

REPORT
OF
The Millowners' Association,
Bombay.

Report for the Year 1945.

(Established 1st February 1875.)

**PRESENTED TO THE ANNUAL GENERAL MEETING
HELD ON WEDNESDAY, 20th MARCH 1946.**

Bombay :
PRINTED BY G. CLAPDGE & CO., LTD.

1.16.

THE MILLOWNER'S ASSOCIATION, BOMBAY.

REPORT FOR THE YEAR 1946

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ESTABLISHED 1st FEBRUARY 1875.

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KRISHNARAJ MADHAVJI D. THACKERSEY, 1942.
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JOHN MARSHALL, 1884-98.
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C. B. SAYEE, 1921-24.
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Millobners' Association; Bombay.

Section I.

PROCEEDINGS OF THE ANNUAL GENERAL MEETING
HELD ON THE 20th MARCH 1946.

The Millowners' Association, Bombay.

ANNUAL GENERAL MEETING.

PROCEEDINGS of the ANNUAL GENERAL MEETING of the MEMBERS of the MILLOWNERS' ASSOCIATION, BOMBAY, held in the rooms of the Association (Second Floor, Elphinstone Building, Churchgate Street, Fort) on Wednesday, the 20th March 1946, at 11-30 a m (S.T), to transact the following business :—

- (1) To receive and adopt the Committee's Report for the year 1945 ;
- (2) To appoint Auditors of the Association's Accounts for the current year and to fix their remuneration ;

and any other business that may be brought forward.

SIR VITHAL CHANDAVARKAR, Chairman of the Association, presided.

The following gentlemen were also present :—

Mr. U. M. Mirchandani, I.C.S. (Municipal Commissioner); Mr. M. P. Kanga, M.Sc. (Tech) (Director of Industries); Mr. Dharma Vira, O.B.E., I.C.S. (Textile Commissioner); Mr. S. D. Chard, C.B.E. (Additional Textile Commissioner); Sir James Greaves, C.B.E. (Honorary Technical Adviser, Mill Stores and Machinery); Mr. D. A. Telfer (Director of Cotton Textiles); Mr. W. H. Phillips (Chief Inspector of Factories); Mr. P. N. Joshi (Principal, Victoria Jubilee Technical Institute); Mr. N. A. Mehrban, M.B.E. (Government Labour Officer); Mr. J. C. Lancashire representing the Gokak Mills Ltd. and the Simplex Mills Co., Ltd.; Sir Sorab Saklatvala, Kt, M.L.A., Mr. T. V. Baddeley representing the Ahmedabad Advance Mills Ltd, the Central India Spinning, Weaving and Manufacturing Co., Ltd., the Svadeshi Mills Co., Ltd., and the Tata Mills Ltd.; Mr. Neville N. Wadia and Mr. H. S. Bathwala representing the Bombay Dyeing and Manufacturing Co., Ltd.; Mr. A. Geddis representing the Finlay Mills Ltd, the Gold Mohur Mills Ltd., the Shri Shahu Chhatrapati Spinning and Weaving Mills, and the Swan Mills Ltd; Mr. H. F. Milne representing the Kohinoor Mills Co., Ltd.; Mr. Dharamsey Mulraj Khatau and Mr. Laldas Tribhewandas representing the Khatau Makanji Spinning and Weaving Co., Ltd; Mr. Navinchandra Mafatlal, Mr. Arvind Navinchandra Mafatlal and Mr. Yogindra Navinchandra Mafatlal representing the Indian Bleaching, Dyeing and Printing Works Ltd, the New China Mills Ltd, the Standard Mills Co., Ltd and the Surat Cotton Spinning and Weaving Mills Ltd, Mr. Krishnaraj M. D. Thackersey representing the Crown Spinning and Manufacturing Co., Ltd, the Hindoostan Spinning and Weaving Mills Co., Ltd, the Indian Manufacturing Co., Ltd, and the Western India Spinning and Manufacturing Co., Ltd; Mr. G. D. Somani representing the Shree Niwas Cotton Mills Ltd. and the Shree Vijaylaxmi Cotton Mills Ltd.; Mr. L. F. H. Goodwin representing the Lakshmi Cotton Manufacturing Co., Ltd. and the Vishnu Cotton Mill Ltd.; Sir Joseph Kay, Kt and Mr. R. L. Ferard representing the Colaba Land and Mill Co., Ltd., the New City of Bombay Manufacturing Co., Ltd. and the New Great Eastern Spinning and Weaving Co., Ltd; Mr. Mr. Ramnath A. Podar and Mr. Bhagwati Prasad Khetan representing the Podar Mills Ltd.; Mr. Bhagwandas C. Mehta representing the Century Spinning and Manufacturing Co., Ltd.; Sir Victor Sassoon, Bart, and Mr. H. Glover representing the David Mills Co., Ltd, the Edward Textiles Ltd, the Loyal Mills Ltd. and the Meyer Mills Ltd.; Mr. R. S. Khatan representing the India United Mills Ltd.; Mr. D. K. Seshadri representing the Aurangabad Mills Ltd.; Mr. F. H. Mehta representing the Gaekwar Mills Ltd. and the Navsari Cotton and Silk Mills Ltd.; Mr. Damodar Gordhandas and Mr. Rustom N. Contractor representing the Digvijay Spinning and Weaving Co., Ltd.; Mr. Motilal Tapuriah representing the Kamala Mills Ltd.;

Mr. N. K. Jalan representing the Moon Mills Ltd. ; Lala Kailashpat Singhania representing the New Kaiser-I-Hind Spinning and Weaving Co , Ltd. and the Raymond Woollen Mills Ltd ; Mr. Gopallal Mukundlal representing the Raja Bahadur Motilal Poona Mills Ltd. ; Mr. G. N Vaidya representing the Ruby Mills Ltd , - Mr. G. T Sangham representing the Seksaria Cotton Mills Ltd , Mr Fazal Ibrahim Rahimtoola representing the Sultania Cotton Manufacturing Co , Ltd , Mr Ahmed F Currimbhoy representing the New Pralhad Mills Ltd. ; Mr. Vandravan Purshotam representing the Jam Manufacturing Co , Ltd. ; Mr. Dara H. Kooka representing the Chhoi Silk Mill Co , Ltd , Mr N. S. V. Aiyer (Secretary) ; and Mr R. G. Gokhale (Labour Officer)

The Notice convening the meeting having been read by the Secretary, the CHAIRMAN said :—

GENTLEMEN,

I have great pleasure in presenting to you the Report of the Committee and Statement of Accounts of the Association for the year ended 31st December 1945

The supreme event of the year under review was, of course, the termination of the Great War, which, for its ruthlessness, destruction and sacrifice, was without a parallel in history. Unfortunately, the peace and tranquility for which, we were told, the sacrifices were being made, seem to be far off. There are ominous clouds on the horizon threatening to plunge the stricken world into a third World War, but I sincerely hope and pray that the ideals which made the United Nations resolve to carry this war on to a successful termination, regardless of their differences with each other, will endure till an equitable and lasting peace, which is so essential to ensure the economic recovery of the world, has been concluded.

In the year 1944-45, Indian cotton mills produced 4,726 million yards of cloth and 1,650 million pounds of yarn, as compared with 4,870 million yards of cloth and 1,680 million pounds of yarn in the year 1943-44. Complete figures for the year 1945-46 are not available, but from the production already recorded for the first six months of the year, it is likely that the final figures for the completed year will be round about 4,700 million yards of cloth and 1,600 million pounds of yarn. A higher production might have been attained had it not been for the unconscionably large number of spindle and loom-hours lost through strikes, *hartals*, shortage of labour, shortage of raw materials, etc. In Bombay City alone, 577 million spindle-hours and 13 million loom-hours were lost on this account in the calendar year 1945, which account for a loss of production approximating to 78 million yards of cloth and 24 million pounds of yarn. The effect of *hartals* and strikes may perhaps be brought home to you in another form. In the calendar year 1945, there were 38 strikes, all, with the exception of one, in contravention of the provisions of the Bombay Industrial Disputes Act, and hence illegal, involving a total loss of about 3,40,000 man-working days. These figures compare with 25 strikes and a loss of 3,13,000 man-working days in the year 1944. *Hartals* in the year accounted for a loss of 8,10,000 man-working days as against a loss of 2,10,000 in the preceding year.

I have referred to the loss in production sustained by the industry through strikes, *hartals*, etc. I would now refer to another factor, namely, absenteeism, which directly affects efficiency and leads to loss of production. From statistics collected by the Association from mills in Bombay City, it has been ascertained that, on an average, not more than 25 per cent. of the workers put in full time in a month. It is not necessary for me to comment on the state of affairs revealed by these figures, but I would like to make one submission, namely, let those who advocate or promote *hartals* and illegal strikes bear in mind the fact that they are not only asking the worker to lose his wages for the days he remains away from work, but are also assuming the responsibility for adding to the sufferings caused to the community by the shortage of cloth.

This, I think, is the most appropriate place to refer to the series of "Fact" advertisements published in the Press under the authority of your Committee in the latter half of 1945, and which led to some controversy between the Association and the Textile Com-

missioner Briefly stated, the circumstances which led to the publication of the "Fact" series were that various misleading and definitely mischievous statements appeared in the Press, some of which definitely alleged that the industry was mainly responsible for the acute cloth situation in the country, and the Committee, therefore, decided that the real position should be placed before the public in a series of advertisements containing a dispassionate statistical review of the production and supply position in respect of cloth and yarn. We were not actuated by any desire to vilify or run down any department or person or persons. The figures we used were mostly taken from Government sources, which were then available; certain estimates were also made, and on the whole, the broad conclusions noted and advertised by us approximated very closely to those published and admitted by Government in the monthly bulletins issued by the Department of Industries and Supplies. Yet Mr Vellodi, who was until recently the Textile Commissioner, stated at the meeting of the All-India Handloom Board at Nagpur, with reference to the claim made by the Association in respect of yarn, that the Association was talking through its hat Mr Dharma Vira, the present Textile Commissioner, was good enough to dub our "Fact" series as gross exaggeration. But strangely enough, neither of these gentlemen told the Press and the public as to what, according to them, was the correct position. The language of our "Fact" series was quite simple; there was no ambiguity about the claims made therein; it was also made clear beyond doubt that we were referring to the 1943-44 figures, the subsequent year's figures not being available when the advertisements were written up. Our "Facts" have been well-received judging from the number of congratulatory letters received by the Association, but I cannot understand the remarks of the gentlemen I have referred to, unless it be that they have not carefully read our "Fact" series, and hence failed to appreciate their full implications. Anyway, let me take this opportunity of telling them that mere statements like those they have used are not calculated to help anybody, and by giving expression to these, they are not, by any means, contributing to the knowledge which has already come in possession of the public.

I have said that our "Facts" series referred to the cloth and yarn supply position as it existed in the fiscal year 1943-44. For your information, I give below the figures in respect of the year 1944-45, comparing them with the figures relating to the year 1943-44 and the five-yearly pre-war average.—

Mill cloth available for civilian consumption in India excluding handloom cloth.

(Net retained in the country after providing for exports and Defence requirements)

	Million yards
1944-45	3,660
1943-44	3,308
Average for the five years preceding the war	4,270

Yarn available for civilian consumption to handlooms and other industries

(Net retained in the country after providing for exports and Defence requirements)

	Million lbs.
1944-45	531
1943-44	512
Average for the five years preceding the war	398

Total cloth available for consumption in India—(Mills and Handlooms)

(Net retained in the country after providing for exports and Defence requirements)

	Million yards
1944-45	6,300
1943-44	5,868
Average for the five years preceding the war	6,260

In other words, despite a somewhat shorter mill output of cloth, the total available supplies of cloth for civilian consumption have exceeded 1943-44, this happy state of affairs being mostly brought about by a reduction in Defence requirements from 900 to 585 million yards, and exports from 667 to 486 million yards. The handlooms also received an increased supply of yarn, and to this extent production of cloth turned out by them has increased

Though the supply position in regard to cloth available for civilian consumption has now approached pre-war levels, I do not think that the stage has been reached when we should ask for the abolition of the cloth and yarn control measures for the following reasons —

Firstly, withdrawal of controls is likely to bring about an immediate and abnormal rise in prices, which we do not desire to bring about. Secondly, as I have stated in my presidential address a year or two ago, India has a duty to perform to those countries which have helped her in the past and will continue to help her in future, in the matter of supplying foodstuffs, etc., and unless we strain every nerve to keep our *per capita* consumption of cloth and yarn at reasonable levels, it may not be possible for us to render any help to those countries in the near future. I admit that our countrymen have the first claim on the products of our industry, and I am aware of the maxim that "charity begins at home." But I submit that, in these abnormal times, we must adopt a wider outlook, and particularly help those who have come forward or are willing to help us in the matter of food supplies. I cannot, however, help feeling that conditions have changed since 1943 when the control was imposed, but bearing in mind the fact that available supplies have swung or are swinging back to pre-war levels, Government should now concentrate their attention more on price fixation and distribution. I would like to take this opportunity of acknowledging the services rendered by Mr. Vellodi. It also gives me great pleasure to acknowledge that, in Mr. Dharma Vira, who has succeeded Mr. Vellodi, we have a very capable and courteous officer. I cannot also forget the part played by the Control Board and its energetic Chairman, Mr. Krishna Rao; M. D. Thackersey. Mr. Thackersey's job has never been an enviable one, but the country in general, and the industry in particular, will always gratefully remember the services rendered by him as Chairman of the Textile Control Board.

Now I must turn to another subject, namely, labour and labour policy of Government. Your Committee have, as in the past, striven their utmost to give labour a fair deal, and in this connection, I should be failing in my duty if I did not, on this occasion, acknowledge the loyal co-operation the Committee have received from members. I am sorry I am worrying you with too many figures, but that is worthwhile in view of the loose accusations which are often levelled against us mostly by irresponsible people and sometimes even by responsible persons. The number of complaints registered by workers of member mills with the Government Labour Officer, which is the lowest on record in the last eight years, was slightly less than 500 in the year 1945 as against 875 in 1944, 1,914 in 1943, and 1,939 in 1942. 138 notices of change under the Bombay Industrial Disputes Act were given as against 127 in the year before, 98 by employers and 40 by workers as against 95 and 32 respectively in the previous year. Out of 138 cases, agreements and/or settlements between the parties were possible in 89 cases, 15 cases were not proceeded with; 8 were withdrawn or excluded; no settlement was possible in 14 cases; and 12 are still pending. If, as revealed by these figures, the parties have been able to come to an understanding in about 65 per cent. of the cases by following the procedure outlined in the B.I.D. Act, I do not see wherein lies the justification for over 35 illegal strikes in the year, let alone innumerable *hartals*. Could we not have avoided at least some of these stoppages by following the usual method of negotiation and conciliation? It will, however, be a mistake to conclude that workers are really ignorant of the provisions of the law and of the benefits accruing from negotiation and settlement of their grievances, or that every one of these illegal strikes had a *bona fide* trade dispute in the background. A large number of strikes could have been avoided if the workers had only cared to contact the management before striking work. There has, unfortunately, been a re-occurrence of strikes in recent months, most of them connected with the demands for dismissal, or re-engagement of companies' employees already discharged or dismissed according to law. To start with, such disputes arose with the demands made for the reinstatement of workers whose services had been terminated under the provisions of the Standing Orders. This was extended later on to the reinstatement of jobbers or supervisors whose services had

been terminated, and, in certain cases, demands had also been made for the dismissal of jobbers and supervisors in the company's employ. The next step was to demand the dismissal of weaving and spinning masters, and recently I know of at least one mill where the employees have demanded the instantaneous dismissal of their manager. If it were permissible to take this development to its logical conclusion, then we may very soon expect a few strikes, the operatives concerned asking for a change in the managing agency of the company. This is a very significant development, but according to our information, the vast majority of the workers are not behind this move or the illegal strikes and *hartals* which have already been recorded. The mischief is done by a few discontented souls or, rather, agitators, and as has always been the case with the industry, the contagion spreads, workers in several cases not even knowing the reasons for striking work, but keeping away from work through fear of intimidation and personal violence. This indeed is a very regrettable state of affairs in the cotton textile industry, but I cannot help feeling that neither the Central nor the Provincial Government have shown any real appreciation of the realities of the case. On the other hand, the Hon'ble Member-in-charge of Labour with the Government of India, conscious of the fact that his days of office are fast coming to a close, seems to be more anxious to steal the thunder of his political opponents by rushing through legislation, which perhaps, in his view, the latter might undertake when they return to power. I would have no objection to legislative measures of a reasonable nature, but I must record my emphatic protest at the way in which things are done and the imperfect and incomplete piece of legislation which has hatched in the Hon'ble Member's Department and rushed through the Assembly.

As you are probably aware, at the Second Tripartite Labour Conference, it was unanimously agreed and recommended "that with a view to provide adequate materials on which to plan a policy of social security for labour, the Central Government in co-operation with the Governments of the Provinces of British India, the Indian States and the Chamber of Princes should immediately set up machinery to investigate questions of wages and earnings, employment and housing and social conditions generally, and that as soon as possible after receipt of the required statistics and data, the Central Government should appoint a mixed committee to formulate plans of social security."

In terms of this decision, a Committee presided over by Mr. Rege of the Indian Civil Service, was appointed, which has already reported to Government. This report has not yet been published, but that has not prevented Government from completely ignoring the resolution of the Second Tripartite Labour Conference and introducing legislation on matters, which should have really awaited publication of the Committee's Report and further investigation by a mixed committee. Government have put up proposals relating to housing, minimum wages, social insurance, and several other matters, and if it was their intention to do things of their own, I do not understand the necessity for wasting public money on a Committee of Enquiry, whose report Government apparently intend to consign to cold storage.

As most of you are aware, Government have constituted a tripartite machinery for informal consultations on labour matters. This consists of representatives of Local and Central Governments, employers and labour. Employers decided to participate in the discussion in the sincere hope that it would ensure previous discussion and settlement of all subjects in respect of which Government desire to undertake legislation, but from my experience, far from achieving this purpose, these conferences have degenerated into Press Conferences where the employers are told in teutonic style what Government propose to do. In matters which seem to impose burdens on employers, the Central and Provincial Governments and labour representatives always combine against employers, with the result that the measure is thrust down their throats regardless of everything. In others, which require contribution from the two Governments, whatever be the view of labour and/or employers, nothing happens, as the Governments concerned have a constitutional dislike for spending money on social amenities. Coming to the conference itself, under the usual arrangements, delegates have to be given a month's notice of the agenda before the session. Though this part of the understanding has sometimes technically been carried out by Government by sending a mere headline agenda, it is a fact that the employers' representatives at any rate have, in several cases, remained in ignorance of the detailed proposals of Government practically up to the time of the conference. It is, of course, beyond doubt that we have never

had adequate time to consider Government's proposals, or to consult our respective constituencies. Government, however, do not neglect the Press, which seems to be getting detailed agenda even before the delegates, and there cannot be any other object in Government doing this except perhaps to mobilise public opinion and confront the Conference with this opinion. This is what they did in connection with the reduction of hours of work in factories, social insurance, housing, and very likely these tactics will be continued. If Government do not wish to change their present methods, and if Government desire to give effect to their pre-conceived plans, regardless of the views we express at these conferences, then, I do not see why we should continue to lend our moral support to these conferences, and the sooner the employers meet and review the whole position, the better.

Coming to our own Provincial Government, they seem to be actuated by one desire, namely, to avoid doing things which the popular Government, which may come into power in a very short time, may not like. In fact, they are playing the role of a grass widow waiting for the truant husband to come back and resume charge of affairs. This may be a wise move in politics, but is hardly conducive to the formulation of, or taking, reasonable but strong and timely measures for dealing with an emergency. There have been lightning strikes in establishments other than cotton mills in the Province, which were referred to adjudication under the Defence of India Rules. I do not object to adjudication in appropriate cases, but I wish Government had uniformly insisted on the men going back to work before doing anything in the matter. Their regrettable failure to do so is likely to have its unfortunate repercussions elsewhere, and is certainly not going to help to maintain peace and harmony in the industry and is, further, calculated to create, in the minds of men, a disrespect for discipline and order within the factory. Even a Government returned to power in England by the vote of Labour refused to negotiate with the dock strikers before they went to work. It is not likely that the reference to adjudication while the men were on strike, shows Government's anxiety to get the men back at work, for, that anxiety, if it was there, was not visible at all. A Press *communiqué* from Government condemning, in no uncertain language, lightning strikes and *hartals* might have set matters right and avoided loss of production of millions of yards of cloth which the country requires to-day, and their inaction could not have resulted from anything else than their apathy I have already referred to.

