

The Publicity Branch of this Office has in the various exhibitions and fairs in which it has participated, made a special point of showing the chutneys, pickles and other preserves for which India has a name in this country. As a result of this activity there has been a noticeable improvement in the interest taken in these articles, and the number of enquiries received from various sources in the United Kingdom has been steadily increasing. Several inquiries from people in the United Kingdom wishing to import from India or asking for the names of London importers were received and replied to. In addition to these, a firm in Cape Town asked for information regarding exporters of chutneys, pickles, condiments, etc., from India, and was supplied with the names of firms in India interested.

Enquiries were also received from India. A Bombay firm asked for information regarding prices of chutney in London, and advice regarding packing for the London market. Full information on these two points was sent. A firm in the Punjab was supplied with names of United Kingdom importers of curry powder. The Director of Industries, United Provinces, wrote to us asking for information

* Chapter written by Mr. H. S. Malik, I.C.S., Deputy Trade Commissioner.

regarding the market for guava jelly and tipari jam, and we sent him a full report on the market in the United Kingdom for these articles and also on articles of a similar nature from South Africa, which were in competition, and the prevailing prices. Samples of the jelly and jam from South Africa as sold in London were also sent, together with names of firms in the United Kingdom interested in this trade and instructions regarding packing, etc., for the United Kingdom market.

GINGER AND PEPPER.

It will be remembered that in last year's report mention was made of the efforts that were being made in Madras to prepare ginger without the use of sulphur dioxide and so to overcome the difficulties experienced by importers of Indian ginger in the United Kingdom. In this connection, the Director of Industries, Madras, sent us samples of sun-dried ginger. Through the medium of the London Wholesale Spice & Rice Dealers' Association we were able to have these samples commercially tested; some samples were also sent to the Imperial Institute, and the report prepared there on the quality of the samples and their commercial possibilities, together with the report received through the London Wholesale Spice & Rice Dealers' Association, was sent to the Director of Industries, Madras, and the Imperial Council of Agricultural Research.

It is satisfactory to note that Indian ginger from Cochin and Calicut, guaranteed free from sulphur dioxide, was being received in commercial quantities during the year under report and selling satisfactorily. The Superintendent, Kerala Soap Institute, Calicut, asked us for samples of the best bleached ginger of all origins as received in the London market, and these, together with prices at which they were selling, were forwarded to him. As a result of an enquiry received from the Superintendent, Kerala Soap Institute, Calicut, it was found that Indian ginger was not recognised in the British Pharmacopœia, and the question of Indian ginger of suitable quality being recognised in the British Pharmacopœia was taken up with the appropriate authorities of the General Medical Council and is now under the consideration of that body.

Two enquiries from foreign countries on the subject of Indian pepper may also be mentioned. A firm of importers in Morocco asked for and was given names of exporters in India of black pepper, as this firm thought that there was a possibility of Indian black pepper finding a market in Morocco at prices lower than Lampong pepper. A firm in Trieste was also supplied with names of firms in India exporting black pepper.

TOBACCO.

The stocks of Empire tobacco in the United Kingdom have for the last year or two been very large indeed, with the result that the

interest taken in the usual types of Indian tobacco as received in the United Kingdom has not been marked. One or two enquiries of a normal nature were received, however, and names of Indian exporters of tobacco leaf were forwarded to the enquirers. One enquiry that deserves perhaps special mention was that received from a Liverpool firm, who expressed a desire to be put into touch with exporters in India who could send light leaf tobacco to this country. Enquiries were made through the Director-General of Commercial Intelligence and several firms in India, whose names were forwarded to the enquirer, expressed interest. The Director of Industries, Madras, wrote asking for the possibilities of expansion in the United Kingdom of the market for Indian cigars under the existing system of duty, which of course is based on weight and consequently falls more heavily on the cheaper varieties of cigars, such as Indian. The Director was informed that there did not appear to be any prospect of any change in the system of assessment because of certain technical difficulties, and that under existing conditions there were no prospects of any development in this particular market.

RICE.

Mention was made in last year's report of the greater interest being taken in Burma and Patna rices in the United Kingdom as a result of the imposition of the import duty of 1d. per lb. on rice of non-Empire origin. This interest in Indian rice was maintained during the year. An enquiry was received through the Trade Commissioner for Cyprus in London from a firm in Cyprus anxious to be put in touch with exporters of Burma rice. The information asked for was supplied. A full report explaining the position, *vis-à-vis* competitive grades of other rices, in the United Kingdom of certain samples of Madras rices received from the Director of Agriculture, Madras, was submitted to the Imperial Council of Agricultural Research. The Imperial Council of Agricultural Research was also supplied with samples of American, Italian and Spanish rices as imported in the United Kingdom. The Director of Agriculture, Bihar and Orissa, asked us for samples of high-yielding rices grown in Italy and Spain, and as samples of these rices had already been sent to the Imperial Council of Agricultural Research, the Director was referred to that body.

TEA.

Interest in Indian tea was, on the whole, fully maintained, and several enquiries of a normal nature were received and dealt with. We also received a request from a firm in Milan anxious to import Indian tea and were able to communicate to it names of exporters in India.

COFFEE.

A firm in Trieste asked to be put in touch with exporters of coffee from India and was supplied with the information asked for,

while an enquiry was also received on behalf of a Canadian firm anxious to import coffee from India; names of exporters in India were duly communicated to this firm. It is interesting to note that during the year a Coffee Section of the Empire Producers' Organisation was formed representative of coffee producers in different parts of the Empire. This Coffee Section, on which the United Planters' Association of South India is represented, has been formed with a view to looking after the interests of Empire coffee in the United Kingdom, and it is understood that such questions as publicity in this country for Empire coffee will be within its scope. It will be interesting to see how this organisation develops.

Towards the close of the year an investigation was made, at the request of the Imperial Council of Foreign Research into the grading and marketing of Indian coffee as received in the United Kingdom as compared with coffee from Costa Rica and Kenya, and a full report on the subject was sent to the Imperial Council of Agricultural Research. The whole question, linked as it is with the very important question of quality of coffee, is receiving further consideration in pursuance of the general policy of the Government of India to exploit the tariff advantages enjoyed by certain Indian commodities in the United Kingdom market, under the Ottawa Agreement.

BURMA BUTTER BEANS.

Reference was made in last year's report to the prospects of a good market being found for this commodity in the United Kingdom. Unfortunately the market has not developed as was expected, due partly to the fact that it is extremely difficult to create interest in a new article of food in this country, especially in times of economic depression. As a result the prices commanded by the Burma butter beans have not been sufficiently high to interest Burma, which had expected a bigger margin between the price of the Burma butter beans and the ordinary Rangoon bean. Close touch on this matter was maintained with the Director of Agriculture, Burma, who was advised that the Madagascar type of bean was most popular in the United Kingdom, and that the question of Burma concentrating on the cultivation of that type of bean for the United Kingdom market was well worth consideration. This matter is, it is understood, receiving full attention in Burma, though there are considerable difficulties in the way.

FRESH FRUITS.

As a result of the experimental shipments of Bombay mangoes that have been made in the past by the Department of Agriculture, Bombay, to this country, a great deal of interest was taken by the Bombay shippers in this trade and several enquiries were received. In spite of emphatic warnings from this Office that there was danger in shipping mangoes to this country in quantities too great for the market to absorb, considerable quantities were shipped last season. The bulk of these could only be sent *viâ* Marseilles, per-

forming the concluding portion of their journey from India to the United Kingdom overland, as through shipping facilities in cold storage from Bombay to London were not available. This method of shipment naturally proved a very expensive one. The bulk of the fruit was received in London in fairly good condition, but the quantity received was far in excess of the demand, with the result that a good deal of the fruit had subsequently to be destroyed on account of rotting, due to its being held over, or to be sold at any price that it could fetch in order to prevent its total loss by rotting. It is feared that these shipments cannot but have resulted in considerable loss to the shippers. The risk of sending over quantities of a fruit little known in the London market, far in excess of the demand, cannot be too emphatically pointed out. As things are at present, the market in the United Kingdom for Indian mangoes can only be worked up slowly, and any attempt to flood it must result in the sale of the fruit at uneconomic prices involving loss to the shipper.

Experimental consignments of Alphonse mangoes were again received from the Director of Agriculture, Bombay, and were tested out in the market, a report on these consignments being at the same time prepared by the Empire Marketing Board and forwarded to the authorities in India. In this connection it is interesting to note that the Department of Agriculture, Bombay, have now got facilities for cold storage experiments at Poona, and experimental work on fruit, with a view to ascertaining the most suitable temperature conditions for its carriage in cold storage, is being carried out. These experiments should prove most beneficial in establishing the optimum temperature conditions for the carriage of fruit of different kinds and at different stages of maturity, and should consequently help in solving one of the main problems facing anyone who desires to export fresh fruit from India to the United Kingdom and the Continent.

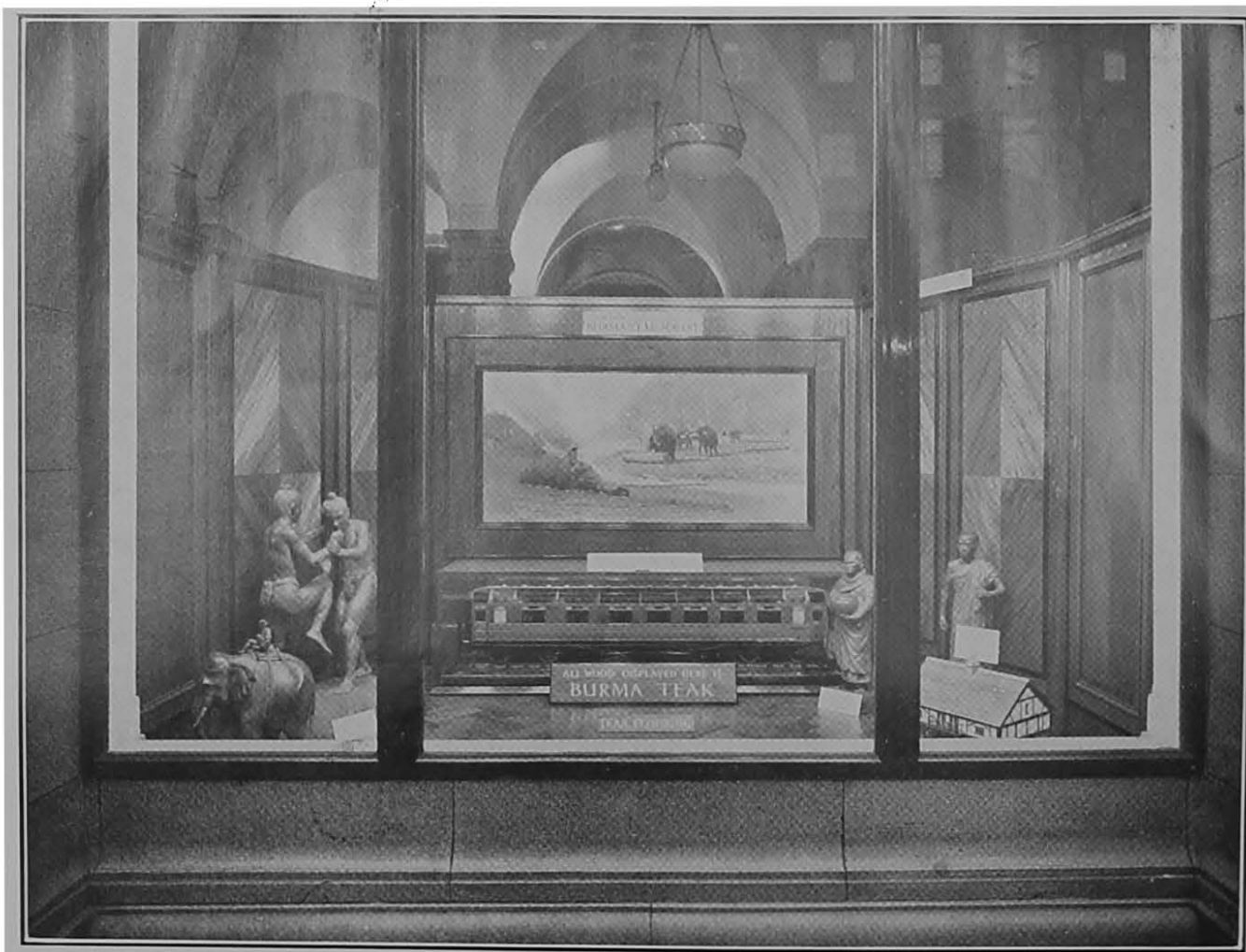
The Director of Agriculture, United Provinces, also sent over experimental consignments of mangoes grown in that Province, and these were handled by a firm of Covent Garden fruit merchants, with a view to testing the market for them. One of the principal points of this experiment was to find out whether there was a suitable market for this fruit in the United Kingdom, as, if a market could be found, the United Provinces mangoes, which come on to the market later than the Bombay mangoes, this would have kept up the supply of Indian mangoes in the United Kingdom after the Bombay mango season was over. Unfortunately, however, the fruit did not arrive in sufficiently good condition for it to receive a fair test. It is difficult to say why the fruit did not arrive in good condition, as no information was available regarding the temperatures at which it was carried on the ships. The Director of Agriculture, Burma, also sent over experimental consignments of Mandalay Netté mangoes; these were examined by an expert of the

Empire Marketing Board, who prepared a report on them regarding their condition on arrival and their commercial possibilities. This report was communicated to the Director of Agriculture, Burma, and to the Imperial Council of Agricultural Research. In this connection, it is perhaps not irrelevant to note that, since the Empire Marketing Board has ceased to function, arrangements have now been made with the Department of Scientific and Industrial Research of the United Kingdom Government, to examine and report on experimental consignments of fresh fruit received from official sources in India. The Department will charge a small fee for this service.

The experimental consignments of mangosteens, which have been mentioned in previous reports, were continued last season. These were received from the Director of Agriculture, Burma, and examined by an expert of the Empire Marketing Board, who prepared a report on them, which was communicated to the authorities in India. Last season's consignments confirmed the experience of previous years, viz., that before shipments can be made successful orchard roots in Burma must be controlled so as to ensure the freedom of the fruit from disease at the source. At present a fair proportion of the fruit appears to be infected before it leaves the country.

A fairly large shipment of bananas and another of pineapples were received in London on private account, and it would have been interesting to see how these fruits from India fared in competition with similar fruit from other sources. Unfortunately, however, most of the fruit arrived in very bad condition and had to be destroyed, so that no useful opinion could be formed. Another experiment that may perhaps be mentioned was that made by a Bombay firm, who sent over Nagpur loose-skinned oranges to Marseilles for testing the French market. It is understood that the experiment was not a success, as apparently the fruit was not known in Marseilles, and there was considerable difficulty in disposing of it. It cannot be over-emphasised that before fruit which is not generally known in Europe is shipped, either to the United Kingdom or to any of the Continental countries, trial shipments of small quantities should be made, so that a useful opinion may be formed regarding the prospects of the fruit finding a market. The sending over of such fruit in commercial quantities before trial shipments have prepared the way must almost inevitably result in loss to the shipper.

Among miscellaneous enquiries regarding foodstuffs, the following may be of interest. The London Chamber of Commerce, on behalf of a member, enquired about exporters of dried fish from India, and was supplied with names of firms interested in this trade. A firm in Liverpool wanted to be put in touch with exporters of almonds from India, but were informed that India is normally a considerable importer of this article. At the same time names of



FRONT WINDOW OF INDIA HOUSE DISPLAYING EXHIBITS OF BURMA TEAK.

firms who were prepared to export were supplied. A London firm was given the names of shippers from India of apricot kernels. Two firms in the United Kingdom seeking contact with exporters of cashew nuts from India were given names of firms in India interested in this trade, while a firm in New York was supplied with similar information when it wrote to us asking for names of exporters of cashew nuts, for which the demand in the United States of America was alleged to be growing rapidly. For cashew nut oil also, one enquiry was received, and the enquirer was put in touch with exporters in India.

An enquiry from the United Kingdom, which is significant of the tendency in this country, was that received from a man who had opened a shop stocking only Empire foodstuffs. He was supplied with names of exporters of different foodstuffs from India.

An enquiry was received through the Commercial Secretary to the British Embassy at Buenos Ayres from a firm there who wished to be introduced to exporters in India of curcuma root in powder form, which was required for colouring vermicelli. Names of suppliers in India were sent.

Another firm in Marseilles enquired through His Majesty's Consul-General there for names of firms in India exporting psyllium seed and senna leaves, for which they were seeking an agency. In reply we sent them a list of exporters in India of these commodities. Cinnamon was the subject of another enquiry, which came from Mexico, and we were able to put the enquirer in touch with exporters of cinnamon from India, while Italy was responsible for an enquiry in connection with tamarind. Here, again, we were able to put the enquirer in touch with firms interested in the export of tamarind from India. In response to a request from an enquirer in Southern India, a comprehensive report on the fish meal industry in the United Kingdom, together with samples and full information regarding publications on the subject, was sent. This enquiry was made with a view to the establishment of a fish meal factory in Southern India.

Mention has already been made of tests that were carried out for various commodities on behalf of Government Departments. In addition to those, the Imperial Council of Agricultural Research sent us a sample of arrowroot flour received from the Director of Agriculture, Burma, for market opinion in the United Kingdom and valuation. This matter is now in hand. The Imperial Council of Agricultural Research were informed regarding the arrangements that could be made in this country and the fees to be paid for testing Punjab barley on a commercial scale for malting and brewing, while a report was sent to the same body on the subject of expeller-made linseed cake. Samples of pine kernels were received from the Director of Agriculture, North-West Frontier Province, who asked regarding the possibility of their finding a market in the United Kingdom. Necessary enquiries were made

and a report sent to the Director, together with samples of Italian pine kernels, which were at present sold in the United Kingdom, and their prices.

***Chapter III.—Agricultural Products.—Industrial Materials.**

It is proposed in this chapter to give an account of the principal enquiries received and dealt with in this Office relating to (a) Industrial raw materials and (b) Manufactures, emanating from commercial sources in India, the United Kingdom and other countries with which this Office deals, and to add an account of the work done for various departments of the Central and Provincial Governments in India and the Indian States, whose Governments have sought our help.

COTTON.

A newly established firm of importers in Liverpool asked for and was supplied with the names of shippers of cotton in India, while similar information was forwarded in response to enquiries that came from Athens and Salonica. A firm in Barcelona enquired about the prospects of shipping cotton waste from India and was given names of exporters, while a London firm who asked for information regarding exporters in India of waste cotton blankets was furnished with names of manufacturers in India obtained from the Director-General of Commercial Intelligence. Close contact was maintained throughout the year with the Lancashire Indian Cotton Enquiry Committee, the object of which is to increase the use of Indian raw cotton in the United Kingdom.

JUTE.

Several enquiries were received and replied to regarding jute. Among these the following may be mentioned:—

A firm in Portugal asked to be put in touch with exporters of raw jute, jute cloth and jute bags from India, and was supplied with names of shippers in India. Another enquiry was received from Brazil from a firm of spinners of jute yarn who asked for the names of exporters in India of raw jute, while a firm in British Columbia who previously had been dealing through London asked for names of manufacturers of jute bags in Calcutta with whom they could deal direct. The information asked for was supplied. Another enquiry regarding jute bags came from Rumania and in response to this we were able to send names of shippers of jute bags from India. A firm in London was supplied with the names of manufacturers in India, and exporters of jute rugs, while two more enquiries from London referred to jute bags. During the year

* Chapter written by Mr. H. S. Malik, I.C.S., Deputy Trade Commissioner.

the Bengal Government set up a special Committee to enquire into the jute industry. Information was supplied to the Secretary of this Committee regarding the effects of bulk handling of grain by grain elevators, etc., on the use of jute bags in America, Australia and the Argentine, while information was also collected and passed on to the Committee on various other matters, such as the effects of restriction schemes on production in other countries, the constitution of textile associations in this country, etc. A report was also submitted to the Government of India on the extent to which paper and cotton bags and bagging were taking the place of jute bags and cloth for the carriage of sugar, cement and cotton. During the year a request was received on behalf of the Indian Jute Mills' Association for information regarding the organisation of textile research in the United Kingdom. This information was required by the Association in connection with a question which they had under consideration, namely, that of initiating jute research with a view to meeting the situation caused by the general fall in the demand for jute goods. Through the courtesy of the Department of Scientific and Industrial Research of the United Kingdom Government and the Councils of the various textile research associations in this country, reports were prepared, after personal visits, on the organisation of the Wool Industries Research Association at Torridon, Leeds, the Shirley Institute (Cotton Industry Research Association), Manchester, and the Linen Industry Research Association at Lambeg, and were communicated to the Indian Jute Mills' Association. It is understood that the Association has under active consideration the question of starting research for the Indian jute industry.

HEMP.

In addition to the usual enquiries regarding importers and exporters of hemp, several investigations were made on behalf of various Government Departments in India and reports submitted. For instance, the Director of Industries, Bengal, was supplied with a full report on the opinion in the London market about the grading of Manilla hemp as undertaken in the Philippines by the Government. A report was also sent to the Imperial Council of Agricultural Research on the position of Indian sunn hemp *vis-à-vis* Manilla hemp in the United Kingdom. The Vegetable Fibres Committee of the Imperial Institute continued to devote attention to the subject of Indian sunn hemp and during the course of the year considered the recommendations made by Mr. Sabnis, who, it will be recalled, was deputed by the Imperial Council of Agricultural Research in India to carry out an investigation into the hemp industry in India. The opinions expressed by the Committee on Mr. Sabnis' recommendations were duly communicated to the Imperial Council of Agricultural Research, and in connection therewith samples of sunn hemp, chemically treated, were received from

the Director of Agriculture, United Provinces, through the Imperial Council of Agricultural Research and forwarded to the Imperial Institute. These samples were tested at the Imperial Institute and were also submitted to a firm for opinion regarding their market value. As a result of this it was found that they were superior to the un-treated hemp of similar origin as received in London, and would definitely command a premium on the London market provided the length of the fibre was satisfactory. These results have been communicated to India, and it is hoped that experimental consignments of sunn hemp chemically treated will follow. The Director of Industries, Central Provinces, asked for samples of rope made from hemp manufactured in the United Kingdom together with the prices at which they were selling. The samples and prices were forwarded to him.

HIDES AND SKINS.

Hides and skins formed the subject of a large number of enquiries. A London firm trading with Australia, South Africa and the Argentine enquired about supplies of goat skins from India for the above countries for the manufacture of glacé kid. The names of exporters in India were forwarded to the enquirer. Another London firm asked for and was given the names of exporters of leather from India, while similar information regarding furs was furnished to another London firm. An importer in Barcelona asked for names of exporters of hides and skins from India and these were communicated to him, while an enquiry from France related to raw hides from Dacca. A firm in Spain was supplied with names of exporters of skins and horns in India, while an Italian enquirer from Milan was furnished with names of Indian exporters of tanned goat, kid and reptile skins, raw and tanned. A firm in Italy sent us a sample skin with the request that names of firms in India in a position to supply skins of a similar kind might be communicated to it. The sample skin was sent out to the Director-General of Commercial Intelligence, who, after showing it to various firms interested in India, was able to send us names of several firms who expressed their willingness to supply the demand in Italy. The names of these firms were communicated to the original enquirer. A representative of a Calcutta firm of exporters of goat and reptile skins called at this Office and was supplied with names of firms in the United Kingdom interested in this trade.

Names of Indian exporters of lizard skins were forwarded to two London firms in response to enquiries received from them.

OILS, OILSEEDS AND OILCAKE.

A firm of wholesale druggists in Costa Rica wrote for the names of exporters in India of essential oils. These were duly supplied. A firm in Genoa was furnished with the names of exporters in

India of all kinds of oilseeds, while similar information was also forwarded to an enquirer from Milan. Names of firms in India exporting castor oil were supplied to an enquirer from the Irish Free State, while similar information was conveyed to firms in the United Kingdom. Ground nuts formed the subject of enquiries received from London firms, while one interesting enquiry was that received from a firm in the United Kingdom asking if turpentine extracted from *Prunis Excelsa* and suitable for the manufacture of synthetic camphor could be obtained from India. Enquiries are being made in India in connection with the latter request. A full report on the organisation of the trade in unrefined ground nut oil between China and the United Kingdom and the possibilities of the United Kingdom market for Indian ground nut oil, together with the competition which it meets with from substitutes in this country, was sent to the Director of Industries, Madras, while a report was also submitted to the Imperial Council of Agricultural Research on the position of Indian castor seed in the United Kingdom, showing the competition it met with from castor seed of foreign origin, and how it compared in oil content, price, etc., with foreign seed. The enquiry that was made in connection with this report showed that there were no complaints regarding the grading, quality or marketing of Indian castor seed, though the Brazilian seed which had been its chief competitor before the imposition of the 10 per cent. import duty commanded a small premium over Indian castor seed on account of a somewhat higher oil content.

MISCELLANEOUS MATERIALS.

Brief mention should be made of enquiries relating to some other raw materials for industries. A representative of a firm interested in the export of wool from Karachi called at this Office during a visit to the United Kingdom and was supplied with names of United Kingdom importers. Some enquiries were also received about shellac. A firm in New York wrote asking for appointment as agents to Indian shippers. The names of firms exporting shellac from India were sent in reply, while the names of exporters of Indian bone dry shellac were supplied to another New York firm. An enquiry was received from Milan regarding suitable names of exporters in India of Kashmir raw silk and silk waste, and in response names of exporters were supplied. Another enquiry of a similar nature that was attended to also emanated from Milan. A firm in the United Kingdom was given the names of Indian exporters of "korah" silk, while similar information regarding hand-spun silk was passed on to another United Kingdom firm. Another enquiry relating to silk was received from a London firm whose representative called and left samples of tailor's and twisted silks for which there was a good demand here. The samples have been forwarded to India with a view to finding firms there which

may be interested and a reply is awaited. A firm of silk manufacturers in Kashmir wrote to us asking for information regarding the possibility of marketing, together with prices, etc., of crêpe silk manufactured in Kashmir, but in the absence of any samples it was impossible to obtain the desired information. This was pointed out and samples are now awaited from this firm.

Before leaving the subject of raw materials for industries, some account should be given of an interesting enquiry which was received regarding rennet casein. Originally a firm in India had sent a sample of rennet casein suitable for the manufacture of artificial horn, and had asked for the price at which it could be sold in the United Kingdom. As a result of the enquiries made here it was found that the sample of Indian rennet casein was not suitable, French rennet casein being normally sold in the United Kingdom. Samples of this were obtained and sent out to India, together with information regarding current prices. In the meanwhile the Director-General of Commercial Intelligence in India had received from the Imperial Institute an enquiry from a United Kingdom firm for Indian rennet casein suitable for the manufacture of artificial horn to take the place of French rennet casein, which had to pay an import duty of 10 per cent. In response to this enquiry the Director-General of Commercial Intelligence received a sample of rennet casein from the Director of Industries, Punjab, which he forwarded to this office. This was shown to the firm which had originally enquired from the Imperial Institute, but unfortunately was found not to suit their purpose. The ultimate result of this enquiry was that while there were at least two firms in India who could manufacture rennet casein of the kind required in the United Kingdom they did not find it profitable to do so because they found a ready market in India itself for lactic casein, which they manufactured. A full report was sent to the Imperial Council of Agricultural research on the trade in the United Kingdom in Myrobalams.

The largest number of enquiries relating to manufactured goods was undoubtedly in connection with sports goods and arts and crafts.

SPORTS GOODS.

An Indian firm of sports goods manufacturers was supplied with names of possible importers of sports goods in Algeria, Morocco, Tunis, Spain, France, Portugal, Egypt, Gibraltar and Czechoslovakia. A firm in Glasgow asked for and was supplied with names of Indian manufacturers of sports goods, while a London firm was given similar information regarding tennis balls. Another enquiry from Glasgow referred to tennis and badminton rackets and hockey sticks manufactured in India, while a United Kingdom firm of sports goods manufactures was supplied with names of firms in India who could supply Indian-grown willow for the manu-

facture of cricket bats. An enquiry for shuttlecocks was received from Poland and names of Indian firms in a position to supply them were sent to the enquirer.

ARTS AND CRAFTS.

A London firm asked for names of exporters in India of small wooden elephants and was furnished with the information asked for. Another London firm was put in touch with exporters in India of Kashmir embroidery, *papier mâché*, turquoise ware and brassware. An interesting enquiry was that received from a firm in the United Kingdom who asked if any firm in India was in a position to supply cheap glass beads to take the place of similar articles from Germany and Czechoslovakia which were selling in London. We enquired from the Director-General of Commercial Intelligence but found that there was no organised manufacture in India of glass beads of the above description. Several enquiries were received regarding Indian brassware, and information regarding exporters in India was supplied. A Calcutta firm was put in touch with importers in the United Kingdom of Indian brassware, while similar information was also sent to an enquirer in Burma. A firm in London asked for and was supplied with the names of firms in India who could supply carved ivory elephants suitable for umbrella handles.

MISCELLANEOUS MANUFACTURES.

Among enquiries of a miscellaneous nature the following may be mentioned:—

A firm in the United Kingdom asked for the names of Indian manufacturers of rubber boots and shoes with a view to an agency, and names of manufacturers in India were supplied. Several enquiries were received from firms in the United Kingdom asking to be put in touch with manufacturers of carpets and rugs in India, and in reply the names of manufacturers who were not already connected with firms in this country were supplied to them. Quite a large number of enquiries were received for exporters of coir mats and matting, and names of firms exporting from India were duly supplied. A firm in the United Kingdom asked for and was supplied with names of exporters in India of shirtings, while another London firm which shipped goods to North Africa asked for manufacturers in India of blue cloth handkerchiefs, and the names of manufacturers were communicated to the enquirer. Another enquiry regarding Madras handkerchiefs was received from the United States of America and names of firms in a position to supply were passed on in reply. Two enquiries were received from firms in the United Kingdom regarding pith helmets and we were able to put the enquirers in touch with suppliers.

In connection with the growing interest that is being taken in India in the development of small industries we continue to receive a number of enquiries from India for the names of manufacturers of machinery suitable for these industries. Some instances of this may be of interest. A firm in Calcutta asked for names of manufacturers of machinery for manufacturing wall clocks. As a result of the enquiries made here it was found that all the information asked for could not be supplied in the absence of fuller particulars. Names of firms in this country, however, who possibly might be able to supply his needs were forwarded to the enquirers with the suggestion that the parties should get into direct touch with each other. An enquiry was received from South India for names of manufacturers of machinery suitable for fruit preservation. This information was required in connection with a proposal to set up a small experimental fruit preservation unit in South India. The information asked for was sent out to the enquirer. Another enquiry that may be mentioned was that received from the Director of Agriculture, North-West Frontier Province, who asked for names of manufacturers of machinery suitable for de-husking fine nuts (Chilgozas).

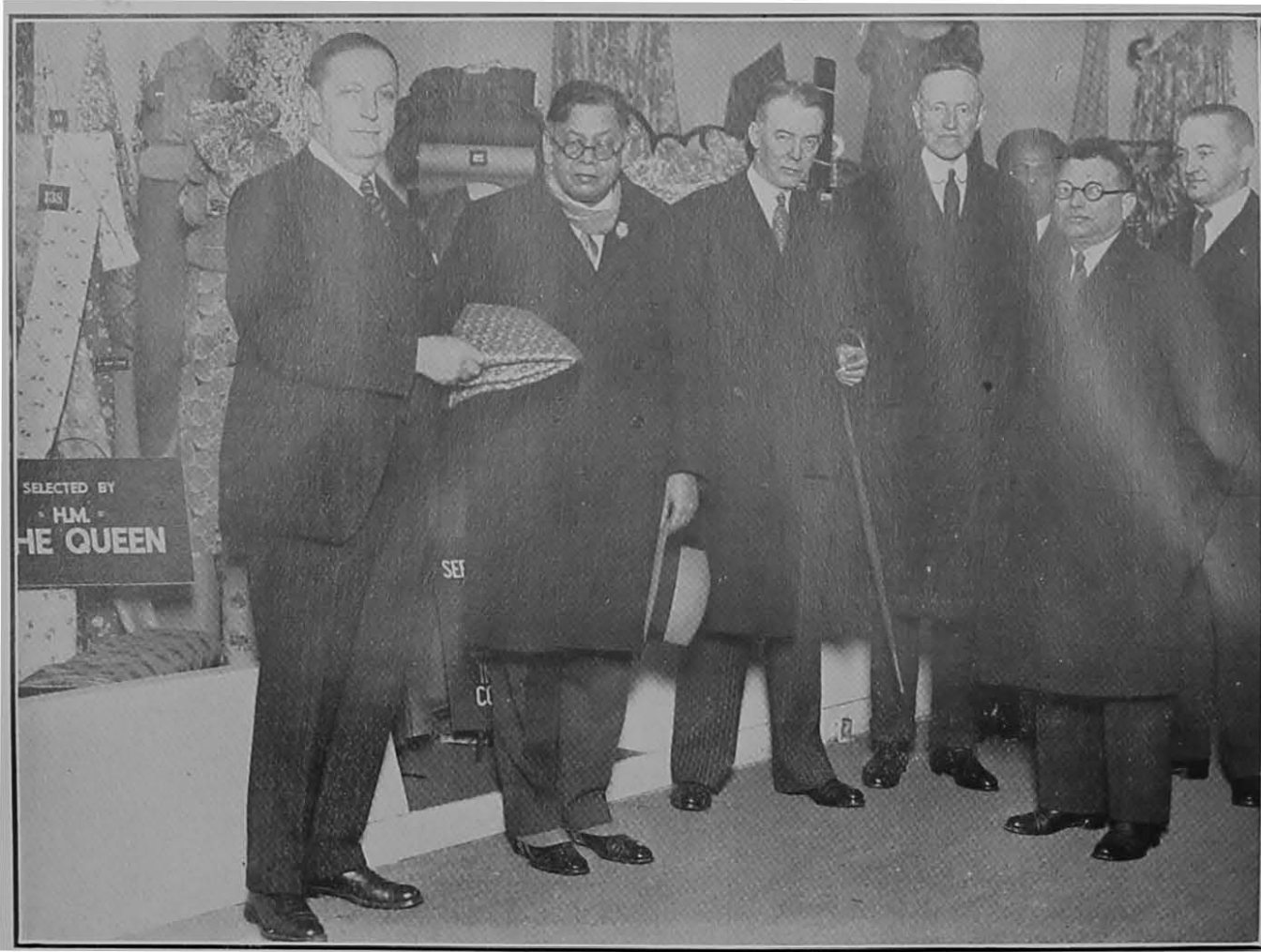
*Chapter IV.—Indian Timbers.