I shall now refer to one or two minor matters before I close. At the last Annual General Meeting of the Association, members undertook to reimburse the expenditure incurred by the Association for instituting a test case before the Income-tax Tribunal in connection with the admissibility of expenses incurred in registering Trade Marks as an item of allowance in computing Excess Profits Tax and Income-tax. The Tribunal found for the Association, but Government have since appealed to the High Court, and this appeal has not yet been disposed of. In anticipation of your sanction, the Committee have arranged for the proper defence, and I am sure that, when the appeal is finally disposed of, you would have no objection to share the total expenses incurred by the member concerned as you did last year.

It now only remains for me to thank your able Deputy Chairman and the members of the Committee for the loyal co-operation and assistance which I received from them, not only in the year under consideration, but throughout my term of office as Chairman for six years and as Deputy Chairman for two years during the last decade. I am relinquishing the chair of the Association with happy memories of a long period of association, in which everybody concerned has co-operated with me to the utmost and given me of his best, which has, in no small measure, contributed to mitigate the arduousness of the responsibility I had undertaken. To me, it has not only been a privilege but also a pleasure to occupy the chair of the Association, where everybody has always been willing to help me and where the Chairman is allowed liberty and freedom of action to an extent practically unknown in any other organisation.

The war is over, and the transition of the industry from war to peace, bearing in mind the various circumstances through which we have to pass, is likely to be more onerous and exacting than the transition from peace to war, but we shall be safe in the capable hands of Mr. Dharamsey Mulraj Khatau who has kindly agreed to be our Chairman for the coming year.

I now refer to the impending retirement of Mr. Geddis who has been on the Committee from 1918, and was the Deputy Chairman of the Association in 1924, and Chairman in 1926. His advice and judgment have always been of inestimable value to the Committee, and I am sure you will agree that we should be sorry to lose Mr. Geddis from our midst, but he is now retiring to enjoy rest after years of continuous service, and on your behalf I offer him our sincere thanks for the services he has rendered to the industry, and wish him health and prosperity in his retirement.

I should also be failing in my duty if I did not pay my tribute to the services rendered by the staff of the Association, particularly to our energetic Secretary, Mr. Ayer, Assistant Secretary, Mr. Kumar, and our Labour Officer, Mr. Gokhale. Mr. Ayer, of late, has not been in the best of health, but he has stuck to his post at my request. But for his devotion to duty, it would have been difficult for any Chairman and Deputy Chairman to do full justice to the responsibilities of their office. The reserve fund of the Association stands at Rs. 4,97,683 as against Rs. 4,33,000 in the preceding year which, I hope, you will find satisfactory.

I now propose.—

"That the Report of the Committee of the Association for the year 1945 be and is hereby approved and adopted."

Mr. J. C. (LANCASHIRE), the Deputy Chairman of the Association, in seconding the adoption of the Report and the Accounts for the year 1945, said:

I have great pleasure in seconding the motion for the adoption of the Report, but before doing so, will touch on a few matters not covered in our Chairman's very able analysis of the outstanding events of the year. The first subject concerns the handloom industry and the All-India Handloom Board set up by Government in 1945. When Government first consulted the Association on the advisability of setting up an All-India Board, the view expressed by the Committee was that a Board arranged as suggested by Government and with the comprehensive terms of reference proposed, was calculated to result in recommendations, having as a background the abnormal conditions created by the war, a situation which, the Committee hoped, neither Government nor the Association would desire. The Committee were not, however, unsympathetic to the handloom weaver; they agreed, for instance, that all reasonable assistance should be given to the weaver to obtain his requirements of yarn at reasonable prices. They further conceded that the handloom weaver should, if required, be given all possible assistance in marketing his cloth, but it was emphasised that the supply of yarn should be looked after by the existing Provincial Government organisations with the assistance of the Textile Commissioner. As a matter of fact, this procedure already appeared to have been followed in certain Provinces. In spite of our opposition, however, Government set up the All-India Handloom Board on the recommendation of the Textile Control Board, but the latter made it clear that their recommendation was subject to the proviso, that the Handloom Board would not make any direct recommendations to the Government of India, which would affect adversely the working of the cotton spinning and weaving mills, and that such recommendations, if any, would be referred to the Textile Control Board. Having observed the Handloom Board in operation for over six months, I am constrained to observe that its policy seems to tend more towards hostility to the cotton textile industry of India than anything else. I refer particularly to certain recommendations which are reported to have been made recently to the Government of India, to the effect that up to one half of the total new spindles sanctioned for post-war erection, should be given only to those applicants who agree not to install looms and to spin yarn for a minimum period of five years from erection. It has also been recommended, I believe, that licences should only be granted for half the looms recommended for installation by the Post-war Planning Committee.

Unfortunately, the handloom industry's affairs always seem to be bound up with extraneous matters which tend to rule out any dispassionate consideration of the circumstances which have a direct bearing on the subject. One important point is that the products of the handloom industry are not subject to any price control with the result that handloom cloth is selling at very exorbitant prices; stimulated, of course, by consumers' present ability to pay. It should be the general desire to assist in the production and speedy distribution of more cloth which is subject to price control than otherwise, and, in that view, the Handloom Board's recommendations would appear to make for exploitation of the consumer by the use of controlled yarn in the manufacture of uncontrolled cloth.

Since 1942, there has been an increase in the number of working handlooms, newcomers and possibly old hands being attracted to the large earnings to be made in the production of uncontrolled handloom cloth. When the margin between the price-controlled yarn and the uncontrolled-priced cloth disappears, or is greatly reduced, the recent entrants into the field of handloom weaving will gradually disappear. I do not see, therefore, why that industry should receive or expect more consideration in the field of rehabilitation and expansion than the composite cotton spinning and weaving mills whose machinery is physically very tired after years of shift working under war conditions.

We have always held that the existence of a healthy handloom industry is essential to the general welfare of the cotton textile industry for the reason that the former has, in ordinary years, taken about a third of the total spun yarn of the mill industry. To suggest that the mill industry should now restrict its development, seems a rather one-sided and uneconomical view of things, particularly when we consider a handloom produces about 10 to 15 yards of cloth per day and a power loom, working in a mill, about five times as much. The obvious conclusion in these days of cloth shortages seems to be for a situation to be arranged whereby more cloth can be produced in a given period of time by the most modern methods available.

My next subject is the legislation granting holidays with pay to industrial workers which, as you know, came into force on the 1st of January this year. From that date, we are supposed to maintain certain registers and returns, although the rules relating to these things were only officially gazetted on the 11th of January. There are, however, certain points which call for clarification. We had addressed the Local Government in this matter early in November, but received no reply, not even after the publication of the rules. The attention of the appropriate authority was drawn to this omission, and eventually a reply was received directing us to approach the Chief Inspector of Factories if any difficulty was felt in the interpretation of the Act. The Chief Inspector of Factories had previously been consulted, and he was unable to express an opinion in matters requiring clarification of the law. We cannot really blame the Government of Bombay for this state of affairs. As the Chairman has pointed out in his speech, the work of the Labour Department of the Government of India is measured by the number of Bills, perfect or imperfect, it pilots through the Legislative Assembly, and I shall not be surprised if, in consequence, we experience, in future, great divergence of opinion between our employees and ourselves, due to differences regarding the interpretation of labour legislation.

In this connection, I would also draw your attention to the Bill to amend the Trade Unions Act which is now before the Central Assembly. The Association has already expressed its opinion on the provisions of this Bill in no uncertain terms. The principle underlying the Bill itself is most unusual, pernicious is perhaps the word, but the Legislative Assembly, in its regard for labour, will, I fear, pass the Bill as presented, vague and incomplete, with most of the important matters left to be prescribed by rules. These will, in their turn, very likely result in discontent and friction among those engaged in industrial occupation.

The Chairman has referred to the Labour Department's lapse in introducing labour and social legislation pending the publication of the Rege Committee's report. I wonder whether Government have ever given any thought to the additional burdens which they continue to place on the employers from time to time. In this connection, it is certainly food for thought to consider that holidays with pay, the contemplated reduction in hours

of work from 54 to 48 per week, and the sickness insurance scheme which we are asked to anticipate, will cost the employer about Rs. 12 per operative per month. Government and the public appear to be obsessed so completely by the profits made by the industry in recent years that the very lean years of 1923 to 1938 and the financial sacrifice the industry made during that period are clean forgotten. We do not object to reasonable labour welfare measures, but I think the basis must be dictated by the ability of the industry to bear the burdens, and still be able to produce adequately at a reasonable cost to the consumers whose collective income may not stay at the lucrative level of the war years.

My next point relates to the housing of industrial labour. This matter was recently placed on the agenda of one of the meetings of the Standing Labour Committee constituted by the Government of India. It was also discussed by the Committee set up by the Government of Bombay in which I had the privilege of representing our Association. The first mentioned body probably dealt with the question of housing from an all-India viewpoint, whereas the latter Committee dealt with the situation as concerns Bombay City. The report of the latter Committee, I understand, has already been signed, but pending any possible publication, I naturally cannot say anything. I would, however, like to observe that the Central and Provincial Governments, the sponsors of the two Committees, want us to believe that it is the obligatory duty of the employer to provide housing for his employees. Apart from the fact that workers' representatives, at more than one Governmental Conference, have made it quite clear that they are not in favour of occupying quarters provided by employers, I would like to stress that it is not the employers' function or responsibility to provide such housing. No less than four Committees and Commissions have expressed the view definitely that the ultimate responsibility for housing falls on the Central or Provincial Governments or the Civic Administration of the area concerned, and any attempt, therefore, to open the issue again, so far as the employers' responsibility is concerned, should be resisted. At the same time, we are quite alive to the necessity of improved housing accommodation, but the solution is for the State to tackle the problem, perhaps by loans raised by public subscription, to which employers may be permitted to contribute, not as employers, but as citizens, having a great desire to assist in the general improvement.

The Finance Bill of the Government of India has been before the public for some time, and perhaps everything that need be said concerning the proposals has been said or written. If it is possible to add something to the views already expressed, I would like to say that the Government of India are to be congratulated on their proposals which are not unsatisfactory, but are still not exactly the result of philanthropic endeavour. The days of high profits would appear to be over, which is perhaps not a bad thing and the continuance of an Excess Profits Tax would become a financial liability on Government in the sense that there will, in all probability, be units from now on which may not be able to make even their standard pre-war profits.

My last and brief subject is the import duty on raw cotton. As you are all aware, a duty of half an anna per lb. was first imposed on raw cotton in 1931 purely as a revenue measure. This duty was raised to one anna in 1939, and in this connection, it is of interest to know that, although the Legislative Assembly rejected the motion for increase, it came into force by the time-honoured method of certification. By an Ordinance, a further duty of one anna per lb. was imposed in 1942 to enable a fund to be established to finance measures for the benefit of the cotton growers. You will recollect that the Finance Member in his Budget speech admitted that the circumstances for which the duty was raised in 1942, no longer exist, but, far from abolishing the additional duty, it has now been consolidated with the old duty of one anna, making the total a revenue (not protective) duty of 2 annas per lb. in all. Our Association has protested vigorously against this retrograde step, but it seems unlikely that the Government will agree to restore the old rate of duty of one anna. Once a payment of this nature has been established, no matter how difficult to achieve, it seems to be an understood custom for Governments to overlook any plea for relief. The question of the retention of this duty on raw cotton seems to be a first class case of this description.

With these words, gentlemen, I have great pleasure to second the adoption of the Report moved from the chair, with an expression of my grateful thanks to the members

of the Committee, our Secretary and staff for much assistance I have received from time to time.

The resolution was then put to the meeting and carried unanimously.

On the motion of MR. DHARAMSEY MULRAJ KHATAU, seconded by MR. BHAGWANDAS. C. METHA, it was resolved —

“That Messrs. A. F. Ferguson & Company be and are hereby appointed as Auditors of the Association's accounts for the current year on a remuneration of Rs. 500 per annum.”

On the proposal of SIB SOBAB SAKLATWALA, seconded by MR. NEVILLE N. WADIA, it was resolved —

“That the following donations be sanctioned and paid out of the Association's Funds for the current year—

	Rs.
The Bombay Municipality (for the purchase of an ambulance)	11,000
The Victoria Jubilee Technical Institute	2,500
The Police Comforts Fund	1,000
The Textile Technical School	700
The Sir J. J. Hospital Nursing Association Fund	500
The K. E. M. Hospital Poor Box Fund	400
The Naigaum Social Service Centre	350
The Maharashtra High School	250
The Goculdas Tejpal Hospital Nursing Association Fund	200
The Bombay Textile and Engineering Association	200
Total	Rs. 17,100

SIB JOSEPH KAY proposed a vote of thanks to the outgoing Chairman and Committee for their very able conduct of the Association's affairs during the year, which was carried with acclamation.

Report for the Year 1945.

Section II.

**FOREWORD, PRELIMINARY REPORT AND ACCOUNTS
OF THE ASSOCIATION.**

REPORT
OF THE COMMITTEE OF
THE MILLOWNERS' ASSOCIATION, BOMBAY.

For the period 1st January to 31st December 1945.

FOREWORD.

THE year 1945 gave the war-wearied world the much prayed-for end of hostilities in the Western as well as the Eastern theatres of war.

Shortly before the close of the year 1944, some temporary anxiety was felt by the United Nations on account of the counter-offensive started by the Germans on the Rhine, but the fear proved transitory, and the continued successes scored by the Allied armies soon brought the end of the struggle in sight. The mighty armies of the Allies continued their victorious march to Berlin from all directions. Hungary was the first to capitulate to Russia. Rushing from various directions along the eastern boundary of Germany the Russians stormed into the heart of Berlin, and the Red Flag was flying on the Reichstag in Berlin on 1st May 1945. Simultaneous successes of British and American armies on the western side coupled with devastating blows, from the air made Germany totally incapable of further resistance. The erstwhile leaders of Germany went into hiding, leaving the nation to its fate. The German Fuehrer was reported to have committed suicide to escape capture, and the Surrender Agreement was signed in Berlin on 9th May 1945.

The war still continued with the enemy in the east. Soon after the turn of the year, Japan realised her doom, but decided to fight to the bitter end out of sheer desperation. Aided by equipment supplied by America, the Chinese armies continued to score victories over the Japanese in all the provinces.

Similar successes were gained by the Indian army in Burma and the whole of that country was soon cleared of the Japanese. The aerial bombing by the Americans which Japan had begun to experience from the beginning of the year grew very rapidly in intensity and frequency. Tokyo and all other industrial cities in Japan were soon in ruins due to bombardment from air and sea. Having rendered her totally incapable of any offensive action, the Americans made a successful landing not only in the Philippines but also in Iwojima, much nearer the Japanese homeland. Russia also denounced the Soviet-Japanese Pact of 1941, and later openly declared war on Japan. Although the final defeat of Japan was inevitable, it appeared from her desperate resistance that the struggle would be protracted for several months. The world had, however, no knowledge of the infliction that was in store for

Japan—the atomic bomb. Our purpose here is not to discuss the ethics of the use of the atomic bomb but merely to record the event. The first use in human history of this bomb was made on 7th August 1945 on the town of Hiroshima. Only one more repetition on Nagasaki a couple of days later was found necessary to bring the war-mongers of Japan to their knees, and the unconditional surrender came on 15th August 1945. Thus ended the terrible scourge of the war under which the world had been groaning for the last six years.

The Allied Nations have won the war, but they have found the achievement a pyrrhic victory and the problems of winning the peace have proved more difficult than those of the war. The removal of the impetus for waging the war brought to light the disintegration that was slowly but steadily gaining force in the Allied countries. The Coalition Government in England came officially to an end on 23rd May when Mr. Churchill was appointed the head of the "Caretaker" Government pending dissolution of Parliament in June. The political landslide in favour of the Labour Party in the elections which were held in July was a complete surprise to the entire world and even to the Labour Party itself. Mr. Clement Attlee was installed as the head of the Government in place of Mr. Churchill. From the outset Mr. Attlee was faced with very thorny problems. Before he could get a chance to take steps for the restoration of normal activities of trade and industry, he had to contend with the critical situation brought about by the shipping strike which dealt a severe blow to the process of recuperation from the effects of the war.

The saddest event of the year took place on 12th April 1945 when the whole world in general, and the American nation in particular, heard with deep sorrow the news of the death of the President, Franklin Delano Roosevelt—the President who had the unique distinction of being elected for four consecutive terms. From the commencement of the war, he made his influence felt in shaping the fortune of the war and the grief is all the keener in that he passed away in the very hour of triumph. According to the American constitution, the Vice-President, Mr. Harry S. Truman, was declared President of the U.S.A. While Mr. Churchill ceased to be the leader of his country, M. Stalin, the Russian Generalissimo, is growing from strength to strength, and is not only consolidating the position of his country but is also extending its influence and suzerainty over its neighbours both in Europe and Asia. Russian influence is clearly discernible in the revolt of the northern provinces of Iran, and the demand of the Russian people for the restoration to them of Georgia, the northern province of Turkey, and for the opening of the Dardanelles gives clear indication of the expansionist policy of Russia. Generalissimo Chiang-Kai-Shek still continues to be the leader of his nation. China has unfortunately been caught in the grip of a civil war which threatens to assume serious proportions. Ceaseless efforts are being made by the other powers, and especially by America, to bring both the fighting parties to an amicable settlement and it is to be hoped that the country would be saved from further ravages of internecine warfare.

The ideas of equality and independence which had developed in the minds of the peoples of smaller countries during the last six years when all

the nations, big and small, had united in making common cause against the enemy countries, resulted in open rebellions in different countries in Asia. The trouble in Syria which started with France trying to re-impose subjugation on that country was settled only by the intervention of the British. The bitter and long-drawn struggle carried on by the Indonesians for the independence of the Dutch East Indies has created conditions which have necessitated war-like operations, and the situation gives little hope of an early settlement.

Reviewing events in India, reference should be made to the efforts made by His Excellency the Viceroy towards the cause of unity of the two main political parties in India, viz., the Congress and the Muslim League. A conference of the leaders of all the parties was convened by him at Simla in June, and to enable all the leaders to participate in the deliberations of such a momentous meeting, the first step taken by His Excellency was the unconditional release of the Congress leaders who were in custody for political offences. His efforts, however, proved abortive, and the conference was dissolved without achieving any result.

The peace of the city was marred by the outbreak of riots in Bombay in October, but with prompt and vigorous measures adopted by the authorities, the situation was soon brought under control.

The country had learnt with gratification of the appointment of Sir Chandulal Trivedi as the first Indian Governor of Orissa.

The year under review also witnessed the historical trial by court martial of three Indian officers of the Indian National Army for waging war against the King and the country.

Following in the footsteps of Bombay, the Government of Bengal also introduced cloth rationing in Calcutta which came into operation from 1st October 1945.

Like its predecessor, the year under review saw the continuance of the control under which the prices of cloth and yarn were placed, and such prices could not, therefore, reflect the effect of the eventful happenings on the war fronts or of the political upheavals in different countries. Important changes in the rates of cotton, cloth and yarn markets together with the factors responsible for such changes are mentioned below:—

Cotton.—The year started with a rise in prices brought about by reports of damage to crop due to unseasonal rains and cold wave in some of the growing districts. The All-India Second Crop Report also showed the acreage at 1,29,57,000—a decrease of about 23 per cent. as compared with the previous year. The rates ruling at the commencement of the year were as under:—

	Rs.
I. C. C. March	442
I. C. C. May	454
New York, March	\$22.08
Parity 500 points below New York March.—Cross-rate 4.03	

They showed a rise of about Rs. 25 within a few days, but the rise proved short-lived, and the decline that followed towards the close of the first month took the rates once more to the level of those ruling at the opening of the month. After a sagging tendency which continued for about a month, prices hardened again and on the bull operators taking delivery of about 25,000 bales tendered in March, there was a good spurt and the rates for March and May again went up to Rs. 451 and Rs. 456 respectively. This spurt, however, induced heavy long liquidation resulting in a big drop. Lower crop estimates revived the spirit of the bulls who once again made an effort to take the prices up but could not achieve much success in spite of the low figure of the Third All-India Crop Estimate which showed a yield of 33,61,000 bales which meant a reduction of about 33 per cent. from the figures of the previous year. Barring occasional bulges, prices continued to decline, and at the end of April, the rate for May delivery stood at Rs. 401. The month of May witnessed narrow fluctuations. There was a small rally in June, but in July the bull clique made one more attempt to raise the prices by taking up the tenders offered in that month, and the rates showed an improvement of about Rs. 15. The total number of bales tendered in July was 2,75,100. After a moderate gain in the beginning of August, there was a slump in the market, and the rate for September delivery rapidly declined to "floor" limit of Rs. 350, while the new crop contract for January delivery was quoted at Rs. 405. Government fixed floor and ceiling prices for the new crop at Rs. 350 and Rs. 430, respectively. The decline in prices continued for some time in September, but about the middle of the month, sentiment changed again in favour of the market on account of continued reduction in estimates of the growing crop and very satisfactory offtake by the mills; consumption by mills was considered to be equal to the quantity of the new crop cotton. Market continued very steady till about the middle of October when decline set in again and the rate for January delivery went down to Rs. 386. Owing to pressure of hedge sales, prices of Futures continued depressed, but prices for actual cotton firmed up owing to scarcity of suitable qualities. Good demand for spot cotton and the growing realisation of a small crop imparted a healthy tone to the Futures Market also, and the rates soon advanced to Rs. 430 for January. The advance in rates induced hedge-selling and there was again a decline to Rs. 410. With rapid fluctuations both ways, rates stood as under at the end of the month:—

	Rs.
I. C. C. January	418
I. C. C. March	435
I. C. C. May	445
New York March	24.63
Parity 7.90 points below New York March.	
Cross-rate	4.03

Artificial conditions brought about by Government control of prices and exchange put out of question any comparison of the prices of Indian cotton with that of American cotton.

It would be interesting to observe that Russia has been experimenting with the growth of coloured cotton, but her efforts are still in an empirical stage.

Cloths and Yarns.—The controls established in 1943 to curb black market activities were found insufficient, and further controls were put into effect. Distribution of cloth on an all-India basis was contemplated, and stocks with quota holders were frozen. Every province was allotted a quota of bales and had to appoint permit holders who alone could obtain cloth from quota holders. In most provinces, there was want of adequate staff as control extended to many essential items of consumption, and there were complaints of favouritism, bribery and corruption. With transport difficulties continuing and delay in issue of permits, stocks with quota holders were at one time very considerable. In the case of Bombay mills, the stock position continued satisfactory since deliveries were effected to quota holders, but the position of up-country mills in several centres was growing serious since their stocks were frozen and delivery had to be given to holders of permits from Provincial Controllers, and there were delays in the issue of such permits while the transport position remained unsatisfactory.

With a view to increase production, a scheme for the manufacture of what was called "utility cloth" was worked out, and the Textile Industry (Control of Production) Order, 1945, was promulgated in May. Under this Order, the number of sorts that could be manufactured and the counts of yarn that could be spun were restricted. Manufacturers had also to restrict 90 per cent. of their free looms (that is, looms not engaged on Supply Department cloths) to "utility cloth" and 50 per cent. of their looms of widths between 48" and 56" to dhoties and saris. At the same time, the schedule of prices of grey cloths, and dyeing, bleaching, printing and finishing charges was revised. The revision of prices worked in favour of coarser cloth and the schedule of finishing, etc., charges left a loophole for manufacturers. At the same time, the quality fixed for "utility cloths" was not satisfactory. The consequence of all this was that some manufacturers turned out cloths that gave them large profits but were unsuitable for marketing, and since quota holders and permit holders could not refuse to take delivery of such sorts, quota holders and permit-holders were left with large quantities of unsaleable sorts while the shortage of cloths was felt very acutely. Towards the end of the year, measures were taken to counteract this. In November, the quantity of "utility cloth" was reduced to 60 per cent. of the free looms, prices were readjusted to some extent to make coarse cloths less profitable, schedule of finishing, etc., charges was revised, and quota holders were allowed to refuse to take cloths that, in their opinion, were unsuitable.

With a view to equitable distribution of cloths in Bombay City and suburbs, rationing was introduced under which the same quantity of cloth was made available to all citizens. This would have worked harshly for the middle and upper classes whose requirements of cloths are usually very much above the average, but to compensate for this, handloom cloths and certain other varieties of cloths were not controlled and could be bought freely.

Towards the end of the year, it was decided to abandon the scheme of "utility cloth," but restriction as to manufacture of counts of yarns and cloth sorts was to continue.

Prices of cloths and yarns were reduced three times in the course of the year. The first reduction became effective from 1st February and was 5 per cent. in the case of cloths and $6\frac{1}{2}$ per cent. in the case of yarns of counts 16s and over. In July, a new schedule of cloth prices was worked out which reduced prices to a small extent. Yarn prices were not reduced. From 1st November, there was a readjustment of prices, and there was an average of about 10 per cent. reduction in cloth prices. There was a reduction of from about $\frac{3}{4}$ anna to $1\frac{1}{4}$ anna per pound in the case of yarns. The reductions in prices in February and July did not affect mill profits as cotton prices also went lower. The reduction in prices which became effective from November has, however, affected profits very adversely owing to the simultaneous rise in cotton prices. At the ceiling prices fixed, some counts of yarns show a considerable loss, particularly in coarse counts, and it is likely production in such counts of yarns will cease. In the case of cloths also, the revised ceiling prices show a fall in profits from 25 per cent. to 50 per cent.

Mill productive activity in Bombay was steady during the year. 80 per cent. of the spindles and 76 per cent. of the looms were working double shift at the end of 1945. Up-country centres were, however, adversely affected by the shortage of coal supplies which necessitated closing down of mills for several days in a month.

ELECTION OF CHAIRMAN OF THE ASSOCIATION FOR 1946

The ballot for the election of the Chairman of the Association for the year 1946 was held on 14th January 1946, and resulted in the election of Mr. Dharamsey Mulraj Khatau, of the Khatau Makanji Spinning and Weaving Co., Ltd.

ELECTION OF DEPUTY CHAIRMAN OF THE ASSOCIATION FOR 1946.

The ballot for the election of the Deputy Chairman of the Association for the year 1946 was held on 21st January 1946, and resulted in the election of Mr. Bhagwandas C. Mehta, of the Century Spinning and Manufacturing Co., Ltd.

ELECTION OF THE COMMITTEE FOR 1946.

The ballot for the election of the 18 members of the Committee for the year 1946 was held on 28th January 1946, and the following gentlemen were duly elected:—Sir Ness Wadia, K.B.E., C.I.E.; Sir Sorab Saklatvala, Kt.; Sir Vithal Chandavarkar, Kt.; Mr. H. F. Milne; Mr. T. V. Baddeley; Mr. Neville N. Wadia; Mr. A. Pether; Mr. Krishnaraj M. D. Thackersey; Mr. J. C. Burns; Mr. Navinchandra Mafatlal; Mr. G. D. Somani; Mr. J. C. Lancashire; Mr. L. F. H. Goodwin; Mr. H. G. H. Everitt; Mr. W. B. Bryden; Mr. Ramnath A. Podar; Mr. Ramniwas Ramnarain; and Mr. Mr. R. S. Khaitan.

BOARD OF TRUSTEES OF THE PORT OF BOMBAY.

ASSOCIATION'S REPRESENTATIVE.

The term of office of Mr. Krishnaraj M. D. Thackersey, the Association's representative on the Board of Trustees of the Port of Bombay, was due to expire on the 31st March 1945, and in accordance with Section 6 of the Bombay Port Trust Act, 1879, the Association was called upon to elect a representative to serve on the Port Trust for the biennium commencing from 1st April 1945.

Mr. Krishnaraj M. D. Thackersey was returned unopposed as the Association's representative on the Board.

THE INDIAN CENTRAL COTTON COMMITTEE.

ASSOCIATION'S REPRESENTATIVE.

The term of office of Sir Sorab Saklatvala, M.L.A., the Association's representative on the Indian Central Cotton Committee, was due to expire

on 31st March 1945, and the Association was, therefore, called upon to nominate a representative to fill the vacancy. The Committee re-appointed Sir Sorab Saklatvala, to represent the Association on the Indian Central Cotton Committee for the triennium beginning with 1st April, 1945.

B. B. & C. I. RAILWAY LOCAL ADVISORY COMMITTEE.

ASSOCIATION'S REPRESENTATIVE.

The term of office of Sir Vithal Chandavarkar as the Association's Representative on the Local Advisory Committee of the B. B. & C. I. Railway was due to expire towards the middle of August 1945 and the Committee were called upon to nominate a representative for the next biennium. The Committee reappointed Sir Vithal Chandavarkar for a further term of two years.

**SYDENHAM COLLEGE OF COMMERCE AND ECONOMICS
ADVISORY BOARD.**

ASSOCIATION'S REPRESENTATIVE.

Towards the end of June, the Principal, Sydenham College of Commerce and Economics, requested the Association to nominate a representative on the Advisory Board of the College for the triennium commencing from 25th May 1945. The Committee reappointed Mr. B. S. Dabke as the Association's representative on the Advisory Board.

BOMBAY SMOKE NUISANCES COMMISSION.

ASSOCIATION'S REPRESENTATIVES.

The Committee appointed Mr. H. A. Wood and Mr. G. G. Kapur as the Association's representatives on the reconstituted Smoke Nuisances Commission for a period of two years from 1st January 1946.

**POST-WAR PLANNING COMMITTEE FOR THE COTTON TEXTILE
INDUSTRY.**

ASSOCIATION'S REPRESENTATIVES.

Towards the end of January, the Chairman of the Textile Control Board requested the Committee to nominate two representatives of the Association on the Post-war Planning Committee for the Cotton Textile Industry, which the Government of India proposed to set up, in accordance with the decision of the Industry's Committee. The Committee nominated Mr. Dharamsey Mulraj Khatau and Mr. Neville N. Wadia to represent the Association

on the proposed Planning Committee. This Committee is constituted as under:—

Mr. Dharamsey Mulraj Khatau (*Chairman*)

Members.

Mr. Krishnaraj M. D. Thackersey (Chairman, Textile Control Board.)

Mr. Sakarlal Balabhai and Mr. Kasturbhai Lalbhai representing the Ahmedabad Millowners' Association.

Mr. R. C. Jall representing the Indore Millowners' Association.

Chaturbhujdas Chimanlal Sheth representing the Federation of Baroda State Mills and Industries.

Mr. B. N. Bagri representing the Bengal Millowners' Association.

Sir Shri Ram representing the Delhi Cloth Mills.

Mr. B. W. Batchelor and Dewan Bahadur Ratnasabapathy Mudaliar representing the Southern India Millowners' Association.

Mr. John Tinker representing mills in Cawnpore.

Mr. Neville N. Wadia representing the Millowners' Association, Bombay.

INTERNATIONAL TEXTILES COMMITTEE.

ASSOCIATION'S REPRESENTATIVE.

The attention of the Committee was drawn, towards the middle of July, by the Employers' Federation of India to certain proposals framed by the International Labour Office for setting up International Industrial Committees to deal with conditions in Inland Transport; Textiles; Coal Mining; Iron and Steel Production; Metal Trades; Petroleum Production and Refining; Building, Civil Engineering and Public Works. It was also understood that in order to give each Committee a basis on which to begin, the Governing Body of the International Labour Office had decided that the agenda for the first meeting should include the following two items:—

- (1) The social problems of the industry during the period of transition from war to peace; and
- (2) Future international co-operation concerning social policy and its economic foundations in the industry.

India was invited to participate in all the Committees except the one on Petroleum Production and Refining and at an informal conference of the All-India Organization of Industrial Employers and the Employers' Federation of India—the two organizations which are concerned with the nomination of employers' representatives on the Industrial Committees—it was decided to accord one seat on the Textiles Committee to the Association. The Committee nominated Mr. Krishnaraj M. D. Thackersey to represent the Association on the International Textiles Committee.

BOMBAY PROVINCIAL INDUSTRIES COMMITTEE.

ASSOCIATION'S REPRESENTATIVE.

Towards the middle of April, the Government of Bombay set up a Provincial Industries Committee on the lines of the Policy Committee for Industries appointed by the Government of India, with the following terms of reference :—

- (1) To recommend existing industries in the Province which should be further expanded and new industries which should be started during the post-war period.
- (2) To recommend such industries as can best be organised as large-scale industries and small-scale, or cottage, industries.
- (3) To suggest the most suitable sites for the location of the various industries, after taking into consideration the availability of labour, water supply, electric power, raw materials, markets, and the desirability of preventing congestion in thickly-populated areas.
- (4) To advise whether the industries recommended should be promoted by the Government or by private agency; and in the latter case whether the Government should participate, and if so, the nature of the help which would be required.
- (5) To advise the Government in regard to panels to be set up for particular industries, consisting of persons specially interested in such industry—such as business men, industrialists and technical experts.

In response to an invitation received from Government, the Committee nominated Mr. Neville N. Wadia as their representative.

The Committee consisted of the following members :—

1. I. H. Taunton, Esq., C.I.E., B.A. (Cantab), I.C.S., J.P., Adviser to the Governor of Bombay in charge of Industries (*Chairman*).
2. Sir Charles H. Bristow, Kt., C.I.E., I.C.S., J.P., Adviser to the Governor of Bombay (Home).
3. Sir Godfrey F. S. Collins, K.C.I.E., C.S.I., O.B.E., I.C.S., Adviser to the Governor of Bombay (Revenue).
4. E. W. Perry, Esq., C.I.E., I.C.S., Reconstruction Commissioner.
5. M. P. Kanga, Esq., M.Sc. (Tech.), Director of Industries. (*Member and Secretary*).
6. P. B. Advani, Esq., O.B.E., M.Sc. (Tech.), M.I.E., J.P., Special Officer (Electric Grid).
7. S. V. Joshi, Esq., B.A. (Cantab), J.P., Commissioner of Labour.
8. N. D. Sahukar, Esq., B.A.
9. A. W. Percy, Esq.

10. M. A. Master, Esq., M.A., LL.B.
11. Neville N. Wadia, Esq.
12. Cassamally Munjee, Esq., J.P.
13. N. M. Joshi, Esq., B.A.
14. D. R. Pradhan, Esq., I.C.S., Director of Resettlement and Employment.

The Provincial Industries Committee held its first meeting on 19th July 1945 with Mr. I. H. Taunton, C.I.E., I.C.S., Adviser to the Governor in the chair, and decided that in order to give effect to the terms of reference for the Committee, it would be necessary to allot the work of the main Committee to six sub-committees. Each sub-committee thus appointed was entrusted with the task of carrying out a rapid survey of the different groups of industries, and of investigating the position of particular industries, with a view to determine the steps which would be required to be taken for the industrial development of the Province. The six sub-committees were designated as follows :—

1. Metals and Engineering Industries Sub-Committee.
2. Textile Industries Sub-Committee.
3. Chemical Industries Sub-Committee.
4. Food and Forest Industries Sub-Committee.
5. Miscellaneous Industries Sub-Committee.
6. Cottage and Small Scale Industries Sub-Committee.

A special Sub-Committee was also appointed to suggest suitable sites for the location of various industries after taking into consideration the availability of labour, water supply, electric power, raw materials, markets, etc.

The Textile Industries Sub-Committee were authorised to deal with industries such as, Cotton, Woollen, Silk, Artificial Silk, Hosiery, Coir and Fibre, Gold thread, Coated fabrics, etc., and consisted of :—

- | | | | | | | |
|----------------------------|----|----|----|----|----|------------|
| (1) Mr. Neville N. Wadia | .. | .. | .. | .. | .. | Chairman. |
| (2) Dr. Nazir Ahmad | .. | .. | .. | .. | .. | Member. |
| (3) Dr. K. Venkatraman | .. | .. | .. | .. | .. | .. |
| (4) Mr. Gautam Sarabhai | .. | .. | .. | .. | .. | .. |
| (5) Mr. Ramdeo A. Podar | .. | .. | .. | .. | .. | .. |
| (6) Mr. M. J. Vaidya | .. | .. | .. | .. | .. | .. |
| (7) Mr. N. S. V. Aiyer | .. | .. | .. | .. | .. | .. |
| (8) Rao Sahib T. B. Chitre | .. | .. | .. | .. | .. | Secretary. |

THE BOMBAY CITY AND SUBURBS POST-WAR DEVELOPMENT COMMITTEE.

ASSOCIATION'S REPRESENTATIVE ON THE HOUSING PANEL.

Towards the beginning of June, the Government of Bombay appointed a Committee to co-ordinate the activities of the various authorities in the Bombay City and Greater Bombay in connection with post-war development. This Committee which was to be purely consultative and advisory, was to concern itself with housing, town planning, traffic problems, development of suburbs and any other matter which the Committee considered important for the post-war development of Greater Bombay.

The Committee started functioning in June and decided at its first meeting to constitute a series of Panels to deal with the various subjects referred to it by Government. A Housing Panel was constituted as under :—

- (1) Mr. S. L. Silam, Chairman, Standing Committee, Bombay Municipality (*Chairman.*)
- (2) The Municipal Commissioner for the City of Bombay, or his nominee.
- (3) The Chairman, Bombay Port Trust, or his nominee.
- (4) Mr. N. M. Joshi, representing labour.
- (5) Mr. Kanji Dwarkadas.
- (6) A representative of the Millowners' Association.
- (7) A representative of the Institute of Architects.
- (8) A representative of the Provincial Co-operative Institute.
- (9) Mr. Habib Rahimtulla.

In response to a request made by Government, the Committee appointed Mr. J. C. Lancashire to represent the Association on the Housing Panel.

ALL-INDIA BOARD OF TEXTILE STUDIES.

ASSOCIATION'S REPRESENTATIVE.

Towards the middle of January, the Association was requested to nominate a representative to serve on the All-India Board of Textile Studies.

The All-India Board of Textile Studies is one of a series of Boards set up by the Association of Principals of Technical Institutions (India). The Association of Principals of Technical Institutions (India) was formed in 1941 for the purpose of co-ordinating technical education throughout India including Indian States. This body was expected not only to indicate the lines on which development in technical education should follow, but also

to frame courses and syllabus which might generally be adopted throughout the country. In furtherance of this aim, it had already set up a Joint Examination Board in Commerce; an All-India Board of Engineering Studies; an All-India Board of Architectural Studies; and a Joint Examination Board in Chemical Engineering and Technology.

The All-India Board of Textile Studies was formed during the year, with Sir Vithal Chandavarkar as its Chairman, and its functions are: (i) to approve schemes for All-India Courses drawn up within the framework of the Diploma and Certificate Schemes of the Association of Principals of Technical Institutions; (ii) to prescribe and recommend books for All-India Courses; (iii) to conduct examinations; (iv) to admit candidates to its examinations; (v) to grant Diplomas and Certificates to successful candidates; (vi) to appoint examiners, paper-setters, tabulators, invigilators, etc.; (vii) to consider all cases of breaches to discipline arising in connection with examinations; and (viii) to announce the results of examination.

The Committee nominated Mr. Dharamsey Mulraj Khatau as their representative on the Board.

ADVISORY COMMITTEE OF THE GOVERNMENT APPRENTICE SCHEME.

ASSOCIATION'S REPRESENTATIVE.

Early in October, the Director of Industries, Bombay, informed the Committee that the Government of Bombay had sanctioned the continuance for a period of three years with effect from 1st January 1945, of the Advisory Committee of the Government Apprentice Scheme and requested them to nominate a representative to serve on that Committee. The Committee of the Association reappointed Sir Vithal Chandavarkar to the Advisory Committee.

IMPORTED CLOTH ADVISORY COMMITTEE.

ASSOCIATION'S REPRESENTATIVE.