The hardwood market showed no appreciable improvement during the year. Price continues to be the ruling factor and freight charges handicap Indian timbers heavily. The more expensive hardwoods, such as teak and the mahoganies, have suffered most from the depression and competition continues to force down prices in a market that is not expanding appreciably.

Timber is nevertheless holding its own in spite of intensive propaganda in favour of its substitutes. The quantity of unmanufactured timber imported into the United Kingdom during each of the years 1931 to 1933 in thousands of tons compares as follows with the average of the five-year period 1926-30:—

	Average of 5 years 1926-30.	1931	1932	1933	% 1933 on average of 1926-30 + or
Hardwoods	731	600	585	587	-20
Softwoods	5,477	4,657	4,647	5,938	+ 8
Not definitely classed as hardwoods or soft- woods	3,567	2,875	2,750	3,058	-14
Total	9,775	8,132	7,982	9,583	- 2

* Chapter written by Sir H. W. A. Watson, Timber Adviser to the High Commissioner for India.



WHITE CITY, 1934.—The High Commissioner for India, Sir Bhupendra Nath Mitra, visits the Stand of the Lancashire Indian Cotton Committee at the British Industries Fair.

As the last period of normal trade may be regarded as covering the five years, 1926-1930, the average of this period has been taken as the standard for comparison. The factors of price and mass-production have favoured softwoods rather than hardwoods. The main point brought out by the above figures is that in spite of the competition of substitutes the United Kingdom requires timber in large quantities.

Imports of Indian timbers were 17,300 tons in 1933 against 17,000 tons in 1932 and an average of 37,000 tons for the five-year period 1926-1930. The bulk of these imports consists of teak, which has suffered severely from depression in the ship-building industry.

Deliveries of Indian hardwoods through the agency of this office totalled 1,210 tons in 1933-34 as against 1,010 tons in 1932-33. Sales were effected during 1933-34 for 1,190 tons of timber and 37 tons of sandalwood against 760 tons of timber and 25 tons of sandalwood in 1932-33.

COMMERCIAL ENQUIRIES.

Apart from enquiries of a general character those of the year analyse as follows:—

Enquiries resulting in sales	17
Enquiries for specific quantities of timber, not resulting in sales, covering in the aggregate about 1,400 tons	27
Tentative enquiries regarding supplies and pro- duction	3
Miscellaneous enquiries	4
	—
Total	51
	—

The drop in the number of enquiries is explained by the fact that the stocks of Indian silver grey wood were sold early in the year and that the demand for gurjun changed to large constructional sizes, which in the absence of mechanical haulage could only be met in very limited quantities. Amongst enquiries which could not be met was one for a sample log of *Eriolæna Candollei*, as this species does not exist in commercial quantities. There were several enquiries for Indian walnut which could not be met.

Sample coupling poles and implement handles in *Yon* (*Anogeissus acuminata*) were supplied from Burma to the Southern Railway and reported to be satisfactory.

GRADING RULES FOR EMPIRE HARDWOODS.

The Advisory Committee on Timbers, Imperial Institute, prepared grading rules for Empire hardwoods. These have been accepted tentatively and will be subject to amendment as further experience is gained in regard to the milling capacities of Empire hardwood species and their uses in industry. They fill a long felt want in that they provide a standard where none existed before,

INDIAN-GROWN HONDURAS MAHOGANY.

The enquiry into the suitability of Indian-grown Honduras mahogany for the United Kingdom market was completed during the previous year by the Forest Products Research Laboratory. In general it may be stated that the standing qualities are equal to those of other commercial mahoganies; including Cuban, Honduras and African.

PROPAGANDA.

The principal shippers of Burma teak co-operated to place a most effective window display, illustrating the uses of teak, at India House; a photograph of this window has been included as one of the illustrations to this report. This display has attracted considerable attention. It was supplemented by a booklet on the qualities and uses of teak, which has been widely distributed.

Towards the close of the year two further windows were framed in Indian timbers with diorama stands as background; one window in Andaman padauk with strip and parquet flooring in pyinkado and the other window with a diorama stand in Indian silver-grey wood and parquet flooring in the same material.

The Science Standing Committee of the Royal Institute of British Architects visited India House and were shown the fine decorative qualities of Indian timbers used in the building.

A Timber Development Association has been formed by the Timber Trades Federation to counteract the insidious propaganda that is taking place against timber with the object of favouring its competitors. The Federation has done much useful work during the year by lectures and advertisements to keep the merits of timber before the public.

FURNITURE IN INDIAN TIMBER.

A suite of office furniture, made from Indian silver-grey wood (*Terminalia bialata*) was presented by the Government of India to the League of Nations for use in one of the principal rooms of the new Palace of the League. The suite consisted of a writing table, bookcase, side table and telephone table, with the usual accompaniment of chairs. Silver plates were affixed to the principal articles to record the gift. The furniture was displayed in the windows of India House before despatch to the Headquarters of the League of Nations. It was much admired as a fine example of craftsmanship applied to a beautiful timber. A photograph of this suite is printed as an illustration to this report.

*Chapter V.—Lac and Shellac.

THE LAC MARKET.

A steady and welcome rise from 55/- to 68/- in the spot price of TN shellac characterised the London shellac market between April and June, 1933, but thereafter business continued dull in the neighbourhood of 63/-. During November a fresh development occurred. Shipments from Calcutta to London were actively stimulated and landings increased from 5,450 packages in October to nearly 23,500 packages in November and over 28,700 packages in December. Shipments continued active throughout the remaining three months of the financial year (January-March, 1934) and landings amounted to 34,900 packages in March. Prices rose from 62/- (spot) in October to 93/- in December, but declined to 85/- in March. Unfortunately deliveries had not kept pace with landings and the practical result of the movement was merely a transfer of stocks from Calcutta to London. These statistics are set out in the tabular statement below:—

Month.	London Prices Shillings.		Calcutta Rupees.	London, in Packages.		
	Spot.	T.N. in bags C.i.f.		Landings.	Deliveries.	Stocks.
1933.						
April ...	55/-	43/-	18-8-0	2,930	2,994	36,238
May ...	60/-	50/-	21-8-0	3,450	3,094	36,594
June ...	68/-	58/-	26-0-0	4,927	3,084	38,437
July... ..	63/-	54/-	23-8-0	3,910	2,886	39,529
August ...	63/-	51/-	21-0-0	5,042	2,754	41,817
September ...	63/-	51/-	21-8-0	2,224	2,302	41,647
October ...	62/-	51/6	22-12-0	5,450	2,467	44,630
November ...	65/-	53/6	23-0-0	23,469	3,467	64,632
December ...	93/-	76/-	36-0-0	28,761	3,391	90,002
1934.						
January ...	92/6	86/-	43-0-0	33,027	*9,495	113,534
February ...	90/-	85/6	39-8-0	29,187	3,090	139,631
March ...	85/-	77/6	35-0-0	34,900	3,139	171,392

* Increase due to re-exports of some 6,000 cases to U.S.A.

The exports from India of seedlac at the expense of manufactured lac products showed a further expansion during the year, the former amounting to nearly 30 per cent. of the whole as against "nil" in 1932-33. America was the largest importer, the ratio of seedlac to manufactured lac in the calendar year 1933 being 54:46; while Germany was the second largest.

* Chapter written by Mr. A. J. Gibson, F.C.H., F.L.S., Special Officer, Lac Inquiry, London Shellac Research Bureau.

THE WORK OF THE SPECIAL OFFICER LAC INQUIRY.

The year's work showed considerable activities and developments, many new trade contacts being secured and old contacts maintained. In May, 1933, the laboratory of the Special Officer Lac Inquiry was moved from Saundersfoot to the Paint Research Station, Teddington, and his office to India House, this arrangement being in preparation for the arrival of Indian lac research workers in the United Kingdom and the inauguration of lac research in England in close co-operation with Ranchi, of which a detailed account will be found in the next section of this chapter.

The work of the Special Officer was concentrated on making the research policy of the Indian Lac Cess Committee known to scientific research bodies interested in lac and allied materials and to industries using lac or known as potential users of lac. With this object in view membership of various scientific societies and associations was continued and extended, and publicity and propaganda were actively prosecuted by means of lectures and by preparing and publishing material in the technical press. Contact abroad was maintained principally by letter, though a short tour in Belgium in May was undertaken with a view to getting into touch with Belgian industrialists and research workers.

A natural resin exhibit, including shellac and lac products, was organised at the Science Museum, London, in connection with the Plastics Exhibition at that centre. This was open to the public from April to December, 1933, and the museum authorities estimate that some 600,000 people visited the exhibition. A lac products exhibit was also arranged at the Imperial Forestry Institute, Oxford.

The Special Officer Lac Inquiry attended 65 scientific meetings in the course of the year and apart from discussions at these meetings delivered the following lectures:—

- (i) April 19th, 1933. Science Museum, London. "Plastics: Shellac and Natural Resin Types, and their Uses" (published in full in the *Journal of the Society of Chemical Industry* for May 19th, 1933).
- (ii) October 13th, 1933. Imperial Forestry Institute, Oxford. "Lac Products and Their Use in Modern Industry" (*précis* in *Journal of the Oxford Forest Society*, No. 14, 1933, pp. 50-52).
- (iii) January 19th, 1934. The Borough Polytechnic, London. "The Importance of Lac Research, in relation to the Use of Lac Products in Modern Industry" (published in full in *The Oil and Colour Trades Journal* for January 26th, 1934).

Addresses were also delivered at the St. Edward's Scientific and Engineering Society, Oxford, and at a meeting at the East Ham Polytechnic, when Mr. A. F. Suter gave an able lecture on "Resins in the Paint and Varnish Industry" (see *The Oil and*

Colour Trades Journal for 2nd March, 1934). Material was also prepared for lecturers on natural resins at Cheltenham and in London.

Twenty specific inquiries relating to the use of natural lac for industrial purposes and involving applied research in the laboratories at our disposal were received and dealt with during the year. This category of work is on the increase and will form an important item in the future research work in London. German, French and Russian technical papers and patents were translated, and over one hundred and fifty abstracts were sent to the Indian Lac Research Institute, while the additions to the bibliographical and technical card-indexed references in the Special Officer Lac Inquiry's records amounted to over eight hundred.

Articles, abstracts and reviews were contributed to the papers *Paint Manufacture* and *The Oil and Colour Trades Journal*, while publicity was also obtained in the *British Plastics Year Book* for 1934.

As Chairman of the Minor Forest Products Survey of the Imperial Economic Committee the Special Officer undertook considerable work on bibliography and materials; the preliminary report of 136 foolscap pages is now ready for issue to Empire units.

LAC RESEARCH IN THE UNITED KINGDOM.

THE LONDON SHELLAC RESEARCH BUREAU.

Reference was made, in this chapter of the report of the Indian Trade Commissioner for 1932-33, to the fact that the Indian Lac Cess Committee had sanctioned, during that year, a scheme of applied research in the United Kingdom into shellac and lac products in relation to modern consuming industries. The scheme provided for the selection and deputation of three Indian research workers to this country. Two of the workers arrived early in July and the third late in August, 1933. Until the end of December, 1933, all three remained at the Paint Research Station, Teddington, and under the guidance of the Director, Dr. L. A. Jordan, made a thorough preliminary survey of the literature and bibliography of lac and in the laboratories carried out preliminary tests and experimental work with a view to familiarising themselves with the inherent qualities and uses of natural lac and shellac. A very wide field was covered and the potentialities of lac were carefully investigated.

On January 1st, 1934, this period of preliminary study was brought to a close. One of the three workers, Dr. Ali Karim, was transferred, with the approval of the Indian Lac Cess Committee, from Teddington to the British Thomson-Houston Company Limited's Research Laboratories at Rugby, where, under the technical direction of Mr. W. Bayley-Parker, Chief Chemist, he is employed principally on the tentative research programme of the International Electro-technical Commission for the use of lac in the electrical industries. Drs. Verman and Bhattacharya, the other

two workers, were retained at the Paint Research Station, Teddington, under the technical direction of Dr. L. A. Jordan, the Director. Here the keynote of the problems attacked is the discovery of improved processes in the present uses of lac and the finding of new uses, based on the study and elucidation of the true nature of that very complex substance. Effort is concentrated on a determination of the principal constituents of lac, and their behaviour, in amplification of work in this field in Germany, principally by Werner Nagel and his co-workers. It is only by this means that lac products suitable for use in modern industry can be stabilised and standardised. These objectives were discussed in the course of the Special Officer Lac Inquiry's lecture at the Borough Polytechnic already referred to.

Of the methods so far experimented with to break down the lac, cataphoresis, molecular distillation and the bombarding of solid particles of lac with ozone or ozonised air, all have given useful pointers but none very definite results. Sufficient has been done, however, to throw doubt on the present accepted structural formula of lac in so far as the position of the interior "double-bond" is concerned.

All this work will be continued and its application followed up. An important problem is the evolution of a commercially practicable process for separating off the ether-soluble shellac substance. The pure chemistry of shellac wax is still under investigation by Professor Chibnall. Lac application has covered a wide field, such as aqueous dispersions, shellac oil combinations employing a new and simple technique, modifications of shellac, shellac condensations, shellac-rubber combinations of very great interest, the sulphonation of shellac and a number of smaller lines of investigation, including some of the specific trade lac inquiries already mentioned. None of this work has reached the "publication" stage. Commencing with its January/February, 1934, number, the *Paint Research Station Review of Literature* has started a new section (No. 10) on shellac technical literature, and this section will provide a useful medium for reaching the public when lac research results are ripe for publication.

In his administration of the Lac Research Scheme in the United Kingdom, on behalf of the Indian Lac Cess Committee, the High Commissioner is assisted by an Advisory Committee consisting of:—

Sir Harry Lindsay, K.C.I.E., C.B.E., Indian Trade Commissioner.

Mr. W. Duval, Chairman, London Shellac Trade Association.

- *Dr. L. A. Jordan, D.Sc., A.R.C.Sc., F.I.C., M.I.Chem.E.,
Director, Paint Research Station, Teddington.
- *Mr. W. Bayley-Parker, F.I.C., Chief Chemist, Messrs. The
British Thomson-Houston Company Limited's Research
Laboratories, Rugby.
- *Mr. A. Nutton, Messrs. Angelo Bros. (England) Limited.
- *Mr. A. J. Gibson, F.C.H., F.L.S., Special Officer Lac Inquiry,
Secretary.

CO-OPERATION WITH THE INDIAN LAC RESEARCH INSTITUTE, RANCHI.

Very close co-operation, as heretofore, has been maintained with the Indian Lac Research Institute by correspondence, interchange of abstracts and patent literature and the testing out of bulk samples, supplied by the Institute, by consumers in the United Kingdom. Research programmes have been exchanged but much still remains to be done to avoid overlapping of research work, the more so as there is every prospect of the American Shellac Research Bureau co-operating with Ranchi and London at no very distant date.

SYNTHETIC RESINS.

A highly placed and competent authority has recently put the expansion of the phenolic groups of synthetic resins in the United Kingdom at 20 to 25 per cent. in each of the two years 1932 and 1933. The whole of the industry is in a very sound position and new uses, new processes and new products are literally almost of daily occurrence. The industry has its own trade journals and associations in the United States of America, the United Kingdom, France and Germany, and the rapid growth of a publication like the *British Plastics Year Book* furnishes concrete evidence of the almost phenomenal expansion of this branch of trade throughout the world. The keynote for such success has been and is the joint use of Research, Organisation and Propaganda. A satisfactory development in the past year has been the extending uses made of natural products in combination with synthetic resins; this point was brought out in Mr. A. F. Suter's lecture already referred to and may be summarised in the words used by the Special Officer Lac Inquiry on that occasion:—

“What some people would think was developing into a terrific conflict between synthetic and natural resins is remarkably rapidly becoming a real union of forces for evolving better products, such as instanced . . . in the combination of cellulose lacquer with damar and dewaxed shellac . . . and so forth. With the increase of the knowledge of the chemistry of the natural resins, these applications would become more frequent and perhaps almost matters of routine.”

* Member of the Technical Sub-Committee of the Advisory Committee.

With intensive lac research safely launched the future of lac is definitely bright, notwithstanding the progressive shrinkage in its use in the largest lac consuming industry, namely, the gramophone record industry; this shrinkage is due, not so much to the incursion of competitive substitutes as to revolutionary changes in sound reproduction systems. Efforts in India to market lac products of high quality and reliable composition and in the distributing organisations to secure some measure of stability in price will add appreciably to the brightness of the outlook. For the competition of substitutes has come to stay, the invention of a synthetic shellac as against mere synthetic substitutes may become a reality any day, and consequently the future of shellac cannot be assured save at the cost of sleepless vigilance and close co-operation between producer, distributor and research worker. Without such co-operation the labour of the research worker will be of academic value only, the producer will always be in a state of uncertainty as to his markets, and the distributor will lose his most valuable asset, namely, the confidence and goodwill of the consuming industries.

*Chapter VI.—Indian Minerals.—General.

The World Economic Conference was held in London during July, 1933. Mineral problems did not play a great part in its deliberations but two questions of mineral interest came in for discussion. The first, silver, was dealt with by the Monetary Sub-commission and the agreement reached aimed at arresting a further fall in price by limiting the sales of demonetized and new silver for a period of years. The problem of silver production was not discussed and in this connection it should be borne in mind that silver is at present partially controlled through the cartels of lead and zinc. The second question, that of tin, was dealt with by a Sub-committee of the Commission on "Co-ordination of Marketing and Production." The Sub-committee's draft report, adopted by the Conference, ran as follows:—

"That the existing scheme of control is framed upon sound lines. All producing countries not at present participating in the control scheme should be asked to adhere to it on the basis of a flat rate quota to be fixed in negotiation with regard to the special circumstances of each country. The Governments of the United Kingdom, Burma, Australia, Union of South Africa, Belgian Congo, Portugal, Mexico, Japan, China and French Indo-China should be requested to nominate a representative who would be authorized to enter into negotiations with the International Tin Committee or with the Chairman of that Committee with the object of determining a suitable initial

* Chapter written by Mr. G. H. Tipper, Minerals Adviser to the High Commissioner for India.



**INDIAN COTTON EXHIBIT,
COMMERCIAL SAMPLES ROOM, INDIA HOUSE.**

flat rate, a standard tonnage, and a method for the variation of the initial flat rate corresponding to the quota increases in signatory countries.”

As is well known, every effort has since been made by the International Tin Committee to obtain the adherence to the control scheme of the countries mentioned above. In Burma special local circumstances arise from the fact that wolfram, of which the price has appreciated about 300 per cent. during the year, is mined with tin.

In view of the definite pronouncement of the Economic Conference on the soundness of the Tin Restriction Scheme, and the desirability for its extension to all countries, some discussion of the conditions for the successful working of control schemes for minerals seems to be called for. The following broad principles appear to be relevant: Firstly, a mineral deposit under exploitation is a wasting asset, and once it has been worked out cannot be replaced. Secondly, minerals do not deteriorate under storage, and excess stocks can be kept without wastage and gradually absorbed. Thirdly, unworked mineral deposits remain a potential national asset. Hence the conservation and proper utilisation of mineral deposits is a matter of concern to Governments. Again, with the great activity of geological search in every country, the chance of discovering new deposits is gradually becoming smaller, while the successful exploitation of new mineral deposit depends on economic factors varying with accessibility and market value.

Bearing these general principles in mind, the conditions for successful control may be briefly stated:—

- (1) The scheme must be comprehensive in its scope and all producers should be partners.
- (2) The objects of the scheme must be clearly defined.
- (3) Control of production would seem to lead logically to control of prices, though the latter is generally admitted to be more difficult than the former.
- (4) The control price aimed at should not be such as to encourage new producers or force the consumer to search for substitutes.
- (5) The managers of the scheme must be in a position to enforce its provisions and to prevent effectively more supplies coming on the world's markets than are allowed. To attain these objects and to deal effectively with recalcitrant minorities, legislative action appears to be generally desirable, if not essential.
- (6) There should be representation on the management of the principal consuming interests.
- (7) The rules governing the disposal of stocks should be clearly defined. Liquidation should be by instalments or at fixed prices below which realizations should not be allowed. “Pool” stocks should not be held up indefinitely.

The Tin Restriction Scheme was originally started as a voluntary effort which proved unsuccessful, for voluntary agreements are rarely sufficiently drastic in their provisions to carry out the object for which they were designed. The high cost producer would rather seek relief in competition directed by himself than submit to losses dictated at the hands of a central management; while the low cost producer hopes that by intensive competition he may eventually have the field to himself.

Tin would appear to form an ideal subject for a restriction scheme. Production of tin ore is concentrated in a few countries, and the four original signatories were responsible for over 80 per cent. of the output. The amount of tin ore produced in the world is of manageable volume, and the major portion is obtained without any admixture of other valuable minerals. Moreover, the metal is rarely used pure; its principal use is in the alloy form, and in consequence, a rise in price is less felt by the consumer.

In attempting to assess the prospects of successful restriction of other metals, it must be noted that the more widely spread the occurrences, the greater the number of operating concerns, the larger the output, the more difficulties there will be in either formulating a scheme or enforcing it. These difficulties are further accentuated by the fact that, in a great many base metal mines, the ores are complex mixtures, and the products in consequence diversified. For example, Bawdwin produces lead, silver, zinc, antimonial lead, copper matte, and nickel-cobalt speiss; and in Canada, gold, the platinum metals, and nickel occur with copper. Many other similar examples could be detailed. It seems obvious that the reconciling of such diverse interests under regulation schemes cannot be a simple matter. The price of gold or nickel may easily determine the value of the ores and lead to increased output of those metals which it is desired to restrict. There have been in existence for some time voluntary cartels for lead and zinc producers outside the United States of America, and although stocks have decreased and consumption shows signs of improving, the rise in price so earnestly desired has not been achieved. In the case of lead, the decrease in price is part of a long range movement, as, with the exception of a very slight improvement in 1929, the price has been falling since 1925.

India, as an exporter, is interested particularly in manganese ore, and the effect of the slump has been most disastrous, resulting in the closing down of many mines. Owing to special circumstances arising from its relationships with the ferro-alloy makers, the Central Provinces Manganese Ore Company has resumed mining; the General Sandur Mining Company has continued to mine and ship ore, and its activities are due to commercial relations in Belgium; the Shivrajpur Syndicate has also weathered the storm. The principal market for Indian manganese ore has always been the Continent of Europe, where it has been largely

used for making basic pig iron, and until the iron and steel trades recover, the use of manganese ore is bound to be restricted. India's principal competitors will be Russia, the Gold Coast, and the Postmasberg deposits in the Union of South Africa, and shipments from the latter at the rate of 5,000 tons monthly have recently begun.

The prospects for chromite seem to be somewhat brighter than for manganese ore. For many years past, the chief producing areas were subject to international control. Recently, however, there has been a decided move on the part of consumers to look for new sources of supply outside the controlled areas, and enquiries for Indian chromite have been fairly numerous, partly inspired by the hope of getting chromite at a cheaper rate. In this connection a note of warning may be given: quotations published in the technical papers do not necessarily give the prices at which business can be done. Very often the quotations are carried on from month to month because of lack of reported dealings, for prices are subject to negotiation.

Prices of minerals have shown few increases during the year. There is one outstanding exception in wolfram, which has risen some 300 per cent., due to lack of supply. Manganese ore has been quoted at 10½d. per unit. The outlook for mica showed signs of improvement at the end of the year, consequent upon the better condition of the electrical industries.

COMMERCIAL ENQUIRIES.

The conditions of trade which were noted in the last report as governing the nature of the enquiries addressed to the Minerals Adviser continued throughout the greater part of the year under review. There has, however, been a perceptible change for the better since January, 1934, and an undercurrent of increasing confidence is making itself felt. There have been, for instance, no less than eight enquiries for Indian chromite and six for wolfram.

The year's work may thus be briefly summarized:—fifty-nine interviews were arranged; seventy-one enquiries were received and answered by telephone and eighty-two by post. Statistics relating to almost all Indian minerals and mineral products were widely distributed. Analyses of the following were supplied:—coals (a comparative series of the coals of India), bauxite, chromite, kyanite and wolfram. Information on the geological occurrence and possibilities was furnished for coal, gold, chromite and bauxite.

Twelve specimens were sent from India for commercial valuation, and included asbestos, garnet sand, ochres, supposed stibnite (in reality micaceous haematite) and steatite. It may be pointed out here that samples sent for commercial valuation are often too small in bulk to be tested properly. Samples should be not less than 5 lbs. in weight and representative of the supplies available.

Arrangements were made during the year for samples of coal to be sent to Sheffield University for research by an Indian student under Professor J. W. Cobb, head of the Department of Fuel Technology. Six selected Indian coals are also being tested by low temperature carbonization in Yorkshire. The selection of all these coals was made by the Geological Survey of India.

In order of number of enquiries, the following minerals were the subject of requests from firms in the United Kingdom and abroad for names of Indian suppliers:—steatite, kyanite, chromite, wolfram, monazite, ilmenite, manganese dioxide, gypsum, non-ferrous scrap, saltpetre. Indian saltpetre is quite extensively used in bacon curing, for which purpose it seems to be eminently satisfactory. Attempts are also being made to introduce it into the West Indies as a fertiliser.

The enlarged plant of the National Titanium Pigments erected at Luton in connection with the firm of Messrs. B. Laporte & Sons, was opened during the year, and is in full working order. This plant uses Travancore ilmenite.

Requests from India for markets in this country and abroad related to the following: mica, steatite, asbestos, ochres, granite, bismuth and cobalt minerals, abrasive garnets, ilmenite, monazite and zircon.

The following table gives a digest of the work done:—

Enquiries from the United Kingdom, the United States of America and the Continent for exporters of Indian minerals	53
Enquiries re occurrence, extent and reserves of minerals in India	8
Enquiries from India for names of importing merchants abroad	20
Samples received from India for trade valuation	12
Enquiries re analyses of Indian minerals	6
Enquiries for statistics	14
Miscellaneous enquiries (mining and prospecting leases, tariffs, general geological and mining questions, etc.)	12

PUBLICITY.

The small mineral display at India House, to which attention was drawn last year, has been of material assistance during the year. It is a great convenience to be able to show to interested visitors actual specimens of the minerals about which they are asking. The large mineral map prepared by the Geological Survey of India is under frequent consultation. Should circumstances prove favourable, it is hoped to inaugurate a series of specialized displays of minerals later in the year. Although no articles were written for the Press, information relating to minerals has been more widely distributed to technical and other papers than previously, and it has been made use of.

COMMITTEES.

During the year the Minerals Adviser attended three meetings of the Minerals Sub-committee of the Imperial Economic Committee. At the Imperial Institute meetings of the Advisory Council on Minerals, the Gem Stones Sub-committee and the Legal Committee have been attended.

IMPERIAL INSTITUTE.

The number of enquiries relating to Indian minerals addressed to the Imperial Institute was 29, an increase of 4 on the previous year. Of the four samples sent for test, one only was of any interest, a bentonite-like clay which might be of use in clarifying vegetable and mineral oils. Enquiries on marketing related to the following: corundum, bauxite, ilmenite, tantalite, monazite, pitchblende, vanadiferous iron ore and zeolites. Information regarding sources of supply, mode of occurrence and analyses was given for coal, wolfram, beryllium ores (other than beryl) and pyrolusite. Statistical information was also supplied. The Minerals Adviser has again to express his thanks to the Mineral Resources Department of the Institute for help most freely given.

*Chapter VII.—Trade Publicity.

As stated in the Introduction, the Indian Trade Publicity Officer was on tour for nearly six months of the year under review. During this period the exhibition activities of this Department were very much slowed down, if not altogether suspended, with the result that in the aggregate fewer exhibitions were undertaken in 1933-34 than in the preceding year. Accounts of these exhibitions have already appeared in the Department's quarterly reports for the year, and have been published in the Indian Trade Journal, with the exception of those that occurred during the last quarter—January to March. There were two such exhibitions, viz:—the British Industries Fair and the South London Exhibition. Accounts of these two exhibitions, as well as an account of India's participation in the World Grain Exhibition and Conference, which was held at Regina, Canada, and which was organized by this Department on behalf of the Imperial Council of Agricultural Research for India, are given below:—

(1) THE WORLD GRAIN EXHIBITION AND CONFERENCE,
SASKATCHEWAN, CANADA: JULY 24th—AUGUST 5th, 1933.

This exhibition was to take place in 1930, but owing to the further deepening of the world economic depression it was postponed till 1933. Concurrently with the exhibition was also held the World

* Chapter written by Mr. B. D. Asli, Indian Trade Publicity Officer.

Grain Conference, and the two events were jointly launched with the support of the Government of Canada, under the most aptly chosen motto: "SHOW WHAT YOU GROW AND SHARE WHAT YOU KNOW." At the invitation of the Government of Canada, the Imperial Council of Agricultural Research for India agreed to participate in the Exhibition and Conference by organising an exhibit of some of the more important of India's agricultural products, and by presenting papers by scientific and technical men on matters relating to Indian agriculture. The Indian Trade Publicity Officer, London, was appointed, with the consent of the High Commissioner for India, to take charge of the arrangements. He left London on the 7th July, 1933, and arrived at Regina on the 16th idem.

Space: The Exhibition building was situated about a mile from the city, and the lay-out of booths and the interior decorations were very artistic and practical. There was about a mile of exhibit frontage, and very wide gangways were provided to prevent overcrowding. Participating countries were allotted a certain amount of space free of charge for their national exhibits, but additional space, if required, was charged for at the rate of \$5 per running foot frontage. For the Indian Exhibit the Imperial Council for Agricultural Research very appropriately took some additional space at a cost of \$100, and the total dimensions of the Indian booth were 40 feet long and 24 feet deep. The Indian booth occupied one of the most prominent positions in the building, situated as it was, right in front of the main entrance.

Exhibits: 219 exhibits were on view, and were grouped as under:—

86	exhibits of rice and paddy
23	„ „ wheat
9	„ „ gram
8	„ „ millet
8	„ „ pulses
7	„ „ barley
4	„ „ beans
3	„ „ oats
6	„ „ linseed
3	„ „ sesamum seed
40	„ „ tea
10	„ „ coffee
10	„ „ cotton
2	„ „ jute and jute cloth

These exhibits were supplied by the Provincial Departments of Agriculture, the Imperial Institute of Agricultural Research, Pusa, the Indian Central Cotton Committee, and a number of Tea Estates of Darjeeling, Assam and the Dooars. There were too many exhibits of rice. Otherwise, the exhibits were fairly well distributed except that oilseeds might have been better represented.

There were no exhibits, for instance, of ground nuts and rape seed, and some of the more important essential oilseeds were also absent. Some hemp should also have been included. These exhibits were supported by about 30 maps, charts and diagrams, 70 photographs and a number of herbarium plates of crops. They proved very interesting and instructive. A printed card was attached to each exhibit, bearing the name of the exhibit, locality of growth and a serial number corresponding to the number in the catalogue, so that with the help of the catalogue the visitor could study the exhibit without any difficulty.

Literature: A catalogue was compiled by the Indian Trade Publicity Officer describing the salient features and peculiar characteristics of each exhibit. In compiling this catalogue, the particulars furnished by most of the exhibitors proved very useful; 750 copies of this catalogue were printed with an attractive coloured picture on the cover, and they were judiciously distributed free of charge to those directly interested in the exhibits. Two hundred copies were forwarded by post with letters of invitation to visit the booth, to members of Boards of Trade, Grain Brokers, Rice Millers, Brewers, Grocery Brokers and wholesale grocers throughout Canada. For the general public a pamphlet was prepared by the Indian Trade Publicity Officer and issued by the Trade Department of the High Commissioner for India under the title, "INDIA THE LAND OF VAST AND VARIED RESOURCES"; 5,000 copies of this pamphlet were distributed. There was a great demand both for the catalogue and for the pamphlet and ten times the number could easily have been distributed to advantage, had more copies been available. For reasons of cost, however, an extremely limited supply had to be provided. Copies of some official publications, relating to agriculture and trade and commerce, such as the Agricultural Statistics of India, the Area and Yield of the Principal Crops of India, The Review of the Trade of India, 1931-32, Cotton's Handbook of Commercial Information for India, Technological Bulletins on Indian Cottons, etc., were placed on the library table.

Attendance: The exhibition was very popular, and over 200,000 people from Canada and the United States of America visited it. Very many of them visited the Grain Building, and those that entered this building could not but visit the Indian booth. Moreover, the Indian booth in its very nature was attractive and popular, and there was a ceaseless flow of visitors at it from morning till night, the exhibition being open from 10 a.m. to 10 p.m. Thus, it could safely be computed that about 130,000 people visited the Indian booth during the two weeks of the exhibition.

Publicity: Before the opening of the exhibition, the Indian Trade Publicity Officer gave a ten-minute talk on the wireless dealing with India and India's resources and drawing the attention of the listeners to the Indian exhibit. This talk was kindly arranged

by the Publicity Bureau of the Exhibition. The Indian Trade Publicity Officer's reply at the opening ceremony to the greetings conveyed by the Chairman to the official representatives from participating countries was also broadcast. An address on India was given by him at a club luncheon to which he was invited as the principal guest. Interviews to press correspondents were given at the booth, and copies of a write-up on Indian trade and Indian agriculture were circulated to the Press through the courtesy of the Publicity Bureau of the Exhibition. Photographs of the booth were also supplied to certain papers, and by these means a fairly good Press and general publicity was secured. Small samples of grains and seeds were freely distributed to school teachers, who were eager to secure them for study purposes, and a wider range of samples, and in larger quantities, were donated, *inter alia*, to the following institutions and individuals:—

School of Commercial Studies, Montreal, Quebec (for school museum).