Towards the middle of June, the Additional Director of Civil Supplies requested the Committee to nominate a representative on the Consultation Committee which was constituted to advise the Provincial Textile Controller on matters connected with the determination of the prices of imported cotton piecegoods.

The Committee appointed Mr. T. V. Baddeley, to the Advisory Committee.

TECHNOLOGICAL RESEARCH SUB-COMMITTEE OF THE INDIAN CENTRAL COTTON COMMITTEE.

ASSOCIATION'S REPRESENTATIVES.

Early in February, the Indian Central Cotton Committee requested the Association to nominate two representatives on their Technological Research Sub-Committee for the year beginning with 1st April 1945.

The Committee appointed Mr. J. C. Lancashire and Mr. H. G. H. Everitt as the Association's representatives on the Technological Research Sub-Committee.

STANDING ADVISORY COMMITTEE FOR BACK BAY RECLAMATION SCHEME.

ASSOCIATION'S REPRESENTATIVE.

Towards the end of June the Government of Bombay invited the Association to nominate a representative on the Standing Advisory Committee for Back Bay Reclamation Scheme for the triennium commencing from 1st August 1945. The Committee reappointed Sir Vithal Chandavarkar, Kt., M.L.A., as the Association's representative on the Advisory Committee.

ADVISORY BOARD OF THE ELPHINSTONE TECHNICAL HIGH SCHOOL, BOMBAY.

ASSOCIATION'S REPRESENTATIVE.

The term of office of the Association's representative on the Advisory Board of the Elphinstone Technical High School expired on 31st March 1945, but the Committee reappointed Mr. Foster Guthrie as their representative on this Advisory Board for a further period of three years from 31st March 1945.

MEMBERSHIP.

The total membership of the Association at the end of 1945 was 148 as against 143 at the beginning. The undermentioned five mills were elected members during the year:—

- (1) The Gendalal Mills, Ltd., Jalgaon
- (2) The Kothari Textiles Ltd., Singanallur.
- (3) The Shree Vijaylaxmi Cotton Mills Ltd., Cambay.
- (4) The Maharaja Kishangarh Mills Ltd., Madanganj (Kishangarh).
- (5) The New India Industries Ltd., Baroda.

DONATIONS.

At the Annual General Meeting of the Members of the Association held on Wednesday, the 11th April 1945, the following donations were sanctioned and paid out of the Association's funds:—

	Rs.
The Victoria Jubilee Technical Institute	1,500
The Police Comforts Fund	1,000
The Textile Technical School	700
The Sir J. J. Hospital Nursing Association Fund	500
The K. E. M. Hospital Poor Box Fund	400
The Naigaum Social Service Centre	350
The Goculdas Tejpal Hospital Nursing Association Fund	200
The Bombay Textile and Engineering Association	200
The Maharashtra High School	150
Total	5,000

AUDITORS OF THE ASSOCIATION.

At the Annual General Meeting of the Members of the Association held on Wednesday, the 11th April 1945, Messrs. A. F. Ferguson & Co. were appointed as the Association's Auditors for the year 1945 on a remuneration of Rs. 500 per annum.

It was also resolved to pay an additional remuneration of Rs. 300 to the Auditors for the extra work done by them in auditing the accounts for the year 1944.

MEETING WITH THE HON'BLE SIR ARDESHIR DALAL.

The Chairman of the Association, at the request of the Hon'ble Sir Ardeshir Dalal, Member for Planning and Development, Government of India, convened a conference of the members of the Committee and certain other representatives of textile interests on Monday, the 17th December 1945, when the question of setting up an all-India organisation for the manufacture of textile machinery in India was discussed.

MEETING WITH SIR JOHN SHEEHY AND MR. C. W. AYERS.

Early in August, the Committee took advantage of the visit to Bombay of Sir John Sheehy, Member, Central Board of Revenue and Mr. C. W. Ayers, Excess Profits Tax Adviser to the Central Board of Revenue, and discussed with them informally certain matters arising out of the operation of the Income-Tax and Excess Profits Tax Acts.

MEETING WITH MR. K. G. MENON.

Towards the end of July, the Committee met Mr. K. G. Menon, Chief Controller of Exports, and discussed with him certain matters relating to the export trade of the country.

MEETING WITH MR. R. S. MANI, I.C.S., EXPORT TRADE CONTROLLER.

Early in February 1945, the Committee met and discussed informally with Mr. R. S. Mani, Export Trade Controller, certain proposals which, it was understood, were under consideration of Government in connection with the export regulation scheme and facilities regarding forward booking of orders against export quotas.

MEETING WITH MR. R. R. SAKSENA.

Towards the middle of November 1945, the Committee of the Association took advantage of the visit of Mr. R. R. Saksena, Indian Government Trade Commissioner in Australia, and discussed with him matters relating to the trade between India and Australia in cotton piecegoods and yarn.

MEETING WITH MAJOR M. HASSAN, INDIAN GOVERNMENT TRADE COMMISSIONER IN IRAN.

In January 1945, the Deputy Chairman met, on behalf of the Committee, Major M. Hassan, who was appointed Indian Government Trade Commissioner in Iran, and discussed with him questions affecting Indo-Iranian trade.

WATER-TAX PAYABLE BY MILLS.

(See also page 10 of the Report for 1944.)

TEST CASE REGARDING THE VALIDITY OF INCREASE IN RATE.

Reference was made on pages 10-11 of the Association's Report for 1944 to the increase in the rate of water tax charged to mills from Re. 0-14-0 to Re. 1-2-0 per thousand gallons for the year 1944-45, and from Re. 1-2-0 to Re. 1-8-0 per thousand gallons with effect from 1st April 1945, and the protests made by the Committee against the increases. It was also stated that the matter was pending before the Chief Judge of the Small Causes Court. In consultation with the Association's solicitors, a test case challenging the validity of the increase in tax in 1944-45 has since been filed in the High Court, and the Chief Judge of the Small Causes Court has postponed the hearing of the petitions filed by the mills pending disposal of the test case by the High Court.

WATER SUPPLY TO MILLS IN BOMBAY.

In the course of a communication received by the Association towards the end of November 1944, the Hydraulic Engineer explained that due to the unsatisfactory position of water supply in the city, it had been found necessary to reduce the hours of supply of water to the mills and that a further curtailment might be necessary during the hot weather. He, therefore, advised that the mill authorities should, as far as possible, draw their requirements during pressure hours in the early morning and store water in overhead or underground tanks for use during non-supply hours. He further pointed out that in some cases there was little or no underground storage, and suggested that those mills might be asked to make arrangements to provide underground domestic storage as early as possible. He also stated that, if the existing connections were not sufficient, the Municipality would consider giving additional or larger connections on being informed of the exact quantity of water required and the quantity of storage available.

The position was brought to the notice of the members of the Association and applications were subsequently made by certain individual mills for permission to convert the existing static tanks into suction tanks for the purpose of providing underground storage for water. In disposing of these applications, the Hydraulic Engineer wrote to the Association stating that permission for converting static tanks as suction tanks would be given by the Municipality on certain general conditions and subject to the sanction of the Municipal Commissioner in each individual case. The general conditions laid down by the Municipality in this matter were :

- (1) Proper arrangements either by pumping or otherwise shall be provided to drain the tanks when necessary and water shall not be allowed to collect round about the tanks
- (2) The tanks shall be waterproof
- (3) The inner surface of the tanks shall be rendered smooth as far as possible
- (4) The tops of the tanks shall be so levelled so as to prevent accumulation of water thereon.
- (5) The tanks shall have complete cement concrete cover leaving an opening with a manhole frame properly fitted flush with the top of the tanks and provided with a mosquito-proof hinged cast iron cover, in one piece, with locking arrangement and a bolt and nut screwed on tightly serving the purpose of a lock (as per model kept in Malaria Office)
- (6) No gap shall be allowed to remain round the suction pipe and arrangement shall be made for the proper discharge of the spilt water in case an electric pump is fitted.
- (7) The overflow pipes or vent shafts, if provided, shall have a wire-gauze cover of 1/16" mesh properly screwed tightly to the opening
- (8) The staff of the Malaria Department shall be allowed full facilities for inspecting the tank periodically and for taking suitable steps to stop mosquito breeding
- (9) Such measures as may be communicated to the owners from time to time by the Malaria Office to prevent mosquito breeding in the tanks shall be carried out
- (10) This permission shall be liable to be summarily withdrawn for breach of the abovementioned conditions or for any other reason by the Municipal Commissioner or by any other officer empowered by him in this behalf "

Mills which desired to augment their storage capacity were also given the necessary assistance in securing the requisite quantities of building materials, etc.

AMENDMENT IN THE TERMS OF POWER CONTRACTS.

(See also pages 22 and 137 of Report for 1942.)

Towards the end of September 1944, Messrs. The Tata Hydro-Electric Agencies Ltd., suggested an amendment in sub-clause (b) of clause 21 of exhibit 'B' of the articles of agreement governing the supply of electrical energy to mills. The amendment sought to delete the words "due to shortage of rainfall or" occurring in the following paragraph, of clause 21 (b) of Exhibit 'B'—General Conditions and Technical Regulations—dealing with the circumstances under which the Supply Company shall indemnify the consumer against loss arising from failure to supply power :—

" 21 (b) from stoppage or irregular or insufficient supply of current due to shortage of rainfall or due to causes within the control of the Company arising during the period of this Agreement "

In suggesting the amendment, the Tata Hydro-Electric Agencies Ltd., pointed out that shortage of rainfall obviously fell under *force majeure*, for which the Power Companies could not reasonably be expected to indemnify a consumer, and that in fact they were not now liable to do so because of the provisions set out in the second paragraph of clause 21 according to which compensation was not payable if the failure of the current was due to any accident or cause of whatever nature beyond the control of the Company.

The Committee examined the proposal and decided to accept the amendment. The Hydro Companies stated, however, that they would not accept new customers in the post-war period unless they were satisfied that by so doing, the interest of the present consumers would not suffer in any respect whatsoever and that the growth of electricity demand would be accompanied, as and when required, by an increase in the Company's system capacity so that this position would always be maintained in the future.

The amendment would be embodied in all new agreements and in renewal agreements with the existing consumers. The acceptance of the amendment by the Committee was notified to members.

FIRE INSURANCE RATES FOR COTTON MILLS.

ALLOWANCES FOR FIRE EXTINGUISHING APPLIANCES.

(See also pages 40 and 172 of Report for 1939.)

Towards the end of July, the Committee considered the question of allowances for fire extinguishing appliances in the Cotton Mills Tariffs in Bombay City. These allowances were fixed in 1939 in conjunction with certain other changes in the fire tariff made by the Fire Insurance Association, and the Committee felt that since these allowances were fixed, conditions had improved in several mills and that the authorities had at their disposal more facilities than ever for preventing the spread of fire. Substantial improvement had taken place in the municipal fire-fighting equipment and personnel, and the mills had also a highly trained fire-fighting staff in addition to the

usual sprinklers, stirrup pumps and trailer pumps. In the circumstances, the Committee felt that there was a strong case for an increase in the fire extinguishing appliances allowances. The matter was, therefore, taken up with the Bombay Fire Insurance Association. In urging a revision of the allowances, the Committee pointed out that they would have no objection to accept any reasonable standard which might be mutually agreed upon as regards the number of pumps to be kept and the accessories to be retained in each mill, the personnel to be kept for the maintenance of each pump, etc., as a condition qualifying the grant of any increase in fire extinguishing appliances allowance which might be decided upon.

The Bombay Fire Insurance Association, however, did not think that there was any justification for a revision of the allowance at present in force for approved fire-fighting equipment. In a reply received by the Association, towards the middle of December, they pointed out that war-time conditions such as congestion, inadequate supervision, unskilled labour and pressure of work had considerably increased the risk of fire, for which no additional premium had been charged by the insurance companies; in their view, the A.R.P. arrangements which had been made would not offset the additional hazard involved. The matter is at present under the consideration of the Committee.

PRICE OF FURNACE OIL.

It was stated on page 11 of the Association's Report for 1944 that the price of furnace oil supplied to mills was reduced by Messrs. The Burmah-Shell Oil Storage and Distributing Co. of India Ltd. to Rs. 59-15 per ton of 2,240 lbs. delivered at mills within Bombay City municipal limits with effect from 16th January 1945. The following alterations in price of furnace oil were made by Messrs. The Burmah-Shell Oil Storage and Distributing Co. of India Ltd., during the year.

- Rs. 59-7-0 from 1st June 1945.
- Rs. 59-5-0 from 5th July 1945.
- Rs. 59-12-0 from 1st August 1945.
- Rs. 55-14-0 from 16th August 1945.
- Rs. 49-4-0 from 15th November 1945.

WAR RISKS INSURANCE SCHEMES FOR GOODS AND FACTORIES.

(See also pages 13 and 14 of the Report for the year 1944.)

Amendment to the War Risks (Factories) Insurance Ordinance, 1942.—Towards the middle of May, the Government of India amended the War Risks (Factories) Insurance Rules so as to provide cover for accidental damage occurring as the direct result of explosion or fire which involves any explosives or munitions or other dangerous things required for war purposes and which happens or is caused by, through, or in connection with the manufacture, storage, transportation of any such explosives, munitions or other dangerous things. The expression "war risks" in the Ordinance was also amended accordingly.

Reduction in rate of premium.—Reference was made on page 13 of the Association's Report for 1944 to the representations made by the Committee to Government suggesting that, in view of the substantial amounts standing to the credit of the War Risks Goods and Factories Insurance Funds, and taking into consideration the extremely favourable war situation which then existed, Government might give free cover under the Goods and Factories Insurance Schemes during the period for which the schemes were extended. In response to these representations, the Association was informed towards the end of December 1944 that the rate of premium under the War Risks (Goods) Insurance Scheme for the quarter ending March 1945 had been reduced from one anna three pies to one anna for every 100 rupees per month. This rate was subsequently reduced to nine pies per month for the quarter ending 30th June, 1945. The rate of premium payable in respect of the War Risks (Factories) Insurance Scheme was reduced from 1 per cent. to $\frac{1}{2}$ per cent. for the period from 1st April 1945 to 31st March 1946, the premium being payable in four equal instalments on April, June, September and December.

Towards the middle of June, the Committee again urged that free cover should be given in respect of policies under both the schemes. This request was conceded, and the following Press Note was issued by Government on 21st June 1945:—

“In view of the improvement in the war situation, the Central Government have had under consideration the question of either giving free cover or reducing the premium payable under the War Risks (Goods) Insurance Ordinance. The Central Government have now decided that all policies expiring on June 30, 1945, issued under the War Risks (Goods) Insurance Scheme shall, without the payment of any further premium, be deemed to be effective for the quarter ending on September 30, 1945. For the quarter ending on September 30, 1945, premium shall, however, be payable on new policies which are either taken out for the first time or are taken out for an amount in excess of the amount for which free cover is provided as above, at the rate of one pie per month for each complete sum of Rs. 100 in respect of goods liable to compulsory insurance, and at double that rate in respect of goods that are voluntarily insurable.

2 As regards the War Risks (Factories) Insurance Scheme, the Central Government have decided to waive payment of the instalment of premium due on September 1, 1945 under all policies of insurance issued under this Scheme for Factories and Inland Vessels in respect of which all instalments of premium up to, and inclusive of the quarter ending on August 31, 1945, have been paid by the due date. Premium shall, however, be payable on all new policies and supplementary policies taken out in respect of properties becoming insurable on or after September 1, 1945, but before December 1, 1945, at the rate of one-fourth per cent. of the insurable value as laid down in the Commerce Department notifications No. 2-W.R.I. (F)/45 and No. 4-W.R.I. (F)/45 dated March 3, 1945.”

Termination of the Schemes.—With the cessation of hostilities with Japan towards the middle of August, Government decided to terminate the War Risks (Factories) Insurance Scheme with effect from 1st September 1945, and the War Risks (Goods) Insurance Scheme with effect from 1st October 1945. Government, however, pointed out that the termination of the schemes would not absolve defaulters who had failed to insure their insurable properties as required by the respective Ordinances, of their liabilities to the punishments provided therefor under the Ordinances, and that provisions in the Ordinances which empower Government to authorise the special officers

and their staff to inspect the premises, call for information, etc., would be retained. Ordinances giving effect to the decisions of Government in the matter were promulgated towards the end of August 1945.

Cover for risks arising out of handling of remaining war cargoes.—The termination of the schemes was the logical outcome of the termination of hostilities. The Committee, however, felt that though the war was over, there still remained very large quantities of ammunitions and other war materials accumulated in various parts of India and the Far East, which it was understood, would shortly be removed and taken back to U. K. and/or U.S.A. The removal of such war materials would entail certain amount of risk especially when the ships loaded with such materials remained in a harbour like Bombay. The Committee, therefore, suggested that Government might guarantee cover against such risks without charging any premium. They pointed out that in the unfortunate event of any explosions like that which occurred in Bombay Docks arising from ammunitions in course of transit, Government would be unable to pay any compensation as the amounts to the credit of the War Risks Insurance Schemes would have already reverted to the general revenues. As regards the period during which Government should cover risks of the type referred to, it was difficult for the Committee to say anything definite, for the reason that the removal of dangerous war materials would depend to a very large extent on the availability of shipping space, but taking a very reasonable view of present conditions, they suggested that the cover might be given for an initial period of 24 months from 1st October 1945.

In a reply received by the Association towards the beginning of January, Government expressed their inability to agree to the Committee's suggestion. The matter is at present under the consideration of the Committee.

MEETINGS OF THE STANDING LABOUR COMMITTEE.

(See also page 14 of Report for 1944.)

Reference was made on page 14 of the Association's report for 1944 to the fifth meeting of the Standing Labour Committee.

The sixth meeting of the Standing Labour Committee took place at New Delhi on the 17th March 1945. The following subjects were discussed at the meeting :—

- (1) Report on Health Insurance for industrial workers.
- (2) Changes in the constitution and functions of the tripartite organisation.

The following gentlemen represented the Employers :—

Employers' Federation of India—

Sir Vithal Chandavarkar, Bombay.

Sir Robert Menzies, O.B.E., V.D., C.A., Cawnpore.

Mr. A. W. Taylor, Calcutta.

Mr. D. C. Driver, Calcutta.
 Mr. T. S. Swaminathan, Bombay (Adviser).
 Mr. R. G. Gokhale, Bombay (Adviser).
 Mr. C. C. Miller, M.L.A., Calcutta (Adviser).
 Mr. T. J. D'Souza, Jamshedpur (Adviser).

All-India Organisation of Industrial Employers—

Lala Shanker Lal, New Delhi.
 Lala Gurusharan Lall, Calcutta.
 Mr. Ram Ratan Gupta, M.L.A. (Central), Cawnpore.
 Mr. Gautam Sarabhai, Ahmedabad.
 Mr. D. May Arrindell, Cawnpore (Adviser).
 Mr. L. C. Bisht, Calcutta (Adviser).
 Mr. G. L. Bansal, New Delhi (Adviser).

The seventh meeting of the Standing Labour Committee took place at New Delhi on the 28th August 1945. The following subjects were discussed at the meeting :—

- (1) Report of the Sub-Committee on the constitution of the Labour Conference.
- (2) Industrial housing.
- (3) Amendment of the Workmen's Compensation Act (raising of the wage level).
- (4) Draft Rules under the Factories Act (holidays with pay).

The following gentlemen represented the Employers :—

Employers' Federation of India—

Sir Vithal Chandavarkar, Bombay.
 Mr. H. D. Townend, Calcutta.
 Mr. A. W. Taylor, Calcutta (Adviser).
 Mr. T. S. Swaminathan, Bombay (Adviser).

All-India Organisation of Industrial Employers—

Sir Shri Ram, New Delhi.
 Mr. Shanti Lal Mangaldas, Ahmedabad.
 Mr. D. G. Mulherkar, New Delhi (Adviser).
 Mr. D. May Arrindell, Cawnpore (Adviser).
 Mr. A. S. Banavalikar, New Delhi.

SEVENTH LABOUR CONFERENCE.

The seventh Labour Conference took place at New Delhi on the 27th and 28th November 1945, when the following subjects were discussed :—

- (1) Unemployment—
 - (i) involuntary unemployment resulting from controls.
 - (ii) in transition period.

- (2) Attitude of Employment Exchanges during strikes and lockouts.
- (3) Reduction of working hours under the Factories Act.
- (4) Industrial canteens.
- (5) Proposed amendment of the Workmen's Compensation Act, 1923.
- (6) Minimum wage legislation.
- (7) Proposed legislation for compelling employers to frame rules regulating service rights of employees in industrial concerns.
- (8) Proposed amendment of the Trade Unions Act, 1926.

The following gentlemen represented the Employers:—

Employers' Federation of India—

- Mr. H. D. Townend, Calcutta.
- Mr. A. C. Inskip, Cawnpore.
- Mr. Neville N. Wadia, Bombay.
- Mr. T. S. Swaminathan, Bombay (Adviser).
- Mr. T. J. D'Souza, Jamshedpur (Adviser).
- Mr. R. G. Gokhale, Bombay (Adviser).

All-India Organisation of Industrial Employers—

- Sir Shri Rani, New Delhi.
- Mr. Kasturbhai Lalbhai, Ahmedabad.
- Mr. Gautam Sarabhai, Ahmedabad.
- Rai Saheb S. C. Ghosh, Calcutta.
- Mr. D. G. Mulherkar, New Delhi (Adviser).
- Mr. D. May Arrindell, Cawnpore (Adviser).
- Mr. E. Da Costa, Calcutta (Adviser).
- Mr. Purshottam Chauhan, Jharia (Adviser).

INTERNATIONAL LABOUR CONFERENCE—27TH SESSION.

Early in July 1945, the Employers' Federation of India informed the Committee that the 27th session of the International Labour Conference would be held in Paris some time in September 1945 to consider the following among other subjects:—

The maintenance of high levels of employment during the period of industrial rehabilitation and reconversion,

Welfare of children and young workers.

Minimum standards of social policy in dependent territories (supplementary provisions).

Mr. L. N. Birla was appointed as the Employers' delegate to the Conference.

“VICTORY BONUS” TO BOMBAY COTTON MILL WORKERS.

At an Urgent General Meeting of members held on 13th September 1945 members accepted the following recommendations of the Committee in regard to the payment of a “Victory Bonus” to cotton mill operatives:—

- “1. (a) That, in commemoration of the Allied Victory in the Second World War, a “Victory Bonus” equivalent to one-twelfth of their total earnings in the period 1st September 1944 to 31st August 1945 inclusive, be granted to all cotton mill workers who are on the musters of permanent and *badli* workers in member mills in Bombay City and Island on 31st August 1945, and who continue, without a break, to be on such musters till the date of payment, with the exception of those *badli*s who have worked for less than an aggregate period of 75 days in the said period,

PROVIDED, however, that permanent workers whose services were retrenched as a result of an agreement following a notice of change under the Bombay Industrial Disputes Act or in pursuance of the provisions of Standing Order No. 9 of the Standing Orders for Operatives in Cotton Textile Mills in Bombay, or for reasons beyond the control of the management be considered eligible for bonus if they had put in not less than 75 days’ work in the mills in the period 1st September 1944 to 31st August 1945

- (b) That the bonus be calculated on earnings exclusive of dearness allowance and war bonus distributed in the period ;
- (c) That, in the case of women who have been on maternity leave in the period referred to, the actual maternity allowance drawn by them be included in their wages for the purpose of calculating the bonus payable.

- “2. That bonus as laid down in the preceding clauses be calculated and paid to the workers in one instalment on Monday the 15th October 1945

Note.—The date in paragraph 2 is subject to the operation of the scheme of staggering. If any mill is closed on the day referred to in clause 2, bonus will be paid on the following working day.”

“WAR BONUS” TO BOMBAY COTTON MILL WORKERS.

(See also page 15 of Report for 1944.)

The question of granting a “war bonus” to the cotton mill workers for the year 1945 was considered at an Urgent General Meeting of members held on 12th November 1945, when the following recommendations made by the Committee were accepted:—

- “1. (a) That, although the war ended in August 1945, a war bonus equivalent to one-sixth of their total earnings in the period 1st January 1945 to 31st December 1945 inclusive, be granted, as a special case, to all cotton mill workers who are on the musters of permanent and *badli* workers in member mills in Bombay City and Island on 31st December 1945, and who continue, without a break, to be on such musters till the dates of payment, with the exception of those *badli*s who have worked for less than an aggregate period of 75 days in the said period,

Provided, however, that permanent workers whose services were retrenched as a result of an agreement following a notice of change under the Bombay Industrial Disputes Act or in pursuance of the provisions of Standing Order No. 9 of the Standing Orders for Operatives in Cotton Textile Mills in Bombay, or for reasons beyond the control of the management be considered eligible for bonus if they had put in not less than 75 days’ work in the mills in the period 1st January to 31st December 1945.

(b) That bonus be calculated on earnings, exclusive of dearness allowance and bonuses paid in the period 1st January to 31st December 1945;

(c) That, in the case of women who have been on maternity leave in the period referred to, the actual maternity allowance drawn by them be included in their wages for the purpose of calculating the bonus payable.

2 That bonus as laid down in the preceding clauses be calculated, and paid to the workers in two equal instalments: the first on Saturday, the 19th January 1946, and the second on Saturday, the 16th March 1946.

Note.—The dates in paragraph 2 are subject to the operation of the scheme of staggering. If any mill is closed on any of the days referred to in clause 2, bonus will be paid on the following working day."

DEARNESS ALLOWANCE TO BOMBAY COTTON MILL WORKERS.

(See also page 15 of Report for 1944.)

The Bombay Working-Class Cost of Living Index Number for the purpose of calculating dearness allowance during the twelve months ending 31st December 1945 and the appropriate dearness allowance applicable in each case were as under:—

Month.	Bombay Working-Class Cost of Living Index Number.	Dearness Allowance for a month of 26 working days.
January 1945	236	Rs 31 1 0
February	229	29 6 0
March	229	29 6 0
April	225	28 7 0
May	226	28 11 0
June	230	29 10 0
July	235	30 13 0
August	240	32 0 0
September	243	32 11 0
October	240	32 0 0
November	242	32 7 0
December	242	32 7 0

RATES OF MATERNITY BENEFITS PAYABLE UNDER THE BOMBAY MATERNITY BENEFITS ACT.

(See also page 88 of Report for 1942.)

Reference was made on page 88 of the Association's report for 1942 to the recommendation made by the Committee to member mills in Bombay at the request of the Government of Bombay that for the duration of the war and three months thereafter, a surcharge of 50 per cent. of the total amount payable as maternity benefit should be granted to women

employees of mills. Early in December 1945 the Committee recommended that the present surcharge be continued till the cost of living index number comes down to 178.

Subsequently the following Press Note was issued by Government on 11th December 1945:—

"The Millowners' Association, Bombay, has decided to continue the payment of the surcharge of 50 per cent to the maternity benefit payable on the women workers of mills which are members of the Association, even beyond the period of three months after the duration of the war, which was originally agreed to. The concession is to continue for such time as the cost of living index figure remains above 178. Government desires to express its appreciation of this voluntary offer of the Association and hopes that other employers will similarly continue the concession as before" (Appendix 1.)

ALL-INDIA HANDLOOM BOARD.

(See also pages 16, and 57 of Report for 1944.)

Reference was made on page 16 of the Association's report for 1944 to a proposal to appoint an All-India Handloom Board. Early in February 1945, the Government of India constituted an All-India Handloom Board with the following functions:—

- (1) To make recommendations to the Government of India on the proportion of the yarn available from Indian production which should be supplied to each Province and State interested in obtaining it for handloom weaving.
- (2) To assist handloom weavers in obtaining dyes, chemicals, stores, etc., at fair prices through their recognised associations or through Provincial or State Governments.
- (3) To investigate and report on the best methods of marketing handloom products.
- (4) To undertake research particularly into markets and the improvement of production. In pursuing such researches the Board should make use of any Provincial or State organisations already in existence.
- (5) To advise on the administration of the grant-in-aid given by the Government of India for the furtherance of the handloom industry.
- (6) To consider the conditions of work of handloom weavers.

It was also provided that if in the opinion of the Chairman of the Handloom Board any recommendation of the Board appeared likely to affect in any manner the interests of the mill industry, he should, before submitting it to Government for their consideration, take steps to consult the Textile Control Board and obtain its views thereon.

The Board was to consist of 30 members, constituted as follows:—

- (i) The Textile Commissioner (ex-officio Chairman).
- (ii) Three non-officials nominated by the Government of India.
- (iii) 17 members nominated by the Provinces as follows:—

Assam	1	
Bengal	3	(including 2 representatives of handloom industry).
Bihar	1	
Bombay	2	(including 1 representative of handloom industry).
C. P.	1	
Madras	4	(including 3 representatives of handloom industry).
Orissa	1	
Punjab	2	(including 1 representative of handloom industry).
U. P.	2	(including 1 representative of handloom industry).
- (iv) Four members nominated one each by the following States:—
 - (a) Hyderabad;
 - (b) Mysore;
 - (c) Travancore;
 - and (d) Kolhapur and Deccan States.
- (v) Five members representing the millowning interest (nominated by the Textile Control Board).

The Textile Control Board nominated the following persons as their representatives to serve on the All-India Handloom Board:—

Sir James Doak, Kt.
 Dewan Bahadur C. Ratnasabapathy Mudaliar.
 Mr. J. C. Lancashire.
 Mr. Sakarlal Balabhai.
 Mr. B. M. Bagri.

The inaugural meeting of the Board was held at Nagpur on 5th and 6th July 1945, and the second meeting of the Board was held on 22nd December 1945 in Bombay.

RESTRICTIONS ON WORKING LOOMS OR LOOM HOURS.

(See also page 17 of Report for 1944.)

Reference was made on page 18 of the Association's report for 1944 to a notification issued by the Government of India imposing certain restrictions on increasing the number of working looms or loom hours beyond the limits attained in September 1944. The Committee had represented to the Government of India that the restrictions were unnecessary and that the notification should be withdrawn. It was stated in the report for 1944 that no reply had been received to this representation, but that it was understood that mills producing their own yarn would be permitted to increase their weaving capacity under certain conditions.

Towards the end of March 1945, the Government of India issued a notification in supersession of their previous notification which provided that:

- (1) No manufacturer of cloth who has no spinning plant shall work, cause or permit to be worked—

- (a) looms in excess of the number of looms working in the undertaking on the 30th September 1944 ;
 - (b) any loom for a period which in any one month exceeds the average number of hours of work per loom per month in the undertaking during the year ending 30th September 1944.
- (2) No manufacturer of cloth who has a spinning plant shall, in any quarter—
- (a) purchase a quantity of yarn exceeding one fourth of the quantity of yarn purchased by him in the year 1944 ;
 - (b) sell a quantity of yarn less than one-fourth of the quantity of yarn sold by him in the year 1944.

The provisions of this notification were subsequently incorporated in the Cotton Cloth and Yarn (Control) Order, 1945, by a notification dated the 18th August 1945.

INCOME TAX ACT AND EXCESS PROFITS TAX ACT.

AMENDMENTS TO PROVIDE FOR A SPECIAL INITIAL DEPRECIATION ALLOWANCE AND FOR ALLOWING RESEARCH EXPENSES AS A BUSINESS DEDUCTION.

(See also pages 19 and 60 of Report for 1944.)

Reference was made on pages 19 and 60 of the Association's report for 1944 to the representation made by the Association to the Government of India suggesting that donations made by individual members in response to the Chairman's appeal to the Department of Chemical Technology should be allowed in computing assessable profits. No reply was received to this representation, but a Bill was introduced in the Central Assembly by the Hon'ble the Finance Member early in February 1945 which sought to amend the Indian Income-tax Act 1922 and the Excess Profits Tax Act 1940 in the following among other directions :—

- (a) a special additional initial depreciation allowance for new buildings, machinery and plant erected after the 31st day of March 1945 was proposed ; and
- (b) expenses incurred on scientific research and sums paid to a scientific research association were proposed to be treated as an allowable business expense.

For reasons, which were not considered to be fair to the industry, Government subsequently withdrew the Bill with the result that the much needed relief which had been repeatedly asked for by this and other commercial and industrial organisations was denied to the industry. The war had ended and the great need of the Indian cotton textile industry was the immediate rehabilitation and modernisation of its war-worn plant and machinery. Machinery prices had increased several times over the pre-war

prices, and the Committee thought that unless Government were prepared actively to assist the industry in this matter, no substantial progress was possible in the direction of rehabilitation of the industry. The cotton mill industry of this country came voluntarily to the help of Government at a critical juncture of the war, and machinery was worked practically without respite even for routine overhauls with the result that a stage had been reached when it was no longer possible to keep it going without serious risk of breakdowns unless substantial replacements were available. The Committee, therefore, submitted to the Government of India that a Bill incorporating the two specific provisions referred to be introduced in the Assembly. (*Appendix 2.*)

TRADE MARKS ACT, 1940.

RECIPROCAL ARRANGEMENTS BETWEEN BRITISH INDIA AND INDIAN STATES IN THE MATTER OF REGISTRATION OF TRADE MARKS.

(See also pages 37 and 158 of Report for 1940.)

Section 68 of the Act provides that the Central Government may by notification in the official *Gazette* appoint a date, not being earlier than one year from the commencement of the Act, prohibiting, *inter alia*, a person from making any representation with respect to a mark, not being a registered mark, to the effect that it is a registered trade mark. Towards the end of December 1944, the Government of India published a notification appointing 1st January 1946 as the date for the purpose of section 68 of the Trade Marks Act.

The implication of this notification is briefly, that after 1st January 1946, no person shall make any representation with respect to a mark not being a mark registered under the British Indian Act, to the effect that it is a registered trade mark. Separate Trade Marks Act on the lines of the Trade Marks Act in British India has already been enacted in some of the Indian States, and the Committee felt that the States concerned would come out with notifications on the lines of the Government notification prohibiting, with effect from a particular date, the use of the expression "registered" on any trade mark not registered under the State Act. The position in that case would be that the owner of a trade mark registered under the British Indian Act would be entitled to stamp the word "registered" only when that trade mark circulated in British India. The Committee were of the opinion that the only remedy for this state of affairs was to come to a reasonable understanding with Indian States in the matter of reciprocity arrangements in trade marks, provision for which had already been made in section 83 of the Trade Marks Act, 1940. A representation was accordingly submitted to the Government of India towards the end of February 1945 requesting Government to give early attention to the question of entering into reciprocal arrangements, in the matter of registration of trade marks, with Indian States. Subsequently towards the end of December 1945 the Government of India issued a notification fixing 1st January 1947 instead of 1st January 1946 as the date for the purpose of section 68 of the Trade Marks

Act, and it is understood that separate legislation to secure reciprocity between British India and Indian States in all matters arising from registration of trade marks will be introduced in the next session of the Central Legislature. (*Appendix 3.*)

AMENDMENT OF TRADE MARK RULES.

REGROUPING OF THE FIFTH SCHEDULE.

(*See also pages 66 and 194 of Report for 1942.*)

Reference was made on page 66 of the Association's report for 1942 to the Rules published by the Government of India under section 84 of the Trade Marks Act. Towards the end of July, the Government of India further amended the Rules relating to the registration of trade marks.

Section 10 of the Trade Marks Act, which prohibits registration of identical or similar trade marks by different proprietors on goods of the same description, reads as follows :

- "(1) Save as provided in sub-section (2), no trade mark shall be registered in respect of any goods or description of goods which is identical with a trade mark belonging to a different proprietor and already on the register in respect of the same goods or description of goods, or which so nearly resembles such trade mark as to be likely to deceive or cause confusion
- "(2) In case of honest concurrent use or of other special circumstances which, in the opinion of the Registrar, make it proper so to do he may permit the registration by more than one proprietor of trade marks which are identical or nearly resemble each other in respect of the same goods or description of goods, subject to such conditions and limitations, if any, as the Registrar may think fit to impose.
- "(3) Where separate applications are made by different persons to be registered as proprietors respectively of trade marks which are identical or nearly resemble each other, in respect of the same goods or description of goods, the Registrar may refuse to register any of them until their rights have been determined by a competent Court"

The intention of the law is clear, namely, to prevent confusion arising from different proprietors using the same or similar trade marks on "goods of the same description." As to what constitutes "goods of the same description" has nowhere been defined, but the practice of the trade which had been followed in the rules for the registration of trade marks and trade numbers of the Association had been roughly as follows :—For the purpose of registering *labels and stamps*, cotton piecegoods of all kinds were regarded as *one class*, whereas for purposes of registering *trade numbers*, cotton piecegoods were divided into 94 sub-classifications consisting of goods of *different descriptions*. If, for instance, 'A' registered a trade number for use on grey drill, 'B' could register and use the same number on bleached drill without infringing 'A's rights. The Association's rules in this respect followed the trade practice, but the Trade Marks Rules as framed by Government did not recognise it probably through an oversight. This was, in the view of the Registrar of Trade Marks, a serious omission, for, in the absence of an express provision to the

contrary, either in the Act, or in the Rules, High Courts when deciding appeals from the Registrar's decision, or complaints regarding limitations of trade marks would be inclined to apply the same test to trade marks—labels and stamps—and trade numbers—numerals, letters and combinations thereof—and they would have been perfectly justified in doing so under the provisions of section 10 of the Act. This question was, therefore, considered by the Trade Marks Advisory Committee at the instance of the Registrar of Trade Marks, and they recommended that the custom and practice of the trade in the matter of the use of the trade Marks and trade Numbers be recognised and legalised. The Advisory Committee felt that the detailed classifications adopted by the Association and subsequently incorporated as the Fifth Schedule of the Trade Marks Rules required reclassifications, as some of the classifications, which, though treated as goods of different descriptions in the Fifth Schedule were not really so. They, however, recognised that it would create unnecessary complications and perhaps lead to confusion and rejection of several current numbers if the existing Schedule was overhauled without giving an opportunity to the current numbers being registered in accordance with the existing classifications of the Fifth Schedule. Accordingly, they recommended that in deciding the question of registrability of current numbers, that is, numbers in respect of which applications for registration are made before a specified date, the various classifications included in the Fifth Schedule would be regarded as comprising goods of different descriptions. As regards new numbers, their registrability would be decided on a different basis altogether, that is, the Fifth Schedule would be regrouped, each group comprising goods of the same description.

In accordance with the recommendations of the Textile Trade Marks Advisory Committee in the matter, the Government of India amended the Trade Marks Rules by adding two rules 102A and 102B, after Rule 102 of the Trade Marks Rules. Rule 102A provided that in respect of applications for registration of trade marks, consisting exclusively of letters, or numerals or any combination thereof, made before 31st July 1945, goods falling in different items of the Fifth Schedule shall not be deemed to be goods of the same description. Rule 102B effected a regrouping of the items of the Fifth Schedule and provided that for the purposes of applications for the registration of trade marks, consisting exclusively of letters, numerals, or any combination thereof, made after 31st July, the goods falling in each group shall be deemed to be goods of the same description, and goods falling in different groups shall not be deemed to be goods of the same descriptions. (*Appendix 4.*)

INDIAN MERCHANDISE MARKS (AMENDMENT) SUPPLEMENTARY
ACT, 1945.

(See also page 20 of Report for 1944.)

Reference was made on page 20 of the Association's Report for 1944 to a Bill introduced by the Commerce Member in the Legislative Assembly for amending section 12 (2) of the Indian Merchandise Marks Act, providing among other things for the stamping of length of the piece on cotton

piecegoods, the weight and count on yarn bundles, etc. The Bill was referred to a Select Committee and was passed by the Assembly on 2nd April 1945 as amended by them.

The new amendment was necessitated by the fact that section 12 (2) of the Act was defective in certain respects. The section, for example, covered only cotton yarn and cotton sewing or darning thread, and did not make any provision for the marking of crochet and handicraft threads in which a large amount of business was carried on in this country. The section covered only cotton yarn, etc., manufactured in factories, as defined in the Factories Act, whereas a considerable amount of trade in some kinds of threads was carried on in premises which would not come within the scope of the Factories Act. Again, in the case of threads, section 12 (2) as it stood, required the weight of the thread and the "grist" number to be marked, whereas the usual practice was to sell thread in length units and not by weight and the expression "grist" number was not in use in India.