Board of Grain Commissioners, Winnipeg, Manitoba.

Dominion Seed Branch, Ottawa, Ontario.

Mr. C. E. Chambliss, U.S.A. Department of Agriculture, Washington, U.S.A.

Dominion Experimental Farm, Swift Curren, Saskatchewan.

Mr. W. H. Wright, Chief Laboratory Division, Seed Branch, Ottawa, Ontario.

Principal, Qu'Appelle High School, Qu'Appelle.

Entry in competitive classes: It was unfortunate that India made no serious attempt to compete for awards. Siam had entered for a number of classes in rice, and she carried off the three championship prizes, besides about a dozen out of the twenty prizes in other classes. These championship awards are of great advertising value, and India ought to have tried to secure them. Another such opportunity should not be lost. It was, however, gratifying that Burma secured two prizes in some classes, and she should be congratulated for her enterprise and success.

CONFERENCE.

The Indian Trade Publicity Officer had no information as to the steps taken or intended to be taken by the Imperial Council of Agricultural Research in the matter of their representation at the Conference. On arrival at Regina, however, he made enquiries and found that a number of papers had been presented by several scientific and technical men in India, presumably through the Imperial Council of Agricultural Research, and that these papers were in the hands of the Canadian Society of Technical Agriculturalists under whose direction the Conference was to be held; but that as the Conference programme was very heavy, and as the Society had had no intimation as to anyone coming from or for India to read the papers, they were not included in the programme

for reading. The Indian Trade Publicity Officer, however, urged that at least some papers ought to be read, which was agreed to, and he accordingly read two papers, viz., one on "Wheat in the Punjab," by Ram Dhan Singh, Punjab Agricultural College, Lyallpur, and one entitled "Wheat and Barley in India," by F. J. F. Shaw, Imperial Institute of Agricultural Research, Pusa. Both these papers were much appreciated, and an interesting discussion followed. Arrangements for the reading of more papers could have been made if the Indian Trade Publicity Officer had had previous intimation of the presentation of these papers.

Effect of Participation: The objects aimed at were propagandist and educational and not directly commercial, and these objects were fully achieved. The Indian participation was a great success from the educational point of view. Numerous comments were heard from the general public and from technical and commercial men alike that they did not know that India was such a productive country; that India produced such fine wheat, as good, in fact, as the Canadian wheat; that India could grow rice and tea, cotton and jute, etc., in such colossal quantities, and of such fine qualities; that they did not know that India had large irrigation works, etc. In fact, India's vast resources were unknown to them. Their ignorance of the real India was amazing, and the Indian booth, without exaggeration, proved to be a great advertiser of the country's resources and culture at a comparatively small cost. The trail has been laid, and it remains to be followed up with energy. Although no actual trade results were expected, four good enquiries for rice were received which were forwarded to the Indian Trade Commissioner, London, to be dealt with.

Cost: This amounted to £535, in addition to any expenditure which might have been incurred in India. The cost was borne by the Imperial Council of Agricultural Research.

(2) BRITISH INDUSTRIES FAIR, LONDON, 19th FEBRUARY TO
2nd MARCH, 1934.

Two sections were organised, viz.: (a) Food Products Section, and (b) General Manufactures Section.

(a) *Food Products Section:* Whilst the Empire Marketing Board was in existence, we used to get a free stand for the display of food products in a section organised by the Board, but since its dissolution last autumn, the provision of free stands at this and similar exhibitions ceased, and the entire cost came to be borne by us. At this Fair, however, the Empire countries combined to organise a joint Empire Section, and with the assistance of the Department of Overseas Trade, a large and imposing Court was put up on the same scale as before. Our Food Products Stand was in this Section.

The exhibits consisted of walnuts, sultanas, raisins, fruit syrups, woodapple jam and coconut oil, in addition to the usual exhibits of rice, beans, lentils, tea, coffee, chutneys, jams, etc.

Eighteen firms exhibited, of which seven were new exhibitors. The number of exhibitors in this Section at the previous Fair had been twelve.

There was also a slight increase in the number of enquiries received as compared with last year, the figures being 119 for this Fair, and 109 for the last year's Fair. Enquiries from the Continent and overseas also showed much improvement, as out of the 119 enquiries received, as many as 70 came from outside the United Kingdom. The enquiries covered all those products which were exhibited, as well as such miscellaneous products as gums, fish oil, gunnies, etc. The majority of enquiries were for chutney and pickles (13), rice (12), cashew nuts (12), curry powder (11), tinned fruits and vegetables (9), fruit syrup (6). There were also five enquiries for walnuts and four for lemon grass oil.

Enquiries from the Continent included those from Sweden (15), Holland (13), Austria (10), Switzerland (11), Denmark (9), Germany (7). One interesting enquiry for rice came from South Africa, in addition to which, one each came from Denmark, Holland, Belgium, Austria and Switzerland, and two from Sweden. Two enquiries for cashew nuts came from Holland, one from Denmark, one each from Sweden, Germany, Austria and Switzerland. One enquiry for jams and jellies came from Holland and one from Sweden. There was one enquiry for cigars from Sweden. Three enquiries for canned fruits and vegetables came from Holland, and one each from Denmark, Sweden and Austria.

The sale of samples realised £58, as against £68 last year. This decline was due to more stringent regulations issued by the Fair Authorities.

(b) *General Manufactures Section*: This Section adjoined our Food Products Stand and, with a 70 feet frontage on either side and a 12 feet wide gangway between, formed a separate Indian Court in itself. It was sub-divided into nine stalls, one of which was placed at the disposal of the Publicity Bureau of the Indian Railways, and one was allotted to the London Agent of the Bihar and Orissa Government's Cottage Industries Depot, whose report is printed as an Appendix to this Report (Appendix F); a photograph of this stall is included as one of the illustrations to this Report. The remaining seven stalls were assigned respectively to—

- (1) Art and crafts, ivory carving, embroideries and dolls.
- (2) Furs.
- (3) Hides, skins and leather.
- (4) Pharmaceutical preparations and drugs.
- (5) Raw products, such as magnesite, silk waste, etc.
- (6) Sports articles and tropical helmets; a photograph of the sports goods section is reproduced as one of the illustrations to this Report; and
- (7) Official publications.

Added to these was a stall for carpets, rugs, numdahs, druggets, mats and matting. This stall was located in the Furniture and Carpets Section at the White City—a building separate, but not far from Olympia, where our main stand was situated. Incidentally, it may be mentioned here that the Lancashire Indian Cotton Committee had organised at the White City a stall displaying textiles woven entirely of Indian cottons. A photograph is included as an illustration to this Report showing Sir B. N. Mitra, the High Commissioner for India, examining one of these materials with Mr. Houghton, the acting Chairman of the Lancashire Indian Cotton Committee, and organiser of the stall.

Exhibits were received from 38 firms, of which 23 were firms established in India and 15 in the United Kingdom; 17 of these firms exhibited with us for the first time. The exhibits comprised 12 different classes of goods, as indicated by the description of the different stalls mentioned above. The enquiries received in this Section numbered 215, as compared with 90 at the last Fair. This was a remarkable increase. Moreover, more enquiries were received from the Continent than in the preceding year. The enquiries were as follows:—

(1) *Sports Goods*—41 enquiries were received; of these, 26 were from Great Britain and 15 from Continent and overseas, including Sweden, Holland, Norway, Denmark, Syria, Lithuania, Roumania, Poland and Dublin.

(2) *Brassware*—35 enquiries were received, of which nine were from the Continent and the rest from the United Kingdom.

(3) *Leathers and Skins*—30 enquiries were received—11 from Great Britain and 19 from the Continent and overseas.

(4) *Carpets, rugs and Numdahs*—27 enquiries were received. Out of these 25 were from Great Britain, one from Ireland and one from Poland.

(5) *Furs and wild animal skins*—21. Of these 10 were from Great Britain, 8 from the Continent (including Denmark, Norway, France, Roumania, Bulgaria and Switzerland) and 3 from overseas (New Zealand and S. America).

(6) *Coir and fibre mats, etc.*—20 enquiries were received, 18 from Great Britain, one from Ireland, and one from Poland.

(7) *Magnesite*—9 enquiries were received, of which 2 were from Germany, 2 from Sweden, and the rest from the United Kingdom. One of these was from a steel works in Germany, which, if prices and other requirements are suitable, is likely to lead to a very substantial business.

(8) *Lace*—7 enquiries. Of these 6 were from the United Kingdom and one from Switzerland.

(9) *Incense and Joss Sticks*—7 enquiries were received, 4 from Great Britain, one from France, one from Ireland and one from Norway.

(10) *Tropical Helmets and Pith Bodies*—5 enquiries were received—of these two were from Great Britain, one from Jugoslavia, and two for supply to the U.S.A. and Mexico.

(11) *Pencils*—4 wholesale enquiries were received for pencils manufactured in Madras.

(12) *Lemongrass Oil*—4—namely, one from Germany, one from Switzerland, and two from the United Kingdom.

(13) *Silk Waste*—3 enquiries, of which one was from Belgium, one from Norway, and one from the United Kingdom.

(14) *Ivory*—only two enquiries were received.

As in enquiries, so also in orders this Fair showed much better results than its predecessors, inasmuch as 51 orders were booked, of the total value of Rs. 16,000, as against Rs. 8,000 at the last Fair. Four of these orders came from Holland, two from the U.S.A., one each from Switzerland, Sweden and New Zealand, and the rest from the United Kingdom. They were distributed as follows:—

	1934 Fair.	1933 Fair.
	Rs.	Rs.
Brassware	13,000	5,000
Sports Goods	1,000	1,000
Carved Wood Work	500	1,300
Lace, Ivory and Miscellaneous	1,500	700
	16,000	8,000

In sports goods, besides booking orders at the stand, intending buyers were referred to the Exhibitors' Offices in London, in cases where they wished to negotiate more favourable terms or sought further information, and we have been informed by two of these firms that good business was done. However, it was felt that still better orders might have been booked if the stand had been in the Sports Section proper, as was the case last year. For reasons of cost, however, it could not be done this year.

The big drop in the orders for carved wood work from Saharanpur was due mainly to the fact that the exhibitor did not supply us with so complete an assortment as was done last year. Several new connections were formed, and, although in most cases the orders booked were trial orders, there is every likelihood of substantial business resulting therefrom if the orders are promptly and satisfactorily executed, a point which we would wish to emphasise. References of the buyers were taken up, and, with only one exception, they all proved quite satisfactory.

Her Majesty the Queen and Her Royal Highness the Duchess of York visited our stands and made some purchases of brassware. Her Majesty later on gave a repeat order for some cigarette boxes, which should be regarded as very complimentary to the firm concerned.

The cost of both these Sections amounted to £770, as against £485 in the preceding year. The increase was due to our having

to bear the whole cost of our Food Products Stand and also to our having taken larger space for the General Manufactures Stand, owing to increased demand.

(3) THE SOUTH LONDON EXHIBITION, CRYSTAL PALACE,
7th TO 17th MARCH, 1934.

This exhibition was organised more for the attraction of the general public and the retailers than for the benefit of the wholesale trade, and it proved a very popular show. A large Empire Court on the lines of that at the British Industries Fair was organised by the promoters, and a spacious stand was placed at our disposal, free of cost. It was divided into two sections—Arts and Crafts and Food Products—and retail sales were undertaken. These realised £69, of which £47 were for food products and £22 for artware. Besides a number of retail enquiries, three wholesale trade enquiries were received, one each for cashew nuts, curry paste and canned fruits. The cost of participation amounted to £39.

GENERAL REMARKS.

For the reason explained in the beginning of this chapter, and for the further reason of the abolition of the Empire Marketing Board last autumn, which resulted in the cessation of the supply of free stalls in certain cases, the number of major exhibitions and fairs we organised during the year under review dropped to nine, as against fourteen in the preceding year. They were as follows:—

1. Milan International Samples Fair, 12th to 27th April, 1933.
2. Great Britain and Empire Trades Exhibition, Southend, 10th to 17th June, 1933.
3. Aldershot Empire Show, 28th June to 1st July, 1933.
4. Advertising and Marketing Exhibition, London, 17th to 22nd July, 1933.
5. Confectioners', Bakers' and Allied Trades' Exhibition, London, 2nd to 8th September, 1933.
6. International Grocers' Exhibition, London, 16th to 22nd September, 1933.
7. Empire Shop, Brighton, 16th to 22nd September, 1933.
8. British Industries Fair, London, 19th February to 2nd March, 1934.
9. South London Exhibition, London, 7th to 17th March, 1934.

Of these, free stalls were provided by the Empire Marketing Board at two exhibitions (Nos. 5 and 6) and one shop (No. 7). The rest were organised entirely at this Department's expense. The total cost of all these major Exhibitions and the Shop amounted to £1,630, as against £1,860 last year. Stall construction and space rent accounted for about 61 per cent. of the cost, the balance being for freight, labour and other miscellaneous expenditure. Last year's percentage of rent and construction charges was 50 per

cent. The British Industries Fair proved the most expensive, costing £770, of which £680, or 88 per cent., represented rent and construction charges. The next in order of cost was the Milan Fair, with a total cost of £503, as compared with £585 in the preceding year. It was followed at a great distance by the Advertising and Marketing Exhibition, London, the Empire Trades Exhibition, Southend, and the Brighton Shop, which cost us respectively £90, £84 and £84.

Besides the nine major events referred to above, displays of Indian products were organised at five minor shows, at three of which arts and crafts were exhibited and sold, and at the remaining two shows food products were exhibited.

Exhibits and Exhibitors: Among the new exhibits received during the year were fruit syrups, fruit pickles, marmalade, honey, woodapple jelly, walnuts, sultanas, raisins, coconut oil, certain pharmaceutical preparations, lemongrass oil, silk waste, pierced silk cocoons, magnesite, crude drugs, dyeing and tanning materials, furs and skins, pith helmets and dolls. Of these, magnesite was the most successful, some important enquiries having been received.

There was an appreciable improvement in the response to invitations to participate in our exhibitions as compared with last year, and 24 new exhibitors were secured. However, we have again unfortunately to report that some exhibitors failed to observe the latest date fixed for the receipt of exhibits, and a great deal of inconvenience was caused thereby. Exhibitors should realise the necessity of conforming to the prescribed date, so as to enable us to make suitable arrangements for the display and supervision of their exhibits. The number of cases in which exhibitors failed to supply exhibits for the British Industries Fair, after having obtained free entries in the catalogue by notifying their intention to forward exhibits, increased from six in the preceding year to ten in the year under report. In the previous reports attention was drawn to this regrettable practice, but unfortunately it is increasing, and steps will have to be taken to see that it does not occur in future.

In several cases, exhibitors omitted to furnish this Office with certificates of origin on prescribed forms, or supplied them on wrong forms. This caused a great deal of delay in obtaining clearance of the goods, and in some cases goods had to be cleared in bond. It should be noted that certificates of origin on the proper forms must always be furnished with the invoices.

Canvass of Shops: In spite of the considerable curtailment of our Exhibition programme during the year under review, 112 shops and firms were canvassed in the various districts, as compared with 187 last year. Several of the shops which had previously been canvassed were found to stock Indian products, as was the case at Southend. As a direct result also of our personal canvass in Brighton, some of the firms began to stock our products as a trial.

Enquiries: The total number of trade enquiries received at the exhibitions during the year under report was 670, as compared with 567 in the preceding year, that is, an increase of 18 per cent. Of these, the British Industries Fair yielded 330 and the Milan Fair and the Southend Empire Exhibition yielded 70 each. The Advertising Exhibition and the International Grocers' Exhibition were also fairly successful, each having yielded 45 enquiries. Of the enquiries, 200, or 30 per cent., came from the Continent, and the rest from the United Kingdom, with a very small proportion from the United States of America, New Zealand and South Africa. Of the Continental enquiries, about a third came from Italy, chiefly as a result of the Milan Fair. Sweden, Holland and Switzerland were responsible for 20 per cent. of the Continental enquiries. More than half the enquiries were for food products, and the rest for manufactured and semi-manufactured products. In the latter class, the largest number of enquiries received were for sports articles and skins and leather, followed by carpets, mats and matting. In food products, rice and chutneys called for the largest number of enquiries. There were also a few enquiries for canned fruits.

When enquiries are received, the names of exhibitors and other approved Indian firms are supplied to enquirers at the close of each exhibition. The former are at the same time informed of the enquiries received. Complaints have, however, been received from certain Continental firms that they had received no response from Indian firms to their request for quotations and particulars regarding their products. This is due, perhaps, to difficulties arising from the translation in India of the various Continental languages in which the enquiries are naturally written. However, we can only urge that all Indian firms, when communicated with, should do their utmost to secure translations of enquiries in foreign languages and to reply to enquirers.