The provisions of the Amendment Act rectified these defects and are in conformity with the suggestions made by the Association in this matter.

AMENDMENT OF THE BOMBAY INDUSTRIAL DISPUTES ACT, 1938.

(See also pages 21 and 61 of Report for 1944.)

Reference was made on page 21 of the Association's report for 1944 to certain amendments which the Government of Bombay proposed to make in the Bombay Industrial Disputes Act, 1938, seeking to empower the Government Labour Officer :

- (a) to convene a meeting of the employees within the mill premises ;
and
- (b) to require the employer to affix a notice of the meeting at such conspicuous places in the premises as he might order and to further require that the notice shall be so worded and contain such particulars as the Labour Officer may direct.

The Committee, then, expressed the view that the amendment was unnecessary, and particularly objected to the provision which stated that the notices of meetings convened by the Government Labour Officer, under the Act, shall be so worded and contain such particulars as he may direct. The Committee's point of view was also subsequently elaborated at a personal interview which the Chairman and other representatives had with the Hon'ble Adviser to His Excellency the Governor. Towards the beginning of November 1945 the Government of Bombay enacted the Bombay Industrial Disputes Amendment Act, 1945, which introduced a new sub-section to section 25 of the Bombay Industrial Disputes Act empowering the Government Labour Officer after giving reasonable notice

to convene a meeting of the employees of an employer for any of the purposes of the Act, in the premises where the employees are employed. The amendment also empowered the Government Labour Officer to require the employer to post announcement of such meetings at such places on the premises as he may order, and further contained a proviso to the effect that during the continuance of a lockout which is not illegal, no such meeting on the premises of the employer continuing the lockout shall be convened of any employees affected by the lock-out without the consent of the employer. (*Appendix 5.*)

PROHIBITION OF STRIKES AND LOCKOUTS.

ORDER UNDER THE DEFENCE OF INDIA RULES—RULE 81A.

(*See also page 78 of Report for 1942.*)

Reference was made on page 78 of the Association's report for 1942 to the addition of a new rule—Rule 81A—to the Defence of India Rules and to an order issued under the rule which provided that a strike or lockout without having given not less than 14 days' previous notice would be illegal.

Early in May, the Government of India amended this Order by inserting the following additional clause :

“ No person shall instigate or incite others to take part in, or otherwise act in furtherance of, any strike or lockout which is or when commenced will be, in contravention of the provisions of this Order ”

The Order was re-issued by a notification dated 19th December 1945:

INDIAN TRADE UNIONS (AMENDMENT) BILL.

RECOGNITION OF TRADE UNIONS.

(*See also pages 22 and 64 of Report for 1944.*)

Reference was made on page 22 of the Association's report for 1944, to the views expressed by the Committee on a Bill to amend the Indian Trade Unions Act, 1926, so as to provide for the compulsory recognition of trade unions under certain conditions. The Bill was not proceeded with, but a revised Bill was placed by the Labour Department of the Government of India before the Seventh Labour Conference, held at Delhi on 27th and 28th November 1945.

This draft Bill, which was subsequently examined by a Special Subcommittee appointed by the Labour Conference, will, it is understood, shortly be introduced in the Assembly.

HOLIDAYS WITH PAY FOR WORKERS.

FACTORIES (AMENDMENT) ACT, 1945.

(See also pages 25 and 70 of Report for 1944.)

(a) *Factories (Amendment) Act, 1945.*—Reference was made on page 25 of the Association's report for 1944 to a Bill for amending the Factories Act, introduced in the Legislative Assembly by the Honourable Dr. B. R. Ambedkar so as to provide holidays with pay for workers in non-seasonal factories. It was stated that the Bill as amended by the Select Committee was likely to come up for discussion during the 1945 Budget Session of the Assembly.

The Bill as amended by the Select Committee was presented to the Legislative Assembly on 10th March 1945, and was subsequently passed by the Legislature and received the assent of the Governor-General on 16th April 1945. One of the major changes made in the Bill by the Assembly was in respect of the total number of holidays allowed to a worker: the Bill provided for at least seven consecutive days in the case of an adult and fourteen in the case of a child; the Assembly changed it to 10 consecutive days in the case of adult employees and fourteen in the case of a child for every completed period of twelve months' continuous service in a factory. It was also specified that the Act would come into force on the 1st day of January 1946.

(b) *Draft Rules under the Factories (Amendment) Act, 1945.*—Section 49F of the Factories (Amendment) Act gave powers to Provincial Governments to make rules to give effect to the provisions relating to holidays with pay and empowered the Central Government to give directions to Provinces in the matter. In accordance with these powers, the Labour Department of the Government of India framed, towards the end of June 1945, a preliminary set of draft rules. These draft rules were discussed at a meeting of the Standing Labour Committee in August, and were subsequently published, in the *Bombay Government Gazette* for comments.

The draft rules were commented upon in great detail in a representation submitted by the Association to the Government of Bombay early in November.

There were certain issues arising out of the legislation which had not so far been satisfactorily clarified either in the Act or in the draft rules, and the Committee felt that these issues should be carefully considered and decided before the legislation referred to was brought into force.

The first issue was in connection with the date from which leave would become due. Sub-section (2) of section I of the Amendment Act specified that the Act shall come into force on the first day of January 1946, which, in effect, meant that the qualifying period of service would begin to count from the first day of January 1946 and the leave, if any, sanctioned by the statute would fall due after 31st December 1946. It was suggested that a Press Note clarifying this issue might be published.

The next point was in regard to the expression "continuous service." The explanation added to sub-clause (iii) of section 49B of the Act read as under :

" A worker shall be deemed to have completed a period of twelve months continuous service in a factory notwithstanding any interruption in service during those twelve months brought about by sickness, accident or authorised leave not exceeding ninety days in the aggregate for all three, or by a lockout, or by a strike which is not an illegal strike, or by intermittent periods of involuntary unemployment not exceeding thirty days in the aggregate and authorised leave shall be deemed not to include any weekly holiday allowed under section 35 which occurs at the beginning or end of an interruption brought about by the leave "

The Committee thought that the two expressions " authorised leave and involuntary unemployment " might be defined. They suggested that it might, for instance, be laid down that " authorised leave " meant leave taken with or under the orders of the Manager, or any person authorised by him for the purpose, in writing. As regards involuntary unemployment, they submitted that it must be clearly limited to unemployment arising from reasons over which neither the employer nor the employee had any control, provided the duration of such unemployment did not exceed 30 days in the aggregate. The explanation to sub-clause (iii) of clause 49B quoted above was one of the most important operative parts of the statute, which if misinterpreted by the operatives, was likely to cause trouble. A Press Note was, therefore, suggested to make it clear among other things, that workers would not be entitled to the benefit of the holidays with pay under the following circumstances :—

- (a) If during a period of 12 months' service, a worker was absent for more than 90 days in the aggregate on account of sickness, accident or authorised leave.
- (b) If during a period of 12 months' service a worker was absent on account of involuntary unemployment exceeding 30 days.
- (c) If a worker had participated in an illegal strike regardless of its duration, during the 12 months' service.
- (d) If a worker was absent without leave even for a day.

When on the question of the qualifying period of service, reference was made to another difficulty which it was thought might arise in interpreting the term. If a worker joined, say, on 1st March 1946 and put in continuous service for a year, then his leave would be due on 1st March 1947. If, on the other hand, after having worked in the mill for a fortnight, say, from 1st March 1946 to 16th March 1946, he took ten days off without leave and came back on, say, the 27th March 1946, it was not clear whether he would be considered as having started afresh for purposes of the Act and commenced his qualifying period from 27th March 1946, or whether, having taken ten days' unauthorised leave in his 12 months' service ending 1st March 1947, the worker would be expected to put in another period of 12 months from 1st March 1947 in order to earn his leave with pay in the year 1948. The Committee suggested that this point should be clarified. It was felt that the second alternative would not be fair to the worker and that his qualifying

service should commence from the day on which he rejoined duty after his unauthorised holiday, but in that event it would be throwing an enormous job on the management, for, without a very considerable increase in the staff, it would be very difficult to keep on the track of such cases. This point was of utmost importance when considering the question of the registers to be maintained under the Act and Rules.

The next point was in regard to the position of adolescents. They suggested that adolescents should be treated in all respects as adults.

Another point which the Committee felt should be made clear in the rules was that according to section 49B III, the question of compensating the worker for the holiday earned but not taken would arise only in the case of a worker who had been discharged by his employer before he had been allowed the holidays and in the case of a worker, who, having applied for the holiday, had been refused it, and had subsequently left the service of the employer before he had been allowed a holiday. The Committee suggested that it should be made clear in the suggested Press Note that the question of compensating *would not arise* in the case of a worker who had been dismissed by the management for any reason whatsoever.

The Committee offered the following observations in regard to some of the draft rules.

Rule 4.—This rule laid down that any subsequent change in the notice in respect of any compensatory holiday would be made not less than one week in advance of the date of the holiday. Why a week's notice had been insisted upon for a change in the notice was not clear, and it was suggested that a further proviso be added so that where an employee concerned agreed to a change with a lesser notice such intimation might be dispensed with.

Rule 5.—This rule did not make it clear as to what the position would be when an employee to whom a compensatory holiday was due, left service without notifying his employer. The Committee suggested that in such cases the employer should be absolved from all liability under the Act. If, however, an employee to whom a compensatory holiday was due notified the employer of his intention to leave, and if he was also permitted to leave before he could avail himself of the compensatory holiday due to him, it should be made permissible for the employer to make, in lieu of the holidays due, a cash payment representing the basic wages of the employee concerned for the number of days for which compensatory leave was due to him. The Committee recommended such conversion only in the case of an employee who retired from service with the permission of the employer before the compensatory holiday due to him had been taken. They did not, however, recommend the adoption of such a course in the case of an employee who continued to be in service for the reason that the object of the legislation was to enable the operative concerned to recoup his health, and this object would be defeated if it were made possible for the employee to claim monetary consideration in lieu of a compensatory holiday.

Rule 5 also laid down that the compensatory holiday or holidays would be given before a worker was discharged or dismissed. In this connection, the Committee pointed out that if an employee was adjudged by the manager to be guilty of an offence meriting dismissal, he was usually dismissed on the spot after he had been given an opportunity of explaining his conduct, and that it would not be practicable to postpone the dismissal till the employee concerned had had the compensatory holiday or holidays due to him. In such cases also, the Committee suggested that the employer should be permitted to substitute for the compensatory holiday or holidays a cash payment representing the wages of the employee concerned for the number of days for which the compensatory holidays were due to him.

Rule 6 (1) provided for a return to be submitted by the manager to the appropriate authorities within 15 days of the end of the year or season as the case may be. The Committee suggested that the time limit be raised to two months from the end of the year or season as the case may be, for the reason that employers were required to send too many returns at present.

Rule 7.—This rule required employers to maintain a Holiday with Pay Register and an annual return of persons employed and holidays granted during the year, etc. The Committee pointed out that the interpretation of the term "qualifying period" should be settled before considering the question of keeping the register, and suggested that the time limit for sending the annual return should be extended to 1st March of the subsequent year.

Rule 8.—The Committee strongly recommended that this rule which required each worker to be provided with a holiday book be deleted. It was thought that the object which Government had in view, viz., that it should be possible for every worker to ascertain what his dues under the Act would be, might be made by a simple provision making it obligatory on the employer to furnish the information to the worker on demand.

The Committee also pointed out that there was perhaps a practical difficulty in complying with the provisions of Rule 8 (1) Apart from the extra staff which mills had to employ for bringing the holiday books of individual workers up-to-date in addition to maintaining mills' own registers, the holiday books of individual workers would also require material alterations from time to time, for, the date of commencement of the qualifying period was likely to change from time to time as the operatives take unauthorised holidays. In this connection it was pointed out that as 75 per cent. of the workers take these holidays without the previous sanction of the management the amount of labour involved in correcting the mill registers and also the individual mill holiday books of the workers would be out of all proportion to the benefits which were likely to accrue to those who were likely to qualify for the holidays.

Moreover, the rule required the employer to provide every worker with the holiday book. This, in the Committee's view, was a wasteful provision for the reason that *badlis* and temporary workers who between them constituted about 20 to 25 per cent. of the factory's normal working force would be eligible for these books, though, as a matter of fact, they would not

be entitled to the annual holiday for the reason that it would be physically impossible for them to satisfy the conditions attached to it.

Rule 9.—This rule laid down that, if so required, the worker should submit a medical certificate, signed by a registered medical practitioner or by a registered or recognised *vaid* or *hakim* stating the cause of the absence and the period for which the worker was, in his opinion, unable to attend to his work. The Committee suggested that, in all cases, where the worker was absent on account of illness, it should be laid down that he should produce a medical certificate signed by the medical officer provided by the employer wherever such medical officers had been provided. The Committee felt that the provision regarding medical certificates by *hakims* and *vaides* was calculated to lend itself to grave abuses in the sense that in up-country centres, the worker might be inclined to secure these certificates in exchange for a monetary consideration. In this view of the case, it was thought that where the worker was unable to produce a certificate signed by the employers' own doctor, his absence should be regarded as *not being* due to sickness.

In making this suggestion, the Committee were not unmindful of the fact that it might result in unnecessary hardship in certain *bona fide* cases; but they felt that as against this must be set off the very large number of workers who, at present, took unauthorised holidays at different periods of the year, and who might, as a result of the new statute, endeavour to legalise their absence by procuring faked medical certificates. It was thought that the law should be made sufficiently watertight to prevent it being converted into machinery for legalising unauthorised absenteeism.

Rule 10.—This rule required employers to give notice to the Inspector of every case of involuntary unemployment. The Committee did not see any necessity for the provision. They pointed out that closures of all kinds, regardless of the reasons therefor, were being put up by employers on the notice with particulars as to the department or departments affected, and copies of these notices would be available for inspection with the employers at all times. These documents could also be made available for inspection by the authority concerned.

Rule 11.—This rule laid down that before or on the completion of a period of 12 months' continuous service in the factory, a worker might give notice to the employer of his intention not to avail himself of holidays falling due in the following period of 12 months. The Committee thought that this rule should also contain an option to the employer to notify an employee before or on completion of his 12 months' service with the factory of his inability to allow the employee to accumulate the leave due to him. The object of seeking such an amendment was to prevent a large number of operatives taking leave at the same time and thus bringing the work in the factory practically to a standstill.

Rule 12.—This rule provided that the employers shall fix the date on which holidays with pay shall be allowed to each worker. The Committee pointed out that in Bombay, where the majority of workers usually take their holidays in the month of May, it would be a very difficult job for

the manager to settle the period of leave for each worker to whom such leave would be due. If the worker refused to take the leave when the manager offered it to him, he might ask for that leave to be added to the leave due to him in respect of continuous work in the following year, but that would be only postponing the question, and the same difficulty would arise in the following year. The Committee, therefore, thought it ought to be laid down clearly in the rules that the manager's decision in such matters should be final and that, if the worker failed to take his leave when offered by the manager, then, subject to the provision of section 49B (ii) the accumulated leave should lapse.

Rule 16.—This rule provided for the payment of second half of the pay due for the period of holidays to the worker after the resumption of his work. The Committee pointed out that the expression "pay" in the Rule should be clearly defined. They presumed that it included only the basic wages and not the dearness allowance.

The final rules were published in the *Bombay Government Gazette*, dated 11th January 1946. (*Appendix 6.*)

AMENDMENT OF THE BOMBAY FACTORIES RULES, 1935.

PROVISION FOR WASHING ACCOMMODATION.

Towards the end of April, the Government of Bombay published the draft of certain amendments which they proposed to make in the Bombay Factories Rules, 1935. Briefly stated, the proposed amendments required every factory to provide washing facilities and prescribed certain standards in regard to the washing arrangements, taps, etc. It was also proposed that an Inspector might, if he were satisfied that, owing to shortage of materials due to the present war, the occupier of a factory was unable to comply with the provisions of the rules, relax the provisions of the rules until the materials became available. The Inspector's power in this direction was, however, confined to water troughs and the flooring in the vicinity of such troughs, and no provision was made for relaxation in the matter of taps. The Committee felt that the proposed amendment should be held in abeyance till normal conditions were restored. Accordingly, a representation was addressed to the Government of Bombay, pointing out that it was not only extremely difficult to secure taps and the necessary amount of piping at present, but that the high prices which these materials commanded in the market acted as an incentive to the mill employees to steal these materials from the mill premises, and that, as a matter of fact, several mills had lost taps, pipes and piping materials from their premises in the last year or two. It was submitted that the Committee were always willing to co-operate with Government and set matters right wherever water supply was proved to be inadequate, but that, at the same time, they were very anxious that, under the present conditions, Government should not proceed with the amendment in view of the unfortunate consequences which were likely to follow.

The proposed amendment has since been given effect to by Government.

SICKNESS INSURANCE FOR INDUSTRIAL WORKERS.

(See page 26 of the Report for 1944.)

It was stated on page 26 of the Association's report for 1944 that Professor Adarkar's report on sickness insurance for industrial workers was under consideration of the Committee.

The Committee subsequently accepted Professor Adarkar's recommendations subject to the following conditions :

- (1) that the scheme would be of a contributory character in which the employers, the employees and the State would participate, it being understood that the basis of contribution of the three parties suggested by Professor Adarkar on page 109 of his report should not be exceeded.
- (2) that in the unfortunate event of the insurance fund being insufficient to meet all claims, any deficit, regardless of its extent, should come from Government in addition to their usual contribution.
- (3) that the success of the sickness insurance scheme or its failure to work properly should not be made the excuse for introducing other forms of social legislation, regardless of their effect on the industry.

Professor Adarkar's proposals were subsequently examined by Messrs. Stack and Rao of the International Labour Office, who were specially brought out to India by the Government of India. These gentlemen amended the scheme put up by Professor Adarkar, but the Committee expressed themselves in favour of Professor Adarkar's original proposals subject, of course, to the considerations which they had set forth.

INDUSTRIAL STATISTICS ACT.

(See also page 26 of the Report for 1944.)

Reference was made on page 26 of the Association's report for 1944 to certain rules framed by the Government of Bombay under the Industrial Statistics Act, 1942, for collecting statistics from factories in Bombay Province and to the representations made by the Committee in connection therewith. In 1945 Government framed a revised set of Rules. This matter was subsequently taken up by the Association with Government through the Chairman of the Textile Control Board and the rules were finally gazetted by Government towards the end of December. (*Appendix 7.*)

AMENDMENT TO THE INDIAN ELECTRICITY RULES.

(See also pages 29 and 75 of Report for 1944.)

Reference was made on page 29 of the Association's report for 1944 to certain amendments in the Indian Electricity Rules, regarding the provision and maintenance of sub-stations, equipment, etc., and the difficul-

ties likely to be experienced by mills in complying with the new requirements. Government had agreed that while it was not possible to give a general exemption, each case would be dealt with and exemptions granted in appropriate cases.

Towards the end of July, the Committee were informed that no exemptions were being granted by the Electrical Inspector and that the mills concerned were being asked to put up proposals for modifications to existing installations so as to comply with the requirements of the Rules. The matter was, therefore, again taken up with the Government of Bombay early in September in consultation with Messrs. Tata Hydro-electric Agencies Ltd., and the latter agreed with the Committee of the Association that for the following reasons, the rule in question should not be enforced, or enforced only in the case of sub-stations put up after the amended rules were notified :

- (a) Compliance with the amended rules would, in most cases, necessitate the entire rebuilding, remodelling, or serious modifications to existing sub-stations, and the enormous quantities of material which would be required in the shape of cement, bricks, cables, etc., were not available at present.
- (b) Apart from the quantities of material required for the purpose, absolutely no building space was available in certain mills in the close vicinity of existing sub-stations, and building up a sub-station at another site would completely dislocate the entire distribution system.
- (c) Alterations, remodelling or rebuilding of sub-stations in mills would necessitate complete closure of the mills, which, it was thought, should be avoided so long as there was a serious shortage of cloth in the country. Even assuming that it would be possible to give temporary connections to enable the mills to carry on, the whole work would take an unreasonably long time to complete, in view of the fact that, due to shortage of skilled workers, the work of each mill would have to be taken by turn by the Supply Companies.
- (d) There appeared to be no point in compelling factory owners to comply with the provisions of the new rules as the consequent shutting down of the power supply would involve closure of the mills for long periods.