Sales of Samples: The samples sold during the year covered 19 different articles, viz.; Patna and Burma rice, chutneys, pickles, curry powder, curry paste, peppers, tea, lentils, Burma butter beans, canned fruits, patals in brine, guava jelly, typaree jam, poppadums, Bombay duck, cashew nuts, fresh mangoes, cigars and cheroots. About 20,000 customers were served, as compared with 40,000 in the preceding year, and the sales realised £370 as against £700 last year, the decline being due to our participation in fewer exhibitions and shops during the year under review.

Our activities at the Brighton Shop yielded the best sales, which amounted to £141, approximately the same amount as resulted from sales at the Sheffield Shop last year. Amongst the Exhibitions, the South London Exhibition proved the next best selling centre, with £68, and next in order came the Advertising and Marketing Exhibition, the British Industries Fair and the Aldershot Show, where £60, £58 and £30 were realised respectively.

Chutneys yielded the best sales, as well as cigars. During the year the sale of chutneys at all exhibitions amounted to 4,180 samples to the value of £108 as against 9,350 samples valued at £236 in the preceding year. There were 4,090 cigars sold, which realised £65, as compared with 6,700 to the value of £105 sold last year. The continued drop in the sale of cigars is indicative of the general decline in the cigar trade. The sales of canned fruits continued to show a steady improvement, the figures being 868 tins to the value of £51, as compared with 711 tins, of the value of £48 last year. The sales of curry powder and tea declined, with 2,669 samples, of the value of £47, and 3,218 samples, of the value of £40. The decline was partly due to our participation in only one shop, as compared with two shops last year—the shop being the medium for the most prolific sales. The sale of other products were: rice, 855 samples, value £9; lentils and beans, 538 samples value £4; jams and jellies, 441 samples, value £26; poppadums, 629 samples, value £5; Bombay duck, 304 samples, value £3.

In addition to samples of foodstuffs, exhibits of artware, carpets and tennis racquets were sold, to the value of £435, of which £380 was realised at the Milan Fair, £25 at the Advertising Exhibition, Olympia, and £21 at the South London Exhibition. There were three minor Exhibitions, where the sale of artware realised £9. The total sales during the year of food products and artware, etc., amounted to £802, as against £1,260 in the preceding year, showing a decrease by £460.

Orders: We continued our policy of booking orders for exhibitors wherever opportunities occurred, and during the year under report they occurred only at the British Industries Fair. The orders booked at that Fair amounted to £1,200, as compared with £717 last year, an increase of £483, or 69 per cent.

Although more and more orders are being obtained every year at the Fairs for the last three years, there is a limit to the amount that we can possibly secure. This is due to the following facts:—

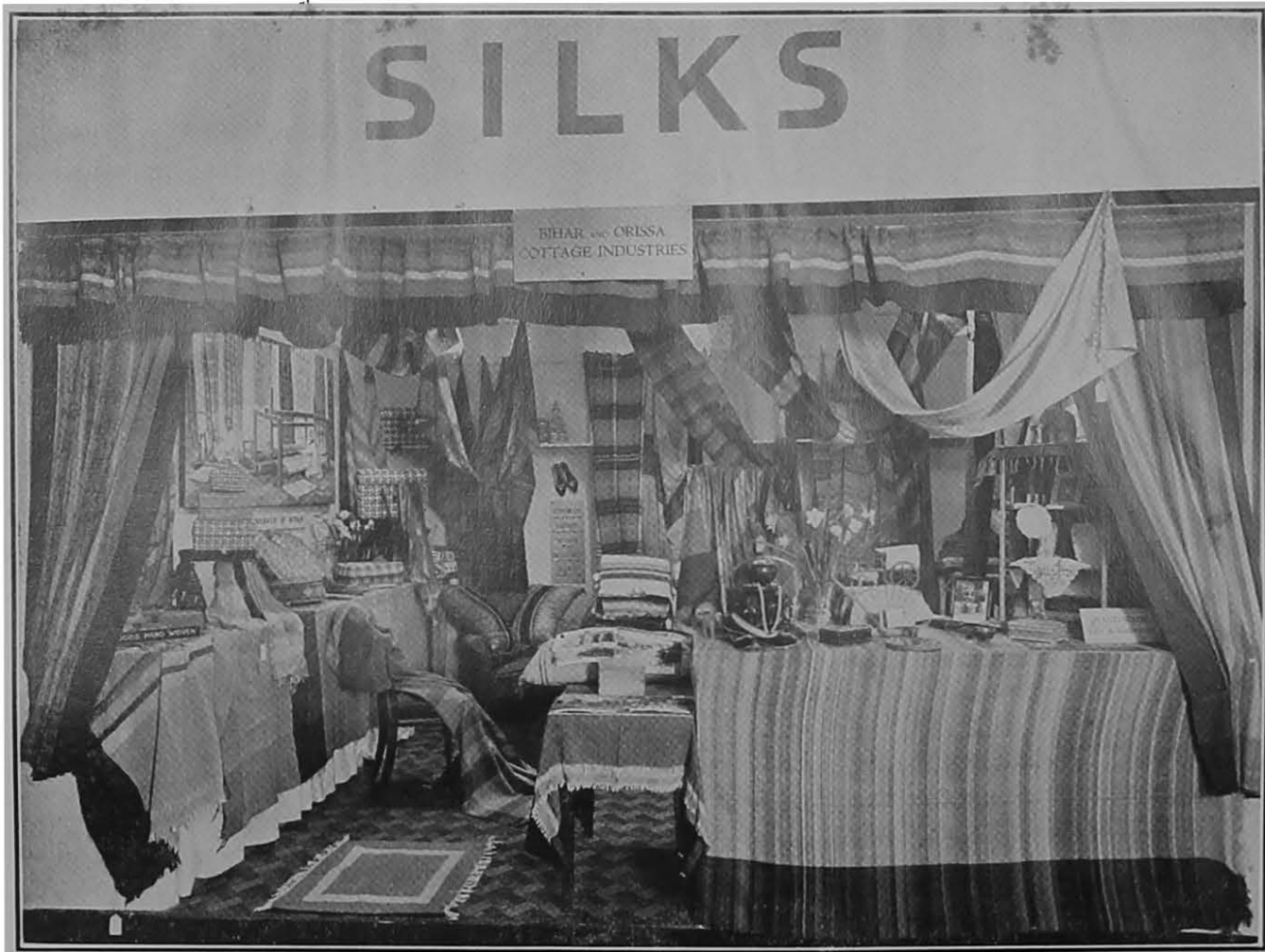
(1) In the first place our Indian firms when sending goods for Exhibitions, will not give definite quotations or particulars of special trade discounts, etc. This discourages buyers from placing large orders for goods at the stand.

(2) No difference is made between retail and wholesale trade, that is to say, the retail shopkeeper and a wholesale distributor are offered goods at the *same rate*. We have already had some trouble in this connection, once with a large wholesale firm.

(3) Quotations in most cases are ex-factory, whereas buyers favour C.I.F. or F.O.B. quotations.

OBSERVATIONS ON SOME OF THE EXHIBITS.

Chutneys: There are several types of chutney on the market, some of genuinely Indian origin, others manufactured from various fruits and vegetables. The increase in the number and variety



BIHAR AND ORISSA COTTAGE INDUSTRIES STALL, BRITISH INDUSTRIES FAIR, 1934.

of so-called chutneys in this country is indicative of a definite increase in the demand. With a view to meeting this demand adequately in competition with the products of other countries perhaps the manufacturers of India might care to note the following suggestions:—

- (i) The suitable grading of fruit.
- (ii) The increase to a maximum of the fruit content and reduction of the liquid content in the chutney.
- (iii) The regulation of the sugar content as far as practicable within reasonable limits.
- (iv) The standardisation of the specific gravity of the contents with a view to maintenance of uniformity.

There is scope for increase in the consumption of chutney in this country, especially if production can be developed on the lines indicated above.

Burma Butter Beans: The market for these beans has been very dull during the year and prospects of business on any scale do not seem likely to improve. The chief competition comes from the Madagascar bean the price of which is now only £9 10s. 0d. per ton c.i.f.

Cashew Nuts: Efforts are continued to popularise these nuts, for which several enquiries were received at the British Industries Fair, but the taste has to be cultivated, and progress is naturally slow. Some big multiple shops, however, are now selling these nuts mixed with other nuts, such as almonds, hazels, brazils and walnuts. They are sold at 1s. 4d. per lb.

Walnuts: The samples received were very good, and were favourably commented upon by some of the trade buyers. The nuts were bold, of good and uniform appearance and size, the kernels were clean and sweet. Some enquiries were received, but it would have been much better if the exhibitors had furnished us with particulars as to prices, packing, etc., or had at least given us an approximate idea. The enquirers wanted these particulars at once for purposes of comparison, and we were unfortunately not in a position to meet their requests.

Sultanas and Raisins: The samples were very poor, and if they represented the average quality available in India, there appeared to be very little prospect for them on this market. Besides, there was no indication as to prices, and the quantities supplied were extremely small—barely a couple of ounces. Larger samples should have been supplied.

Fruit Syrups: These were received for the first time. As flavouring agents, their use would be very limited. Their main use lies in summer drinks and soda fountain preparations, but they are not much in vogue in this country. However, six enquiries were received, one each from Holland, Denmark, Sweden, Austria, Switzerland, and the United Kingdom. As new exhibits from India

they attracted a good deal of interest, and if small samples had been supplied they would have proved very useful for distribution to interested parties.

Ivory Figures: Very little interest was evinced by the trade, and they seemed to have very little chance of competing with Japanese articles of this class.

PAMPHLETS, FILMS, LANTERN SLIDES, PHOTOGRAPHS, AND LECTURES.

During the year 2,100 new lantern slides were made, at a cost of £50, to cope with the ever-increasing demand for slides on all subjects. It was found necessary also to print another 15,000 copies of a revised edition of the pamphlet on India, owing to increased demands. There were 35 bookings of our films during the year, of which 8 were of the "Rice" film. In addition, the General Post Office, which also circulates our films, had made 725 bookings, including 80 bookings of the "Rice" film, with an aggregate issue of 94,000 during the year. Over 115 requisitions for the loan of photographs, 123 requisitions for lantern slides, and over 4,200 requisitions for literature and other publicity material were received and dealt with.

During the year under review the Indian Trade Commissioner gave two lectures on trade subjects, one at Bisley School and one at Student Movement House in London; he also read a paper to the Royal Statistical Society on India's trade and industrial statistics. The Deputy Trade Commissioner gave two lectures, one at Chelsea and one at Hackney.

COMMITTEE WORK.

The Indian Trade Publicity Officer attended all the monthly meetings of the Empire Marketing Board Committee of the Dominion and Colonial Publicity Officers prior to his visit to India in July, 1933. Owing to the dissolution of the Board in the autumn of 1933 no further meetings have been held.

PUBLICITY OFFICER'S TOUR OF INDIA.

The objects of the tour were two-fold:—

(1) Since 1926 the Indian Trade Publicity Officer had not been to India. During these seven years many developments had taken place in the commercial and industrial activities of the country, and in virtue of his office it was obviously necessary for him to get an idea of the altered conditions.

(2) To meet manufacturers, exporters and trade associations interested or likely to be interested in the export trade of India with the countries within the jurisdiction of this Department, with a view to discussing with them the best method of promoting publicity for Indian products and to offer them the services of this Department in this respect.

The tour began on the 16th September, when the Publicity Officer arrived at Madura and ended on the 7th December, 1933, when he sailed from Bombay for London, covering altogether twenty-six places, viz., Madura, Madras, Mysore, Bangalore, Mangalore, Hyderabad (Deccan), Nagpur, Calcutta, Darjeeling, Benares, Lucknow, Cawnpore, Farukhabad, Agra, Ajmer, Delhi, Moradabad, Saharanpur, Amritsar, Lahore, Sialkot, Jaipur, Baroda, Ahmedabad, Port Okha, and Bombay.

At these places and with the help of the Director-General of Commercial Intelligence and Statistics and the Directors of Industries, the Indian Trade Publicity Officer visited a number of mills, factories and other industrial works, had interviews with exporting firms and addressed meetings of Chambers of Commerce and Trade Associations. From the discussions that took place, it appeared that in some quarters a lack of knowledge was revealed as to the exact functions and scope of work of the Publicity Section of the High Commissioner's office in London. The position was clarified, the methods employed for securing publicity for India's products were explained, and the co-operation of the firms was invited. This had a fairly satisfactory response, as reflected in the number of new exhibitors referred to in an earlier section of this chapter.

Chapter VIII.—Committees and Conferences.

A reference to Appendix B will indicate the work which officers of the Trade Department of the High Commissioner's Office are called upon to perform as members of various Committees of Empire or international importance. On the recommendation of the Imperial Committee on Economic Consultation and Co-operation, on which Sir A. C. Chatterjee, G.C.I.E., K.C.S.I., and Sir Padamji Ginwala were the Delegates for India, the machinery for inter-Imperial consultation on economic questions in London was revised. The following extracts from the Committee's report, which was signed in April, 1933, summarise briefly its main recommendations:—

“ 316. We have shown in our survey how in their several fields the existing inter-Imperial agencies are engaged on a co-operative basis in work of value in varying degrees to the several parts of the Commonwealth. For the most part, the continued existence of these bodies in some form is not in question, and our suggestions for alterations and modifications have been directed more towards their organisation and financial basis than to the scope of their activities. There is, however, one important exception, and that is the Empire Marketing Board. Here we have a body established in 1926 by His Majesty's Government in the United Kingdom, charged with the duty of promoting the sale of Empire produce within the United Kingdom. The sum placed at the disposal of this body was intended

to represent the money equivalent of the advantages which would have been conferred on the Empire overseas by the preferential duties, proposed by the Imperial Economic Conference of 1923, which His Majesty's Government in the United Kingdom subsequently felt themselves precluded from granting.

“ 317. The conditions that led to the establishment of the Board have passed away with the extension in the last eighteen months of the fiscal preferences granted by the United Kingdom to the other parts of the Empire. His Majesty's Government in the United Kingdom indicated at the Imperial Economic Conference, held at Ottawa, that though they would continue to furnish any funds that might be required to finance essential work of the Board up to the end of September next, they did so only in order that the necessary time might be available for the preparation and consideration of our report on the existing and future machinery for economic co-operation within the Commonwealth. We are, therefore, faced with the position that the Board in its present form is due to pass out of existence in six months' time, and we are called upon to consider what methods should be adopted to discharge such of the functions of the Board as the Governments of the Commonwealth may decide, as a result of our recommendations, to continue on a co-operative basis.

“ 318. The Empire Marketing Board, though from the financial point of view a purely United Kingdom organisation, has always set before itself the aim of acting not in the interests of any one single member of the Commonwealth, but in the interests of the Commonwealth as a whole. We are glad to pay a warm tribute to the vision that has inspired the Board in its activities, to the devotion with which it has sought to further the ideal of co-operation, and to the excellent work accomplished by Sir Stephen Tallents and the members of his staff and by the large number of voluntary workers who have given long hours to the Board's service. In the seven years that have elapsed since its foundation, there has been a notable advance in inter-Imperial co-operation in the economic field and in regard to applied agricultural research. This has been due in considerable part to the Board. We refer in particular to the marked growth in recent years in the United Kingdom of sentiment in favour of Empire produce, which we feel is largely the result of its work. Certain of its grants in aid of the research or economic services of one or other parts of the Empire were, however, not of a character which we anticipate would be made by an inter-Imperial body jointly financed and controlled by the several members of the Commonwealth. This does not mean that the services aided were not of Imperial significance, but rather that in some cases their interest and value were in the main limited to a part of the Empire only. In making this comment we do not wish to detract from the value of the work of the Board, but merely to draw attention to a tendency that was natural, and, indeed, per-

fectly legitimate, having regard to the circumstances in which the Board was brought into existence. It is necessary for us to do this, as the point is of first-class importance in relation to the questions to be discussed later of organisation for future co-operative effort.

“ 319. At the moment the question before us is what form inter-Imperial co-operation should take in the fields at present covered by the Board. The problem with which we are confronted is thus one both subtle and far-reaching. It is how best in existing conditions the peoples of the British Commonwealth can arrange by free association to work together in the pursuit of objects of common interest to them all. The value of co-operation in the field of scientific investigation and economic inquiry is admitted on all hands, but the method by which such co-operation should be effected raises important questions on which there is room for some divergence of opinion.

“ 320. We have already referred to the growth alike in the United Kingdom and in the Dominions of national agencies for the conduct of scientific research and for the assistance of Government in their approach to economic problems. We have expressed our view that this growth was both desirable and inevitable if the peoples of the Commonwealth were to develop to the full their natural and cultural resources.

“ 321. It is natural and right that the Parliaments and peoples of the United Kingdom and Dominions should feel that their first duty is to support and maintain agencies established in their own countries, and to examine any suggestions that may be made for co-operative action to ascertain whether the proposed service could not be more appropriately covered by a national agency. Viewed from this angle, the problem of co-operation between the several parts of the Commonwealth presents itself rather as a problem in the first instance of how to secure effective liaison in each separate field between workers engaged in the investigation of subjects of common interest to a number of parts of the Empire.”