Some of the sub-stations had been in existence for a number of years and so far as the Association was aware, there had been no serious cases of accidents or fire. The present sub-stations had been built up according to the requirements which were in force when they were originally laid down, and it was considered to be unfair to insist on their being remodelled from time to time except in very special cases where the old design or lay-out proved to be dangerous to human lives.

It was also very likely that the productive equipment of individual mills would undergo drastic changes according to certain post-war plans which were now under consideration, and in this view of the case, it was not advisable to insist on the power sub-stations being remodelled now, which might have to be done again to meet the altered situation in the post-war period.

In these circumstances, the Committee submitted that the situation required sympathetic consideration of Government and a practical appreciation of the difficulties of the industry. The Committee did not desire that mills in Bombay should be exempted wholesale from the provisions of the amended rule, but what they suggested was that, in view of the difficulties, Government should appoint a committee of experienced practical engineers to assist the Electrical Inspectors in imposing absolutely essential and reasonable modifications, as far as practicable to comply with the new rulings, granting exemptions in appropriate cases. The Committee understood that provisions, somewhat similar to the amended rule, came to be enforced in London during the war in order to reduce the damage following from air bombardments, and that these provisions were made applicable to India when the war spread to the east with the advent of Japan on the side of the Axis powers. The Committee, therefore, pointed out that if this was so, hostilities having ceased, there was no point in insisting on compliance with the amended rule, which was introduced mainly as a war measure. The Committee also understood that when the original amendments were drawn up, the authorities fully realized the difficulties involved in the application of the amended rules to existing installations, and that it was not their intention to apply the amended rule to such installations, unless of course, their lay-out constituted a menace to human lives and property. Under the circumstances, the Committee requested Government to reconsider the whole case and if necessary to refer back to the Central Electricity Board, the scope of the amended rule for clarification. The Committee also offered to elaborate the difficulties of the industry before the Honourable the Adviser if necessary.

The matter was subsequently discussed at a joint conference convened by the Government of Bombay and Government's reply in the matter is awaited. (*Appendix 3.*)

DEVELOPMENT AND CONTROL OF ELECTRICITY SUPPLY INDUSTRY.

PRINCIPLES FOR THE CONTROL OF PUBLIC ELECTRIC SUPPLY FINANCE.

(*See also pages 30 and 76 of Report for 1944.*)

Reference was made on page 30 of the Association's report for 1944 to the views expressed by the Association on certain recommendations made by one of the Policy Committees in regard to the development and control of electricity supply industry. It was stated that the Association had also offered certain criticisms in regard to the principles recommended for the control of public utility electric supply finance.

The Policy Committee subsequently met in February, and decided to recommend the appointment of an Advisory Board to advise the Government of India in the matter. Accordingly, towards the beginning of December, an Advisory Board was constituted under section 35 of the Indian Electricity Act to examine the "Principles for the Control of Public Electric Supply

Finance" and to recommend to Government which of these principles should be adopted and to what extent, and the manner in which these principles should be enforced. The Advisory Board was constituted as follows :—

- (1) Mr. H. M. Mathews, C.I.E., Electrical Commissioner with the Government of India. (*Chairman.*)
- (2) Mr. D. I. Mazumdar, I.C.S., Joint Secretary to the Government of India, Department of Labour.
- (3) Mr. P. B. Advani, O.B.E., M.Sc. (Tech.), M.I.E., J.P., Special Officer (Electric Grid), Bombay.
- (4) Mr. K. V. Karantha, Chief Electrical Inspector to the Government of Madras.
- (5) Mr. A. R. Colley, Commercial Manager of the Calcutta Electric Supply Corporation Ltd., Calcutta.

The Advisory Board was competent to call in assessors to assist the Board in such matters as in the view of the Board may require elucidation or clarification.

BOMBAY SALES TAX BILL.

(See also pages 49 and 187 of Report for 1939.)

The attention of the Committee was drawn early in December to the draft of a Bill to provide for the levy of a tax on the sale of goods in the Province of Bombay, which was published in the *Bombay Government Gazette* on the 6th December 1945, for public criticism. The statement attached to the Bill read as follows :

"The object of the Bill is to levy a tax on the sale of goods or, more accurately, on the turnover of such sale. The immediate occasion for the tax is the need to augment Provincial revenue in order to meet the expenditure, recurring and non-recurring, on Post-war Reconstruction. A sales tax, in one form or another, already exists in Madras, the Punjab, Bengal and Bihar. The Government of Bombay considers that it may suitably be introduced in this Province.

"The tax will be levied on the turnover of sales of goods to actual consumers, but only such turnover will be taxed as exceeds Rs 10,000 a year. All dealers whose turnover exceeds Rs 10,000 a year will be registered and the tax realised from them. The rate of levy proposed is half an anna in the rupee. It is proposed to exempt certain essential articles such as food-grains and cheap cloth, as also articles which are already subject to a separate Central or Provincial tax such as matches, liquor, sugar, opium and electricity. It is also proposed that sales of goods to addressees living outside the Province should be excluded from the operation of the tax."

In a representation submitted to Government, the Committee pointed out that the Bill should be amended to make it quite clear that :—

- (a) The tax would be levied only on goods at the point of retail sale.
- (b) No duty would be payable on raw materials and stores purchased by cotton mills and used against their *bona fide* manufacturing requirements. (*Appendix 9.*)

POST-WAR PLANNING OF THE TEXTILE INDUSTRY.

(a) *Post-war Size of the Cotton Textile Industry.*—Early in August, the attention of the Committee was drawn to certain decisions which appeared to have been taken by the Post-war Planning Committee of the Textile Control Board, on the question of the size of the Indian Cotton Textile Industry in the post-war period. It appeared that, in the opinion of the Post-war Planning Committee, the productive capacity of the Indian cotton textile industry should be enhanced so as to yield an output of 7,200 million yards of cloth per annum with sufficient extra quantities of yarn for the handloom industry to enable that industry to produce 2,000 million yards of cloth per annum. It was further understood that according to their proposals, machinery covering 40,000 looms and 2.75 million spindles would be supplied within the next five years for *new mills*, and that machinery covering 200,000 looms and 10 million spindles would be supplied over a period of ten years for *replacement of machinery in existing mills*. These proposals meant that the target figure of 7,200 million yards was to be secured by the additional loomage and spindleage allocated for expansion in *the next five years*. Thus, according to the proposals accepted by the Post-war Planning Committee, expansion programme appeared to take precedence over replacement of machinery in existing mills.

These proposals were carefully examined by the Committee of the Association and subsequently discussed with Mr. H. K. Kirpalani, the Industrial Adviser to the Government of India. The proposals, if given effect to, would mean that the country would have at its disposal in the year 1950-51, 7,200 million yards of mill-made cloth and 2,000 million yards of handloom cloth, making a total of 9,200 million yards as against the pre-war supply of approximately 6,700 million yards. The Committee had serious doubts as to whether the purchasing power of the masses in this country would have increased to permit of such an increase in the offtake of cloth. They were aware that a substantial increase in the purchasing power of the masses was the main idea behind Government's many post-war schemes and plans, but having unfortunately gone through a long period of trade depression before 1940, and also bearing in mind the fact that the mills were, immediately before the outbreak of the war, finding it extremely difficult to dispose of at reasonable prices, even the lower production of 1938-39, and were seriously considering plans, for restricting production, the Committee advocated a more cautious policy in the matter of the post-war expansion of the Indian cotton textile industry. Their view was that the enhancement of the industry's productive capacity, if necessary, should be attained by instalments so as to ensure that the increase in the purchasing power of the masses really kept pace with increased production, and also to ensure that what was produced was readily absorbed without any danger of accumulation of stock and consequent slump in prices to unreasonably low levels. They accordingly suggested, that the allocation of a million spindles for the establishment of new mills in certain deficit areas, which they understood had already been made, may be allowed to stand but that whatever machinery India might be able to secure over and above this allocation, should be divided in the ratio of 66½ per cent. for the immediate rehabilitation and modernisation of existing units and the rest for new mills, extensions and balancing of existing plant. The Committee

had no objection to the proportion being adjusted temporarily to meet the situation if, at any time the need for acceleration of expansion programme was proved.

The Committee advocated a cautious policy in regard to the post-war expansion of the cotton textile industry from another point of view. It was not clear whether the target figure which the Post-war Planning Committee had in view made any provision for import into and exports from British India. No provision seemed to have been made for imports, though a figure of 600 million yards appeared to have been mentioned as the probable exports from this country. The Committee felt, after taking all the relevant facts into account, that due allowance would have to be made for reasonable quantities of imports. In this view of the case, the total quantity of cloth available in this country including imports would be considerably in excess of 9,200 million yards, the figure which the Post-war Planning Committee had in view.

Turning to exports, the Committee felt that while it might be reasonable to anticipate India being able to export considerable quantities of cloth in the *immediate* post-war period, it was extremely doubtful whether, in the years to come, when India's overseas competitors would emerge from their war seclusion in a modernised form and compete with the Indian industry in the overseas markets, any sizable exports of cloth from this country would be possible. Cotton mills were now springing up in various countries which had hitherto been buying cloth from India also; besides, in view of the fact that this country could not reasonably be expected to have any control or influence over the tariff and foreign policies of the overseas countries concerned, it would be extremely unwise to lay our plans in anticipation of a share in the piecegoods trade of the countries concerned. However, successive Tariff Boards had expressed the view that export trade provided a welcome safety valve to relieve depression in the industry and looking at the question from this angle, the Committee thought that it would help the industry in the post-war period if the Planning Committee recommended to Government that the following disabilities from which the Indian industry at present suffered in overseas markets *vis-a-vis* its competitors, should be neutralised by appropriate action —

- (a) The duty on imported cotton.
- (b) The duty on imported stores and dyestuffs.
- (c) The high freight which has to be paid on Indian goods in respect of shorter distances to be covered, as compared with the United Kingdom and Japan.

The Committee felt that the immediate need of the Indian Cotton textile industry was the replacement of its worn-out machinery with more up-to-date plant. Without modernisation and the adoption of various labour-saving devices, the industry could not reasonably expect to be able to hold its own against foreign competition even in the home market. Machinery prices were, however, abnormally high at present, and as the cessation of hostilities was likely to be followed by a drop in commodity prices, the industrialists would expect some assurance from Government on the question of securing a fair return on the high capital expenditure which would have to be incurred in rehabi-

litating their mills. The Committee, therefore, suggested that the Post-war Planning Committee might consider the question of making suitable recommendation to Government to provide for higher depreciation allowances than at present and/or a rehabilitation allowance. (*Appendix 10.*)

(b) *Registration and Import of Post-war Requirements of Capital Goods for the Cotton Textile Industry.*—In accordance with a scheme formulated by the Department of Commerce, Government of India, in December, 1944 applications for the registration of all categories of capital goods both for war and post-war requirements were to be made to the Chief Controller of Imports. Applications falling under the category of post-war requirements were, however, subsequently placed before the Post-war Planning Committee for their scrutiny and recommendation. Towards the end of August, the Post-war Planning Committee formulated certain principles for the disposal of such applications. Briefly stated, they laid down that no recommendations would be made for the import of second-hand and/or reconditioned textile productive machinery, productive machinery being defined as all spinning machinery upto and including ring frames and doubling frames and all weaving machinery upto and including looms. Applications for the import of reconditioned machinery of a non-productive character such as bleaching, dyeing and finishing plants would, however, be considered. The Post-war Planning Committee also took the view that an economic size for a composite spinning and weaving mill would be 25,000 spindles and 600 looms and decided to enquire whether all composite mills having less than 25,000 spindles and/or 600 looms respectively desired to expand so as to bring their number of spindles and looms, to the economic size which the Post-war Planning Committee had in view. Subject to the cases coming under this group, the Post-war Planning Committee decided to recommend to Government that not more than 10 per cent. expansion of spindleage or loomage should be considered in surplus areas as defined in the Cotton Cloth Movement Control Order, 1943. They also decided to recommend that productive machinery which might be replaced by new machinery should not be allowed to be sold or otherwise disposed of without the prior sanction of the Textile Commissioner.

EXPORT TRADE IN COTTON PIECEGOODS AND YARN DURING THE POST-WAR PERIOD.

Reference has been made earlier in this report to the discussion which the Committee had with Mr. K. G. Menon, the Chief Controller of Exports, regarding certain matters connected with the export trade of India. One of the subjects discussed at the meeting related to the export trade in cotton piecegoods and yarn during the post-war period.

It was suggested during the discussions that a representation incorporating the views of the Association regarding the export trade in general and the names of countries with which the members of the Association would like to continue business in the post-war period might be sent to the Government. The Committee had subsequently occasion to examine the recommendations made by the *Ad hoc* Sub-Committee appointed by the Export

Committee of the Textile Control Board in regard to the allocation of the export quota to various countries, and in the course of a representation made towards the middle of December, to the Government of India, they expressed the following views in the matter.

In view of the fact that the war had come to an end sooner than was expected it was held that there was a case for the immediate restoration of the cut in the exports recently made by Government. With the termination of hostilities, the industry had been confronted with several problems, one of which was the re-opening of the industry's overseas markets in Burma, Malaya, Dutch East Indies, etc. These markets had in pre-war years been absorbing considerable quantities of Indian piecegoods and yarn, and if India failed to supply a reasonable part of their requirements at this juncture, it was very likely that they would turn elsewhere, to the permanent disadvantage of India. The Committee, therefore, suggested the immediate restoration of the cut in the quota made by Government some time ago.

In regard to the countries in which the Committee desired the export trade to develop they stated that, while the Association would ordinarily like to retain for India the custom of all countries bordering on the Indian Ocean, the fact was :—

- (a) firstly, manufacturers in India recognised that the people of this country had the first claim on the manufacture of the Indian Cotton Textile Industry ;
- (b) secondly, consistent with (a), they desired exports to be permitted only to those countries which were likely to maintain trade relations with India in the post-war period ; and
- (c) thirdly, they desired exports to be permitted only to those countries which were :
 - (i) not discriminating against Indian nationals residing in those countries ;
 - (ii) supplying foodgrains, raw materials, etc., to India on terms not less favourable than those accorded to any other country ; and
 - (iii) controlling effectively prices of cotton manufactures within their territorial limits.

The Committee also expressed their agreement with the proposals submitted by the *Ad hoc* Export Sub-Committee of the Textile Control Board for the allocation of export quotas to various countries ; (a) with the present maximum of 400 million yards per year, and (b) with the maximum increase of 600 million yards per year, the only suggestion which they made being that the figure for export for Egypt might be slightly increased.

The Committee also submitted that they would like to be in a position to be afforded all reasonable facilities by Government to increase the industry's export markets, when the cloth supply position within the country improved. In this connection they referred to the import duty on raw cotton

and various stores and other raw materials imported to India from overseas and pointed out that this was one of the difficulties which the industry had been experiencing in connection with the development of its foreign markets. These duties naturally increased the cost of production and adversely affected the industry's competitive position in overseas markets *vis-a-vis* manufactures from other countries. In this view of the case, the Committee strongly recommended a rebate or subsidy from Government equivalent to an amount which would offset the duty paid by the industry on the raw materials and stores used in the manufacture of cotton piecegoods and yarns exported overseas. (*Appendix 11.*)

The points raised by the Association are at present under the consideration of Government.

COTTON TEXTILES FUND COMMITTEE

(See also page 35 of Report for 1944.)

Reference was made on page 35 of the Association's report for the year 1944 to the Cotton Textiles Fund Ordinance promulgated by the Government of India towards the middle of July, 1944.

Section 5 of the Ordinance provides for the appointment of a Cotton Textiles Fund Committee to administer the Fund created under the ordinance, and accordingly, early in March 1945, the Government of India announced that the Committee would be constituted as under:—

- (1) Five members to be nominated by the Industry's Committee of the Textile Control Board. These nominees need not be members of the Industry's Committee themselves.
- (2) One member to be nominated by the All-India Handloom Board.
- (3) Two members representing exporters to be nominated by the Commerce Department.
- (4) One member representing cotton interests to be nominated by the Industries and Civil Supplies Department in consultation with the Education, Health and Lands Department and the Indian Central Cotton Committee.
- (5) 3 official members to be nominated by Government.
- (6) Not less than 3 and not more than 5 non-official members who will be nominated by Government and who have technical knowledge or educational experience which Government considered will be of special value to the Committee.

Government proposed to nominate the Chairman of the Committee from among the five members nominated by the Industry's Committee of the Textile Control Board, while the Secretary of the Committee would be an officer from the Textile Commissioner's Office.

Subsequently, Government appointed the following gentlemen to be members of this Committee :—

Mr. Krishnaraj M. D. Thackersey	} Nominated by the Industry's Committee of the Textile Control Board.
Mr. Kasturbhai Lalbhai	
Mr. B. W. Batchelor	
Mr. G. D. Birla	
Sir Shri Ram	} Nominated by the All-India Handloom Board.
The Hon'ble Mr. Hossain Imam	
Mr. Girdharlal B. Kotak	} Representatives of Exporters nominated by Government.
Mr. N. Futehally	
Sir Chunilal B. Mehta	} Representative of cotton interests nominated by Government.
Joint Secretary to the Government of India, Commerce Department.	} Official members nominated by Government.
Mr. R. S. Symons, C.I.E., I.C.S., Joint Secretary to the Government of India, Finance Department.	
Textile Commissioner, Government of India.	
Dr. Nazir Ahmad	} Non-official members nominated by Government.
Dr. K. Venkataraman	
Mr. J. Tinker	

Government also announced the appointment of Mr. Krishnaraj M. D. Thackersey as Chairman of the above Committee.

GOVERNMENT'S INDUSTRIAL POLICY-APPOINTMENT OF THE TARIFF BOARD.

In a Press Note on their post-war industrial policy, issued by the Government early in the year under review, it was announced that, pending the formulation of a tariff policy appropriate to the post-war needs and conditions of the country and the establishment of a permanent machinery for the purpose, Government would set up a machinery for investigating claims from industries, which had been started or developed in war-time, and which were established on sound lines, to assistance or protection during the transitional period.

Accordingly, Government appointed a Tariff Board consisting of :

President :

Sir R. K. Shanmukham Chetty, K.C.I.E.

Members :

Prof. H. L. Dey, D.Sc. (London.)

Dr. Nazir Ahmad.

Mr. C. C. Desai, C.I.E., I.C.S. (Member-cum-Secretary.)

The Board was requested to undertake in such order as it thought fit the investigation of claims already put forward by the industries and to report after such examination as it was necessary whether the industry satisfied the following conditions :—

(1) that it is established and conducted on sound business lines; and

(2) (a) that, having regard to the natural or economic advantages enjoyed by the industry and its actual or probable costs, it is likely within a reasonable time to develop sufficiently to be able to carry on successfully without protection or State assistance; or

(b) that it is an industry to which it is desirable in the national interest to grant protection or assistance and that the probable cost of such protection or assistance to the community is not excessive. Where a claim to protection or assistance is found to be established, i.e., if condition (1) and condition (2) (a) or (b) are satisfied, the Board will recommend—

(i) whether, at what rate and in respect of what articles, or class or description, of articles, a protective duty should be imposed;

(ii) what additional or alternative measures should be taken to protect or assist the industry; and

(iii) for what period, not exceeding three years, the tariff or other measures recommended should remain in force.

(Appendix 12.)

RESEARCH IN INDUSTRY.

ESTABLISHMENT OF AN INSTITUTION FOR THE PROMOTION OF TECHNICAL RESEARCH—RECOMMENDATION OF THE TEXTILE LABOUR INQUIRY COMMITTEE.

(See pages 69 and 183 of the Report for 1943.)

In January 1945, Government appointed a Committee to consider the organisation of a co-ordinating research plan and report to Government how textile research work at the three institutions, namely, the Technological Laboratory of the Indian Central Cotton Committee, the Victoria Jubilee Technical Institute and the Department of Chemical Technology as also at the mills already engaged or willing to participate in research could be co-ordinated.