The Committee further recommended:—

(1) That the Executive Council of the Imperial Agricultural Bureaux should be entrusted with the supervision of:—

- (a) The administration and financial control of the eight Imperial Agricultural Bureaux;
- (b) The administration and finances of the Imperial Institute of Entomology and the Imperial Mycological Institute;
- (c) Such research activities in the United Kingdom as the participating Governments might agree should in future be conducted on a co-operative basis.

(2) That the Imperial Economic Committee should continue to discharge its *existing functions, and in particular should take over,

* The terms of reference of the Imperial Economic Committee, as then constituted, were quoted in my report for the year 1930-31, at p. 54.

by transfer from the Empire Marketing Board, the issue of periodical market intelligence notes and of world surveys of production and trade.

(3) That the Imperial Shipping Committee should remain a separate inter-Imperial organisation.

(4) That the cost of these services should be met from a fund to which the several Governments of the Commonwealth should subscribe; and that at the outset from this fund should also be met the cost of such additions to the headquarters expenditure of the Agricultural Bureaux as might result from the adoption of recommendation (1) above.

The total cost of the scheme was estimated at:—

Imperial Economic Committee:

	£
Present cost of Committee	5,160
Periodical market intelligence services ...	10,720
World surveys and commodities series ...	4,320
	20,200
Imperial Shipping Committee	2,000
Executive Council of the Imperial Agricultural Bureaux—additional contribution for head- quarters	1,800
Total ...	24,000

It was recommended that the scheme should be tried out for a period of three years in the first instance as from 1st October, 1933. After considering the statistics of general trade exports from each part of the Empire to other parts of the Empire, the agricultural production of each part of the Empire and the benefits likely to be received, the following scale was recommended for adoption:—

	%	£
United Kingdom and the Colonial Empire	35	8,400
Canada	16	3,840
Australia	14	3,360
India	12	2,880
Union of South Africa	8	1,920
New Zealand	8	1,920
Irish Free State	4	960
Southern Rhodesia	2	480
Newfoundland	1	240

Finally, the following general principles were recommended in regard to the agencies for inter-Imperial consultation and co-operation:—

(a) The complete constitutional equality of the participating governments should be recognised in the method of

appointment to, and composition and organisation of, each agency.

- (b) The formal instrument appointing persons as members of inter-Imperial agencies should be issued by each government concerned.
- (c) Adequate financial provision should be forthcoming. This implies not only sufficient funds, but also a reasonable certainty of income over a definite period of years.
- (d) At the same time there should be careful and periodical examination of the various institutions at Empire conferences suitable for the purpose, as without this assurance governments could hardly be expected to provide financial support as visualised in (c) above.
- (e) The managing bodies of inter-Imperial agencies should in no way be subject to financial control by the Finance Department of any one government of the Commonwealth, but over and above regular scrutiny by a suitably constituted finance committee, they should be free to take advantage of the experience of such departments.
- (f) Each inter-Imperial agency should approach the participating governments directly through the appropriate channel.
- (g) As a general rule to which, however, exceptions may at times be necessary, Imperial organisations should serve only those members of the Commonwealth that subscribe to their funds or pay for such services on a fee basis.

The High Commissioner for India and Sir Padamji Ginwala represent India on the reconstituted Imperial Economic Committee; and I act as substitute member for the High Commissioner both on this Committee and on the Imperial Shipping Committee, as well as on the Governing Body of the Imperial Institute.

In November, 1933, I was deputed to New York to negotiate on behalf of the Indian Lac Cess Committee with the United States Shellac Importers' Association. I spent altogether between a fortnight and three weeks partly at New York and partly at Washington. The object of this visit was to arrange the terms of co-operation between the two bodies in scientific and technical research into the properties and uses of natural shellac. The United States Association had for some years past raised funds from its own members for the prosecution of research of this character; and it was considered desirable that the Indian Lac Cess Committee should profit by the results of research hitherto conducted in the United States in order that time might not be wasted in the furtherance of research in natural lac both in India and in the United Kingdom. Negotiations at New York last November resulted in an agreement, the terms of which have since been accepted both by the Indian Lac Cess Committee and by the Government of India.

The International Monetary and Economic Conference opened in London on June 10th, 1933, and continued until the end of July. I

was appointed one of the Expert Advisers to the Indian Delegation. It is impossible within the short compass of this Report to give more than an abstract of the principal subjects which came up for discussion. On the Economic side the following programme of work was adopted:—

I. *Commercial Policy.*

- (a) Return to normal conditions of trade; unrestricted provision of foreign exchange for the needs of commerce; control and gradual abolition of quantitative limitations on the exchange of goods (prohibitions, quotas, licence systems, clearing and barter agreements, etc., etc.).
- (b) Problems relating to tariff and treaty policy, including the régime of the most-favoured-nation clause and possible exceptions.
- (c) Various methods of attacking these problems.

II. *Co-ordination of Production and Marketing.*

- Wheat and other foodstuffs (sugar, wine, etc.)
- Raw materials (coal, cotton, wool, timber, etc.).
- Industrial and agricultural agreements or cartels.

III. *Measures other than Customs Duties and Prohibitions, which directly or indirectly affect international trade.*

- Subsidies, direct and indirect (shipping), export bonuses, marks of origin, veterinary and phytopathological questions, etc.

IV. *Public Works and other measures for reducing unemployment.*

On the Monetary and Financial side:—

- I. *Immediate Measures for financial reconstruction;* with special reference to credit policy, price levels, limitation of monetary fluctuations, exchange control, indebtedness and the resumption of international lending.
- II. *Permanent measures for the establishment of an international monetary standard;* with special reference to the functions of central banks, the co-ordination of central bank policy, the silver question, the gold exchange standard and other measures of economising gold, and the distribution of monetary reserves.

In 1927 I was appointed by the Council of the League of Nations to serve as representative of India for a period of three years on the Economic Committee of the League. My term of office was renewed for another three years in 1930, and expired in the autumn of 1933. The vacancy has not since been filled, but it is understood that it will be given to a representative from some other part of the British Empire. Following the usual procedure of the League, I will continue to serve in my personal capacity as a corresponding member of the Economic Committee.

Chapter IX.—Staff and Acknowledgments.

The senior staff of the Trade Department of the High Commissioner's Office consists of the Indian Trade Commissioner, the Deputy Trade Commissioner, the Timber and Minerals Advisers, the Special Officer, Shellac Enquiry, the Indian Trade Publicity Officer and a Higher Executive Officer. A Higher Clerical Officer and two clerical officers are employed on the Publicity side of the Department, the former as Curator of the Exhibition Hall and the two latter as assistants to Mr. Asli in the organisation and supervision of Indian stands at fairs and exhibitions in the United Kingdom, in the use, issue and return of films, lantern slides, photographs, samples and other publicity material, and in general clerical work relating to publicity. On the Trade side of the Department five clerical officers (one temporarily seconded from another Department of the High Commissioner's office) assist Mr. Butler in the registration and recording of correspondence, the card-index systems, the commercial library and other routine work of the Office. A stenographer has been seconded from the Typists' Section to assist the Indian Trade Commissioner in a secretarial capacity. Appendix C to this report shows in chart form the constitution of the Department. Appendix D summarises the functions of the various members of the staff.

Since January, 1933, the Trade Department of the High Commissioner's Office has been entrusted with the task of countersigning certificates of origin to accompany galvanised sheets exported to India and to support claims for preferential duties with the Indian Customs authorities in terms of the Ottawa Agreement and of the iron and steel industrialists' agreement supplementary thereto. The number of certificates countersigned at the initiation of the scheme was naturally heavy, and amounted to 3,106 in all during the three months, January to March, 1933. From April, 1933, to March, 1934, inclusive, 7057 certificates were countersigned. As noted in last year's report, close touch has been maintained throughout the year with the London office of Messrs. Tata, Ltd., and with the Oriental Steel Company; and the Trade Department has given such help as it can towards smoothing out the difficulties which are bound to occur in the administration of a comprehensive scheme of this character.

The Exhibition Hall on the ground floor and basement of India House displays exhibits of various kinds, which illustrate on the one hand the industrial development, and on the other hand the artistic products of India. Prominent among these exhibits are gifts of a Kashmir Shawl, a Howdah-spread, and a carved wooden screen which were presented by Their Majesties the King-Emperor and Queen-Empress at the opening of India House. Other gifts have been received from various Departments of the Government of India, from Provincial Governments, and from Indian States,

as well as from private individuals. Mr. B. Deb, the Curator of the Exhibition, has charge of these exhibits, the following additions to which were made during the year:—

<i>Donor.</i>	<i>Gift.</i>
<i>Assam:</i>	
Mrs. Geoffrey Soames ...	Implements and basketware from the Garo Hills.
<i>Bahawalpur State:</i>	
	Local Pottery.
<i>Bombay:</i>	
H. A. Sidiki, Esq.	Lacquered boxes from Sind.
<i>Calcutta:</i>	
The Indian Society of Oriental Art	Original painting by Mr. Kali Pada Ghosal, entitled "Chaitanya."
<i>Delhi:</i>	
The Punjab Public Works Department	Coloured photograph of the Uhl River Hydro-Electric Scheme.
<i>London:</i>	
Misses Alice and Mary Fawcus	Kashmir Shawl.
Mrs. H. S. Malik	Embroidered slippers from Rawalpindi.
D. O'Sullivan, Esq.	Alabaster Model of Taj Mahal.
K. C. Roy, Esq., A.R.C.A. (Lond.)	Original statuette entitled "Shakuntala," by the donor, which was exhibited at the Royal Academy, 1933.
H. M. Walker, Esq.	Model of a Burmese Monastery.

A rosewood stand contains a valuable collection of Indian coins purchased from His Majesty's Mints at Bombay and Calcutta.

The Commercial Samples Room, which is in charge of Mr. B. D. Asli, the Indian Trade Publicity Officer, has now been completed. The Timber samples were prepared and put in order with the help of Sir Hugh Watson, the Timber Adviser; the Minerals samples have been collected and arranged by Mr. G. H. Tipper, the Minerals Adviser; and the Minor Forest Products samples by Mr. A. J. Gibson, the Special Officer, Lac Inquiry. Towards the end of the year the display of Agricultural Products, and particularly of the foodgrains, oilseeds and cotton sections, was completed with the help of Dr. D. Clouston, C.I.E., a retired officer of the Indian Agricultural Service. A photograph of the cotton section of the Commercial Samples Room has been reproduced as an illustration to this Report.

In conjunction with the Commercial Samples Room the three front windows of India House which face Aldwych on the south side of the main entrance are utilised to display Indian products and manufactures. A diorama illustrating an Indian industry is shown in each of the three windows, while the panelling and flooring are

made of Indian timber to set off the exhibits. Each window is devoted to a separate industry, and changes are made at suitable intervals in order that the interest of the public, who pass the window in great numbers every day, may be maintained. The present arrangement of the three windows is as follows: One window contains a lighted diorama showing elephants working teak, and includes teak panels, flooring and carvings; a photograph of the "teak" window is included as an illustration to this Report. Another window with panelling in Andaman padauk and flooring in pyinkado, illustrates the tea industry (in celebration of the Indian Tea Centenary) and comprises a diorama of an Assam Tea Garden and samples of Indian Tea. The middle window shows a diorama of the Indian Match Factory at Clutterbuckganj, framed in Indian silvergrey wood with flooring of this timber. Passers-by are attracted by the exhibits in these windows, and are invited to enter and view both the Commercial Samples Room and the Exhibition Hall.

I take this opportunity of expressing my grateful thanks to those departments and offices of His Majesty's Government with which I am in closest touch, and on which I frequently rely for information and advice; particularly the Empire, Foreign and Exhibition Sections of the Department of Overseas Trade, the Foreign Treaty, Industrial and Statistical Sections of the Board of Trade, and the Department of Scientific and Industrial Research. I have received valuable assistance from H.M. Consular and Commercial officers on the Continent and in America, from the Secretariat of the Imperial Economic Committee and from the Director and Staff of the Imperial Institute. I also keep in close touch with Chambers of Commerce and Trade Associations specially interested in India's export trade and with Trade Commissioners and Commercial Attachés in London of Empire and Foreign Governments.

APPENDIX A.

RANGE OF PRICES OF STAPLE INDIAN COMMODITIES IN THE UNITED KINGDOM DURING THE LAST THREE YEARS.

Commodity.	Unit.	1931-32.			1932-33.			1933-34.		
		Highest.	Lowest.	Difference.	Highest.	Lowest.	Difference.	Highest.	Lowest.	Difference.
Rice	shillings per cwt.	10/6	6/7½	3/10½	9/6	6/-	3/6	7/2	5/9	1/5
Jute	£ per ton	23/7/6	15/0/0	8/7/6	20/2/6	14/0/0	6/2/6	19/7/6	14/2/6	5/5/0
Castorseed	"	15/0/0	11/5/0	3/15/0	12/17/6	9/10/0	3/7/6	11/7/6	9/3/9	2/3/9
Linseed	"	12/0/0	9/5/0	2/15/0	11/12/6	9/3/9	2/8/9	12/13/9	9/2/6	3/11/3
Groundnuts	"	19/0/0	10/10/0	8/10/0	16/8/9	10/2/6	6/6/3	12/3/9	7/17/6	4/6/3
Groundnut cake	"	8/5/0	6/2/6	2/2/6	8/5/0	6/13/9	1/11/3	6/13/9	5/12/6	1/1/3
Tea northern average	shillings per lb	1/3·74	-/7·58	-/8·16	-/11·67	-/6·82	-/4·85	1/5·65	-/8·98	-/8·67
Fine M.G. broach cotton,	pence per lb.	5·86	3·03	2·83	6·85	3·74	3·11	5·76	4·03	1·73
Shellac	shillings per cwt.	82/6	64/-	18/6	67/-	50/-	17/-	104/0	50/-	54/0
Tin	£ per ton	142	100	42	157	102	55	239	151	88
Lead	"	15	10	5	14	9	5	13	10	
Copper	"	42/14/8	31/11/1	11/3/7	35/0/7	26/18/4	8/2/3	37/19/0	30/12/6	7/6/6
Zinc	"	14/13/9	9/13/9	5/0/0	16/6/3	10/15/0	5/11/3	18/11/3	14/6/3	4/5/0
Manganese ore (48-50%)	per unit	11½d.	9½d.	2d.	9½d.	9d.	½d.	10½d.	9½d.	1d.
Wolfram (65°/o)	"	15/6	12/6	3/0	13/1½d.	9/10½	3/3	37/-	10/3	26/9
Chromite (basis 48°/o)	per ton	80/-	74/6	5/6	82/6	77/6	5/-	82/6	77/6	5/-

APPENDIX B.

OFFICERS OF THE TRADE DEPARTMENT OF THE HIGH COMMISSIONER FOR INDIA SERVING ON EMPIRE AND TRADE COMMITTEES IN THE UNITED KINGDOM, MARCH, 1934.

This list does not include the Committees which are ordinarily attended by the High Commissioner personally.

Main Body.	Committee or Sub-committee.	Representative for India.	Capacity.
Imperial Economic Committee	—	Sir H. A. F. Lindsay	Substitute for H.C.
" " "	Minor Forest Products	A. J. Gibson ...	Nominated by H.C.
Imperial Shipping Committee	—	Sir H. A. F. Lindsay	Substitute for H.C.
Board of Trade ...	Advisory Council ...	"	Nominated by India Office.
Department of Overseas Trade	Advisory Panel ...	"	Personal, on invitation of Parliamentary Under-Secretary.
Imperial Institute	Governing Body ...	"	Substitute for H.C.
" "	Advisory Council on Plant and Animal Products	"	Nominated by H.C.
" "	Advisory Council on Minerals	G. H. Tipper ...	Substitute for I.T.C.
" "	Iron and Steel ...	" ...	Nominated by H.C.
" "	Manganese ...	" ...	" "
" "	Tin and Tungsten ...	" ...	" "
" "	Copper ...	" ...	" "
" "	Refractories ...	" ...	" "
" "	Chemical Industries ...	" ...	" "
" "	Mica and Miscellaneous Minerals	" ...	" "
" "	Hides and Skins Committee	H. S. Malik ...	Substitute for I.T.C.
" "	Vegetable Fibres Committee	" ...	" "
" "	Vegetable Oils and Oilseeds Committee	" ...	" "
" "	Silk Committee ...	" ...	" "
" "	Timbers Committee	Sir H. W. A. Watson	Nominated by H.C.
" "	Tanning Materials Committee	A. J. Gibson ...	" "
" "	Essential Oils and Resins	" ...	" "
Empire Cotton Growing Corporation.	Board of Trustees ...	Sir H. A. F. Lindsay	Nominated by India Office
" "	Administrative Council	" ...	Nominated by Govt. of India
" "	Executive Committee	" ...	Nominated by India Office

APPENDIX B—continued.

Main Body.	Committee or Sub-committee.	Representative for India.	Capacity.
British Empire Producers' Organisation	Council	Sir H. A. F. Lindsay	Nominated by H.C.
" " British Standards Institution	Tobacco Committee ... Technical Committee, Timbers	H. S. Malik ... Sir H. W. A. Watson	" " " "
Empire Forestry Association	Governing Council	" "	" "
Forest Products Research Board (D.S.I.R.)	Empire Timbers Committee	" "	" "
Timber Trades Federation of the U.K.	—	" "	" "
British Wood Preserving Ass'n.	—	" "	" "
Society of Chemical Industry	Plastics Group	A. J. Gibson	Special Officer, Lac Inquiry
International Electro-Technical Commission	Shellac	"	" "
Food Investigation Board	—	H. S. Malik	Nominated by H.C.
" "	Consultative Group	" "	" "

APPENDIX C.

Indian Trade Commissioner.

**Deputy Trade
Commissioner.**

**Timber
Adviser.**

**Minerals
Adviser.**

**Special Officer
Shellac Enquiry.**

One Higher Executive Officer.

Two Permanent Clerical Officers

Two Temporary Clerical Officers

One Shorthand Typist Clerk.

**Indian Trade Publicity
Officer.**

**One Permanent Higher
Clerical Officer.**

**Two Temporary Clerical
Officers.**

APPENDIX D.

**FUNCTIONS ALLOTTED TO THE DEPUTY TRADE COMMISSIONER,
ADVISERS AND OTHER OFFICERS AND STAFF OF THE TRADE
DEPARTMENT.**

DEPUTY TRADE COMMISSIONER.

- (1) Interviews and visits.
- (2) Furnishes general commercial information regarding India, with special reference to agricultural, statistical and tariff enquiries.
- (3) Furnishes banks with monthly information regarding Indian trade.
- (4) Undertakes special enquiries and reports on Indian economic subjects and visits connected therewith.
- (5) Represents the Indian Trade Commissioner on the Vegetable Fibres, Oils and Oilseeds, Hides and Skins and Silk Advisory Committees of the Imperial Institute.

TIMBER ADVISER.

- (1) Interviews and visits.
- (2) Controls the sales of timbers from the Andamans.
- (3) Furnishes general information regarding Indian timbers and forest products and advises on timber exhibits.
- (4) Represents the High Commissioner on the Advisory Committee of the Imperial Institute on Timber and on the various bodies investigating forestry and timber questions, indicated in Appendix B.

SPECIAL OFFICER, LAC INQUIRY.

- (1) Interviews and visits.
- (2) Furnishes general information regarding Indian lac and shellac, their potentialities and uses.
- (3) Represents the High Commissioner on Advisory Committees of the Imperial Institute on Tanning Materials and Essential Oils and Resins; see also Appendix B.

MINERALS ADVISER.

- (1) Interviews and visits.
- (2) Furnishes general information regarding Indian mining and mineral products and advises on mineral exhibits.
- (3) Represents the High Commissioner on the Advisory Committees of the Imperial Institute on Tin and Tungsten, Refractories, Copper, Manganese, Iron and Steel, Chemical Industries, Mica and Miscellaneous Minerals; see also Appendix B.

INDIAN TRADE PUBLICITY OFFICER.

- (1) Interviews and visits.
- (2) Organises Indian Trade Publicity of all kinds, including participation in exhibitions and fairs, Indian cookery demonstrations, lectures, films, etc.
- (3) Undertakes special enquiries and reports on the markets for Indian products exhibited during Shopping Weeks, Window Displays, etc.

GENERAL AND PUBLICITY STAFF.

- (1) Interview all callers except those who have special appointments with the Indian Trade Commissioner, Deputy Indian Trade Commissioner, Indian Trade Publicity Officer or Commercial Advisers.
- (2) Furnish general commercial information regarding India with special reference to customs duties, merchandise marks, patents, &c.
- (3) Undertake special enquiries and reports on the markets for Indian goods and visits connected therewith; also the investigation of trade disputes.

- (4) Control and supervise trade introductions and the card index and other systems for the recording of information.
- (5) Issue on loan lantern slides, films and photographs.
- (6) Distribute publicity literature.
- (7) Arrange for the despatch of exhibits to exhibitions and fairs, &c.
- (8) Receive back all publicity material issued on loan and maintain stock registers.
- (9) Supervise the display of exhibits in the Exhibition Hall.
- (10) Supervise arrangements for the display of Indian goods in the Commercial Samples Room.

APPENDIX E.

EXTRACTS FROM RESOLUTION OF THE GOVERNMENT OF INDIA ON THE RESULTS OF DISCUSSIONS AT THE PROVINCIAL ECONOMIC CONFERENCE HELD AT DELHI ON THE 3rd TO 6th APRIL, 1934.

During the past year the grave problems arising out of the depression in the prices of and demand for primary commodities and in particular the effect on the economic condition of the agricultural classes in India have been the subject of close and anxious consideration by the Government of India and provincial Governments. These problems relate not merely to the ability of the ryot to meet his dues to Government or to his landlord and his liabilities to his creditors while maintaining a tolerable standard of living, but involve wider issues covering the whole field of agricultural economic development.

2. The Government of India accordingly suggested to the provincial Governments that the best method of approaching the problems would be to convene a provincial economic conference which could cover, however generally at first, the whole field so as to ensure that the various aspects received adequate consideration. There have in the past been various committees of enquiry, conferences and discussions, but these, it was felt, had not met with full success because they had necessarily to deal with particular aspects of the question alone.

* * * *

9. *Marketing*.—The discussion of this subject resulted in general agreement that of all the practicable measures for improving economic conditions, an intensive programme to develop marketing facilities for agricultural products (both crops and animal products) offers the best immediate prospect of substantial results. The Government of India consider that the discussions at the conference have amply demonstrated the necessity for vigorous action, not merely with a view to promoting the production of particular commodities, but even more with a view to safeguarding India's future in the face of intensified outside competition which is being felt as a result of modern scientific and economic developments in other competing countries. The discussions centred on the following main problems:—

- (a) How can the demand, both internal and external, for each individual commodity be promoted?
- (b) How can the gap between the prices paid by the consumer and those received by the producer be reduced and the agriculturist's share of the final price increased?
- (c) How can the agriculturist be protected from those seasonal slumps in the prices of commodities which are occasioned by the fact that, whilst the consumption is spread more or less evenly over the year, the harvesting and marketing are concentrated in a relatively short period?
- (d) How can the agriculturist be most cheaply and safely financed
 - (i) for the production, and
 - (ii) for the marketing of his produce?

The action to be taken to deal with the above problems includes propaganda and the supply of information in external markets regarding Indian products; the grading, sorting and bulking of the main staple products; special market organisations for perishable commodities; information to Indian producers of consumers' requirements both in India and abroad; the planning of production on the basis of quality and demand; the establishment and development of regulated markets; the undertaking of market surveys for the purpose of developing a common plan throughout India; the establishment of properly organised 'futures' markets, commodity exchanges, and warehouses.

As regards the organisations which should be set up to secure the objects noted above, the Government of India consider, in agreement with the general conclusions reached at the conference, that in regard to each individual commodity (or group of commodities) marketing will have to be studied from a number of aspects, and that while Government assistance will be required for the initial steps, the ultimate objective to be aimed at will probably be to establish special 'commodity committees' (on the lines of the Indian Central Cotton Committee) each charged with the improvement of the marketing of a particular commodity or group of related commodities.

The programme provisionally approved at the conference included the following initial steps:—

- (1) The appointment of a central marketing officer by the Government of India;
- (2) The appointment of provincial marketing officers;
- (3) The inauguration of provincial marketing surveys;
- (4) The appointment of special committees for staple crops starting with oilseeds and tobacco;
- (5) Work on grade standards under the direction of the Imperial Council of Agricultural Research.

The Government of India have decided to proceed on these lines. The first step—the appointment of a central marketing officer—has already been taken. The officer selected has just arrived in India and the further steps noted above will be elaborated after discussion with him and in consultation with provincial Governments. The question of providing the necessary funds needs further discussion, but the Government of India are prepared to recognise that this programme is a matter of all-India importance and to provide the bulk of the expenditure from their own resources.

The steps outlined above have been stated with primary reference to the marketing of crops, but the marketing surveys will also include animal husbandry products. It is accordingly proposed that the central marketing officer should be assisted by a deputy and two assistants to deal with animal husbandry products.

Further, as regards dairy products in particular, in order to study the problems involved in their preparation for wider markets it is proposed to supplement the Imperial Institute of Animal Husbandry and Dairying at Bangalore by the addition of a Dairy Industry Institute which will include a laboratory for carrying out research on the physical and chemical properties of Indian milk and its reactions to the various forms of processing and transport under Indian conditions.

There was also general support at the conference for the establishment of provincial dairying committees to study and develop local marketing arrangements. The Government of India is addressing local Governments on this matter.

10. *Crop Planning*.—An essential complement to any programme for marketing is the regulation of production in adjustment to the demand. The discussions initiated by the Governments of Madras and the Punjab on rice and wheat disclosed the danger of serious relative over-production of these important crops having regard to the world position, and, as regards wheat, as the result of the rapid opening up of the areas irrigated by the Sukkur Barrage. On the other hand it is to be remembered that the demand for other crops, or for products of animal husbandry in substitution for crops, may be relatively more favourable, and in particular that the Ottawa preferences have created new opportunities for Indian produce in the British market (notably for linseed, barley, etc.) of which it is vitally important that India should take full advantage. The Government of India consider that it is a matter of most urgent importance that all possible steps should be taken to co-ordinate a plan of agricultural production for India as a whole, and they have therefore decided, in agreement with the conclusions reached in these discussions, to propose to the provincial Governments that a conference shall be held at the earliest possible date of provincial Directors of Agriculture and land revenue officers to discuss what measures can be taken in this direction. It is important that such measures as are immediately possible should be taken before the sowing season for the next cold weather.

11. *Indian Trade Commissioners*.—Among plans for the development of markets for Indian products it should also be recorded that the Government of India have now decided actively to resume the programme for the appointment of Indian trade commissioners in foreign countries, which had been temporarily suspended as part of the economy campaign,

12. *Capital Programme*.—As a means of improving the economic equipment of the country, and incidentally of increasing purchasing power by distributing employment during this period of depression, the conference also considered the scope for central expenditure on public works of various kinds. The present occasion is particularly opportune for such a policy, in view of the fact that money can now be borrowed at unusually low rates and that land, labour and material, etc., are much cheaper than they were a few years ago. A general review was accordingly undertaken of the possibilities in this direction. The review covered a wide field: irrigation, both by canals and tube wells, the reclamation of water-logged areas, and the prospects of electric power schemes in various provinces were discussed and the results compared. Particular attention was directed to road development and the view was generally accepted that if, in the terms of the Road Resolution, which has now been sanctioned by the central Legislature, the grants to provinces from the Road Fund can be utilised for the service of loans raised for the construction of roads and for the maintenance of roads so constructed, this will be a great inducement for the provincial Governments to put forward comprehensive plans. It was recognised that the main initiative in the matter of capital expenditure must come from the provinces because most schemes will be in respect of provincial subjects, and provincial Governments have been asked to supply, as early as possible, forecasts of those schemes which they consider will be in a broad sense productive. The present juncture, when there are signs that the weakening processes of increasing economic depression have been checked, may provide an opportunity when a comparatively small stimulus in the form of capital expenditure by Government might, by increasing employment and consequently consumption, have far-reaching effects. On the other hand, hastily prepared schemes may lead to very considerable losses, the burden of which will have to be borne by the tax-payer of the future, so that the preparatory work must not be scamped. For this reason it is desirable that the

preliminary forecasts should be prepared as soon as possible so that the range of possible expenditure may be determined without unduly delaying the necessary detailed preparation of each scheme.

13. *Industrial Research*.—As the attention of the conference was primarily concentrated on agricultural problems, the main lines of Government's policy for the encouragement of industry by means of protection and otherwise were not fully discussed. The vital importance of this side of economic development was of course fully recognised both for its own sake and as a means of improving the home market for agricultural products.

At the same time the development of cottage industries as a supplement to agricultural operations was considered.

Special attention was given to industrial research and the question was discussed of establishing a central organisation for this purpose, on the lines of the Imperial Council of Agricultural Research. The general feeling of the provincial representatives was that the most immediate need was for a central clearing house of industrial intelligence which could keep abreast of industrial developments, both in India and other countries, and be in a position to give information and advice to industrialists and persons seeking industrial openings. The functions of such an institution might be somewhat as follows:—

- (1) The collection and dissemination of industrial intelligence.
- (2) Collaboration with provincial Directors of Industries and industrialists in all matters relating to industrial research.
- (3) Publication at intervals of bulletins relating to industrial research and other matters connected with industrial development.
- (4) Assistance to industrialists in India by giving advice and making suggestions as to the directions in which research should be undertaken.
- (5) To collaborate with the various organisations of the central and local Governments with a view to ensuring that specifications prepared or issued by them provide as far as possible for industrial standardisation.
- (6) To assist in the organisation of industrial exhibitions in India.

The officer at the head of such an institution could also be charged with the duty of organising future industries conferences.

The Government of India have decided to establish a central bureau on the above lines, and in order to give it an essentially practical character, and to ensure that it shall keep in close contact with industrial markets and current business it is proposed that the bureau should be attached to the Indian Stores Department, the establishment of which has already had a very marked effect in promoting the development of Indian industries.

While a plan on these lines seems likely to meet the most immediate practical requirements, the Government of India do not fail to recognize that further public assistance for the promotion of industrial research may be necessary. Occasions may arise when *ad hoc* grants to scientific institutions for research on a special problem may be required, while in the case of one particular industry—the sugar industry—they have already acknowledged the need for the establishment, with Government support, of a central research institute. In this connection it may also be recorded that the Government of India have decided to give a grant for sericultural research, and another grant for the encouragement of the handloom industry. The experience gained from the working of the Central Intelligence Bureau described above may indicate what are the needs for further steps in the way of industrial research.

14. *Economic Surveys and Statistics.*—In this connection the Government of India took advantage of the presence of the provincial representatives to discuss with them the report by Dr. Bowley and Mr. Robertson on a scheme for an economic census of India with special reference to a census of production and the reorganisation of statistics. As that report had only just been received and as the Government of India had consequently not had the opportunity to study it, no definite decisions were reached and the report will be dealt with separately. The general opinion was, however, recorded that an improvement of the organisation for the collection and distribution of economic information was urgently desirable and that for the formulation of an economic policy a reliable survey of existing conditions was necessary. It was noted in particular that the recent restoration of inland rail-borne statistics had been of the greatest possible value to provincial Governments in dealing with the problems connected with their crops and particularly to the Punjab in respect of wheat. In this connection the steps taken by various provincial Governments to set up advisory economic boards or boards of economic enquiry were discussed and the results compared.

15. *Conclusion.*—The steps covered by the decisions noted above are to be regarded as initiating a co-ordinated policy for economic improvement, while the conference itself has special significance as a recognition of the fact that for the proper development of such a policy close co-operation between the central and provincial Governments is necessary. The Government of India wish to put on record their conviction that the conference has served a very useful purpose in enabling them to consider the whole range of vitally important problems in the economic sphere, and to express their thanks to the provincial Governments for sending members of their Governments to represent them at such short notice.

APPENDIX F.

REPORT OF MR. E. C. RYLAND, C.I.E., ON THE BIHAR AND ORISSA COTTAGE INDUSTRIES STALL AT THE BRITISH INDUSTRIES FAIR, 1934.

The site provided for the all-India Stand, of which the Bihar and Orissa display was a section, was not nearly so prominent as in previous years. This drawback was, however, to a great extent countered by the fact that the India Stand as a whole was of special interest to Buyers and thus the Bihar and Orissa Stand was well patronized. The Stand was again decorated by Mr. Williamson, a young artist from Messrs. Liberty & Co. The photo, which I am sending separately, even though it is not in colour, will show how very attractive the display was. I was told by more than one visitor to the Stand that it was one of the most attractive and interesting at Olympia. The Bihar and Orissa exhibits were supplemented by a few baskets, toys and lace, exhibits from Madras, which greatly added to the novelty of the display. Her Majesty the Queen and Her Royal Highness the Duchess of York visited the Stand and were greatly interested in the exhibits; Her Majesty purchased a small carved sandalwood box and an ivory brooch.

The High Commissioner kindly agreed to my proposal to have an Earthquake Fund Collection Box placed in the Stand. This can be seen in the photo of the Stand, on a table with photos of the damage done by the earthquake round it. Unfortunately, on the first day, when the photo was taken, the embossed card drawing attention to the box and an Album of additional photographs of the damage had not been placed in position. The sum collected was £10 1s. 1d.

Perhaps the most satisfactory result of the Stand was the attraction the silks proved. The demand for the silks encourages the hope that the sales, which had fallen to a nominal sum, are to revive. For the Cottons and Baskets the orders were also very good. Messrs. Cassey & Harrington, who had a special display of the Bihar and Orissa cottons in the textile section of the Fair at the White City, also secured good orders and are well satisfied. Although I cannot say the orders were appreciably higher than in previous years, there was a spirit of confidence and optimism shown by the buyers which promises well for the future and is an indication of the reviving trade. Two firms, in America and California respectively, and one firm in Ireland with an American connection, as also several small firms at home, gave trial orders which may lead to good business. But for the Fair we should probably never have got in touch with any of these firms. This, I consider, more than justifies participation in the Fair.