The Committee consist of the following members :—

- | | <i>Representing.</i> |
|---|--------------------------------------|
| 1. Mr. M. P. Kanga, M.Sc., Director of Industries (<i>Chairman</i>) | Government. |
| 2. Dr. Nazir Ahmad, Director of Technological Laboratory, Matunga | The Indian Central Cotton Committee. |

3. Mr. P. N. Joshi, Principal and Secretary,
Victoria Jubilee Technical Institute,
Bombay The Victoria Jubilee
Technical Institute, Bombay.
4. Sir Sorab Saklatvala, M.L.A. ()
() The Millowners'
Association,
Bombay ()
5. Mr. Kantilal C. Munshaw, The Vivekanand
Mills, Ahmedabad () The Ahmedabad
Millowners' Association ()
6. Dr. K. Venkatraman, Director, Department
of Chemical Technology, University of
Bombay The University of
Bombay ()
7. Mr. Haridas Madhavdas () The East India
Cotton Association ()
8. Mr. R. V. Patel, Officiating Deputy Director
of Industries (Secretary) ()

RATIONING OF CLOTH IN BOMBAY.

Early in May 1945, the Government of Bombay announced their decision to ration certain mill-made varieties of cloth in Bombay City and the Bombay Suburban District from the first week of June, 1945. The scheme covered at the outset, the following varieties of mill-made cloth:—Dhories; saris; mulls; voiles; dorias; whether plain or printed or processed; coating; longcloth and shirting other than grey shirting.

The ration for a period of six months was fixed at 15 yards per adult of which not more than 12 yards could be obtained (in dhories, saris, mulls, voiles and dorias and not more than 8 yards in coating). The entire ration could, however, be obtained in shirting, including longcloth, if so desired. For children, the ration was fixed at 7½ yards for six months; the maximum quantities obtainable in each variety being half that allowed for others. During the first three months of the operation of this scheme, the total quantity available was, however, limited to 10 yards for each adult and 5 yards for each child.

The Bombay Cloth Rationing Order, 1945, which embodied the Government proposals in this matter, was brought into force in the city of Bombay and the Bombay Suburban District, on the 26th May, 1945, and the rationing scheme was put into operation from the 3rd June 1945.

**THE BOMBAY COTTON CLOTH TRADE REGULATION
ORDER, 1945.**

(See also page 82 of Report for 1943.)

Reference was made on page 82 of the Association's report for the year 1943 to the Bombay Cotton Cloth Dealers' Licensing Order, 1943. Towards the middle of February, the Government of Bombay issued the Bombay Cotton Cloth Trade Regulation Order, clause 2 of which provided that on the date on which the order came into force in any area, the Bombay Cotton Cloth Dealers' Licensing Order shall cease to be in force in that area. The order also provided, *inter alia*, that no dealers shall sell or store for sale, cloth except under and in accordance with the conditions of a licence. Dealers were divided for the purpose of the Order into six classes, each class being required to obtain a licence in the appropriate form prescribed for that class. Manufacturers were not required to take out licences, except if they wanted to sell their production in retail direct to consumers.

Clause 12 of the Order provided that a licence granted under the old licensing order shall be deemed to be valid and shall only lapse if an application were not made within one month from the date of coming into force of this Order.

By a notification issued by the Government on 22nd February 1945, the Order was brought into force on 1st March 1945, in the City of Bombay and the Bombay Suburban District, the Ahmedabad Municipal Borough, the limits of the Cantonment of Ahmedabad and the revenue limits of certain villages in the City Mahal of the Ahmedabad District.

CLOTH AND YARN (EXPORT CONTROL) ORDER, 1944.

(See also page 34 of Report for 1944.)

Reference was made on page 34 of the Association's report for the year 1944 to the Cloth and Yarn (Export Control) Order, 1944, issued by the Government of India.

Clause 4 of the Order prescribed the basis for fixing the price at which cloth or yarn should be sold or exported.

Subsequently, amendments were introduced in the clause so as to allow:

- (a) the seller or exporter to add to the sale price or the export price of any export cloth or yarn sold or exported by him, the amount of the actual freight incurred in transporting such cloth or yarn to the place at which it was delivered to be shipped for export, if such place was more than hundred miles from the place of manufacture, and
- (b) to add to the sale price or export price also the amount of the sales tax, octroi, or other local taxes or cess paid in respect of such cloth or yarn.

Towards the end of July 1945, a new Order, called the Cloth and Yarn (Export Control) Order, 1945, incorporating the provisions of the 1944 Order and the amendments thereunder, was issued.

TEXTILE INDUSTRY (CONTROL OF PRODUCTION) ORDER, 1945.

At the instance of representatives of the Association on the Textile Control Board, the Committee examined, towards the middle of April, certain proposals framed by a Rationalisation and Standardisation Sub-Committee of the Industry's Committee of the Textile Control Board, for increasing the production of cloth and yarn in the country. The Committee accepted the principles underlying the proposals made by the Rationalisation and Standardisation Sub-Committee, but made it clear that their acceptance was based on the fundamental assumption that the following primary conditions would be fulfilled:—

- (a) Adequate and regular supply of coal and power.
- (b) Adequate supply of cotton.
- (c) Adequate supply of all essential consumable stores.
- (d) Adequate supply of labour, and settled conditions to give uninterrupted production.

The Committee also pointed out that, although the reduction in picks, which was one of the main proposals of the Rationalisation and Standardisation Sub-Committee, might result in an increased production in yardage of cloth, this advantage would be more than offset by the falling off in the durability of the cloth produced, and the consequent increase in the *per capita* consumption of cloth in the country.

The Industry's Committee of the Textile Control Board at a meeting held on 28th April approved the proposals made by the Rationalisation and Standardisation Sub-Committee with certain amendments, and the final proposals as recommended by the Industry's Committee were accepted by Government and notified in the *Gazette of India* on 18th May 1945 in the form of an Order entitled "Textile Industry (Control of Production) Order, 1945."

Briefly stated, the Order provided, *inter alia*:—

- (1) That no producer shall produce yarn of counts larger than the number specified in the Schedule attached to the Order.
- (2) That no producer shall, in any month, utilise less than 90 per cent. of his entire weaving energy as expressed in loom hours, for the production of utility cloth, the reed and pick and specifications of such utility cloth being defined in the Schedule attached to the Order.
- (3) That no producer shall produce cloth of more than three varieties provided that, if he has more than 100 looms, he may produce cloth of three additional varieties for every additional 100 looms in his possession.

- (4) That no producer shall in any month produce new varieties in excess of the number represented by one per cent. of the looms in his possession.
- (5) That no producer shall produce any cloth with a border, whether plain, dobby or jacquard, exceeding 2" width.

The Order further provided that the Textile Commissioner may require any producer to utilise such part of the producer's weaving energy as may be specified by him in the production of *saris* and *dhotis*.

The provisions of the Order came into effect from 1st June 1945. Towards the end of October, the Industry's Committee reviewed the position, and recommended certain relaxations in the provisions of the Order the main relaxation being that the mills were required to utilise 60 per cent. of the weaving energy, instead of 90 per cent., for manufacture of utility cloth.

Towards the end of December, the Industry's Committee decided to effect a further relaxation of the Order with effect from 1st January 1946. They recommended the deletion of the provision of the Order requiring producers to employ a part of their weaving energy for the production of utility cloth, mills being permitted to manufacture any quality which was marketable and which was in demand.

COTTON CLOTH (CONTROL OF PRINTING) ORDER, 1945.

Towards the beginning of March, the Textile Commissioner issued an order under the Defence of India Rules imposing certain restrictions on the acquisition of printing machines and on the printing of cloth. Provisions of this Order were subsequently incorporated in a separate Cotton Cloth (Control of Printing) Order, 1945, issued by the Central Government towards the beginning of July 1945. The Order provided, *inter alia*:

- (1) No person shall buy or otherwise acquire possession of or sell or otherwise dispose of a printing machine, whether or not in performance of a contract made before the date of the publication of the Order.
- (2) No producer or printer shall work a printing machine or cause or permit it to work continuously during any one day for more than eleven hours or more than a single shift.
- (3) No person shall work a printing machine which he had not in his possession, installed in working at some time during the month of January 1945.
- (4) No mill or power-loom factory shall hand-print any cloth produced by it or send such cloth outside for printing by any process whatsoever.
- (5) No printer shall buy any cloth for printing or sell any cloth printed by him except under certain prescribed conditions.
- (6) No dealer shall print any cloth or cause or permit it to be printed except with the written permission of the Controller.

The provisions of the Order also restricted the qualities of cloth which could be printed, specified the nature of the printing to which such cloth could be subjected, and provided for the fixing of maximum printing charges.

COTTON CLOTH MOVEMENTS CONTROL ORDER, 1943.

(See also page 83 of the Report for 1943.)

Reference was made on page 83 of the Association's report for 1943 to the Cotton Cloth Movements Control Order, 1943, issued by the Government of India, which provided that no person shall offer for transport by rail or cause to be transported by rail any consignment of cotton cloth except under and in accordance with the terms of a general permit and special permit by the Central Government and the Textile Commissioner respectively. By a notification dated 2nd May 1945, the Government of India exempted the following mill-made, power loom and handloom cotton cloth from the application of this order, and necessary instructions were issued to the railway staff to allow the movement of these cloths without a permit:

Belting cotton; Carpets cotton; Cotton covered rubber lined delivery fire-hose; Durries; Gloves; Hosiery including knitted banians, vests, etc.; Leather cloth or rexine; Made-up garments, i.e., cloth which has undergone a tailoring process; Rubber cloth or mackintosh; Shatranjies; Synthetic double texture proof fabric; Synthetic single texture proof fabric; Surgical dressing including bandages, cotton wool and lints; Sanitary towels of all kinds; Tape cotton; Tape niwar; Tarpaulin; Tentages, i.e., completed tents; Waterproof canvas; Waterproof sheeting; Web cotton upto four inches; Yarn, all types.

THE COTTON TEXTILE (DYES AND CHEMICALS) CONTROL ORDER, 1945.

(See also page 38 of Report for 1944.)

Reference was made on page 38 of the Association's report for 1944 to the Cotton Textile (Dyes and Chemicals) Control Order, 1944, issued by the Government of India. This order restricted the sale of certain specified chemicals and dyes except in accordance with the terms of a valid licence or in compliance with the direction given by the Textile Commissioner, and empowered the Textile Commissioner to call for information, and inspect documents and books of sellers under certain circumstances. Towards the middle of July, this Order was superseded by a new Order, which further restricted the sale of chemicals and dyes. The new Order provided, *inter alia*,

- (i) no importer shall sell or otherwise dispose of any dyes or chemicals imported by him, except in accordance with such instructions as might be given to him by the Textile Commissioner;
- (ii) no dealer shall sell any dyes or chemicals for a price exceeding the maximum prices fixed therefor by the Textile Commissioner;
- (iii) no person shall sell or otherwise dispose of dyes or chemicals except under and in accordance with the terms of a valid licence granted by the Textile Commissioner, or in compliance with the direction given by him.

The Order also required every importer to furnish to the Textile Commissioner certain particulars within 15 days from the date of the arrival of a consignment containing any dyes or chemicals in India.

COTTON MOVEMENTS CONTROL ORDER, 1945.

AMENDMENT OF THE GENERAL PERMIT NO. 1.

(See also page 32 of Report for 1942.)

Reference was made on page 32 of the Association's report for 1942 to the Cotton Movements Control Order, 1942. This Order was superseded by the Cotton Movements Control Order, 1945. Movement of cotton by rail over certain routes was allowed by a General Permit issued by the Government under the Cotton Movements Control Order. Towards the beginning of December 1945, in view, of the improved railway transport position, the Government of India amended the General Permit No. 1 in a manner which permitted—

- (a) cotton to be consigned to merchants where previously only mills were eligible as consignees;
- (b) Back-railing from Bombay, Karachi and Cawnpore;
- (c) Movements in either direction between the West Zone and the North Zone provided that each movement is either entirely over the metre-gauge or entirely over the broad gauge and also movement in either direction between the North Zone and the Northern Free Area, the North Zone and the Central Free Area, the West Zone and the Central Free Area and the South Zone and the Central Free Area.

The amendment did not, however, change the position in regard to the insistence of movement of cotton by sea *via* Karachi between the Northern Free Area and the West Zone, south and south-west of the railway line joining Kharagodha, Viramgam, Ahmedabad, Anand, Timba Road, Godhra, Ratlam, Fatehabad Chandrawatiganj, and Khandwa nor in regard to the license from the Government of Bombay necessary for the movement and transport of non-tenderable and short-staple cotton into Bombay.

PAPER (PACKING OF COTTON TEXTILES) CONTROL ORDER, 1943.

(See also page 37 of Report for 1944.)

Reference was made on page 37 of the Association's report for 1944 to certain amendments made in the Paper (Packing of Cotton Textiles) Control Order 1943. The Order, was originally introduced in 1943 when paper was in short supply. The Committee at that time recognised

the need for economy in the use of paper, and as a matter of fact, even before the Control Order came into operation, the use of paper was curtailed to a very considerable extent by members on their own initiative. The supply position of paper, however, improved during the year under review, and Government had, to a considerable extent, relaxed the provisions of the Paper Control (Economy) Order. Towards the end of October, the Committee also understood that packing paper and paper boards were more freely available than paper used for other purposes, and in the circumstances, they felt that the Paper (Packing of Cotton Textiles) Control Order should be withdrawn without any delay. Accordingly, a representation was made to the Government of India pointing out, *inter alia*, that, in view of the complaints which were being received by mills from their up-country customers regarding damage sustained by cotton manufactures in transit, on account of meagre protective paper covering which the mills were allowed to give under the packing regulations, no further time should be lost in withdrawing the restriction on the use of paper and board for packing cloth and yarn:

The Paper (Packing of Cotton Textiles) Control Order was repealed by a notification dated the 15th December 1945 issued by the Government of India. (*Appendix 13.*)

PAPER CONTROL (ECONOMY) ORDER, 1944.

(See also page 36 of Report for 1944.)

Reference was made on page 36 of the Association's report for the year 1944 to certain concessions in connection with the provisions of the Paper Control (Economy) Order, announced by the Government of India.

Early in March, the Government of India issued the following Press note announcing further relaxation of the provisions of the Order.

"The Government of India have decided to allow the following relaxations of the provisions of the Paper Control (Economy) Order, 1944, in respect of the packing of sewing thread :

1. Sewing thread balls
 - (a) a round paper ticket or label may be attached at the end of the thread ball for indicating the trade mark, etc
 - (b) A dozen thread balls may be packed in kraft or other packing and wrapping paper.
2. Sewing thread spools and cops .
 - (a) Paper tubes may be used for winding on the thread
 - (b) A paper band may be used round these spools for the trade mark and other particulars
 - (c) A dozen spools may be packed in cartons. These cartons should, however, not be wrapped in paper.
3. Sewing thread reels :
 - (a) Cardboard boxes may be used for packing a dozen reels of sewing thread.

4. Embroidery and crochet balls :

- (a) A paper strip round the ball may be used for the trade mark and other particulars
- (b) A dozen balls may be wrapped in kraft or other packing and wrapping paper or packed in board boxes.

Trade mark and other particulars, if necessary, should be printed on the wrapper or carton or box. No extra label is to be used on the wrappers, cartons or boxes."

Towards the middle of April, the Government of India granted further concessions, as a result of which mills were allowed to consume up to 80 per cent. of the paper consumed by them in 1943 for the purpose of forms, registers and other items of stationery.

These concessions were further extended towards the end of September with the result that mills were allowed to consume upto 100 per cent of the paper consumed by them in 1943 for the purpose of forms, registers and other items of stationery, and 110 per cent. of 1943 consumption of paper for printing pay tickets and canteen coupons.

Towards the end of December, 1945, the Paper Control (Economy) Order, 1944, was replaced by the Paper Control (Economy) Order, 1945.

COAL TAR PRODUCTS CONTROL ORDER, 1945.

Early in January, the Government of India issued the Coal Tar Products Control Order which provided that no person shall sell or otherwise dispose of any coal tar products, specified under the Order, unless he were registered as a seller under clause 3 of the Order. The Order also provided that the registered seller could sell or dispose of the coal tar products specified under the Order only against a licence, issued by the Licensing Authority.

It was not clear as to what materials were covered by the expression "Coal tar products." The matter was therefore taken up with the Textile Commissioner towards the middle of February. The Association was subsequently informed that only cresote, naphthalene, phenol and cresols were covered by the "Coal Tar Products" Control Order, for the time being.

COTTON BALING HOOPS (CONTROL OF MOVEMENT) ORDER, 1943.

(See also page 83 of the Report for 1943.)

Reference was made on page 83 of the Association's report for the year 1943 to the Cotton Baling Hoops (Control of Movement) Order 1943 issued by the Government of India which provided that no person shall move or attempt to move by road, river, sea or air, used or defective cotton baling hoops beyond the limits of the premises at which such baling hoops were for the time being situated otherwise than in accordance with a general or special order issued by the Controller. This order was cancelled on 5th June 1945.

**GOVERNMENT CONTRACTORS (DISPOSAL OF COTTON TEXTILES,
UNUSED MATERIAL AND REJECTED STORES) ORDER,
1945.**

By a notification dated 29th December 1945 published in the *Gazette of India* dated the 5th January 1946, the Government of India promulgated the Government Contractors (Disposal of Cotton Textiles, Unused Material and Rejected Stores) Order, 1945.

The Order, which came into force immediately, prohibited every person who had entered into a contract with the Textile Commissioner for the supply, manufacture, fabrication or delivery of any article from selling or otherwise disposing of the rejected stores or the materials made available to him by or under arrangements made by the Textile Commissioner, except to such persons at such prices as the Textile Commissioner may name. Where stores were rejected, the contractor was required within 15 days to submit a statement giving details of such rejected stores, together with sample in each case, to the Textile Commissioner, and where a contract was completed, broken or cancelled or replaced, the contractor was likewise, required to submit a similar statement in relation to the materials in his possession out of those which he acquired under arrangements made by the Textile Commissioner. The Order further provided that if the contractor did not receive disposal instructions in regard to the stores or materials within 90 days of the submission of a statement, he might sell or otherwise dispose of the stores or materials after marking the articles with the prices fixed; but in that event the contractor was further required within seven days of the sale or delivery to submit a statement to the Textile Commissioner containing the names of persons to whom these stores or materials were sold or delivered, and the prices at which they were sold.

The goods in relation to which the Order was contravened were liable to be forfeited and the persons responsible for the contravention were also liable to prosecution under the Defence of India Rules.

DECIMALIZATION OF THE COINAGE.

Towards the end of April, the Government of India invited the views of the Committee on certain proposals for the decimalization of the coinage system of the country. In an explanatory memorandum which accompanied the Government communication, it was pointed out that modern trade and commerce demanded quick and simple methods of computation and that in this respect there was nothing to compete with the decimal system as evidenced by the fact that the decimal system of coinage had gradually displaced all other forms in most of the countries in the world, India, Great Britain and certain Empire countries being the chief exceptions. It was also pointed out that a huge recoinage programme would necessarily have to be undertaken in the early post-war period and that this would present a unique opportunity to undertake any reform in the subsidiary coinage that might be considered desirable in public interest.

Under the proposed system, the Indian rupee was to be divided into 100 cents and not into 192 pies as at present. The present rupee would remain unaltered, half rupee and quarter rupee coins would retain their present shape, size, weight and metal content, but would be issued as 50 cent and 25 cent coins. The existing 2-anna, 1-anna, half-anna and pice pieces would have no counterpart in the new system, but instead, coins of the value of 10, 5, 2 and 1 cents with possibly $\frac{1}{2}$ cent coin would be issued. It was proposed that, while the present series of coins of low denominations were being withdrawn and during the period of transition the two sets of coin would circulate side by side, prices being expressed either in one or the other or in both.

The Committee of the Association stated that they had no views to offer on the proposed changes.

Government have since introduced a Bill in the Legislative Assembly to give effect to these proposals.

REVERSION TO THE OLD STANDARD TIME.

(See also page 104 of Report for 1944.)

Reference was made on page 104 of the Association's report for the year 1942 to the advancement of Standard Time by one hour by the Government of India from the midnight of 31st August 1942. Early in October 1945 the Government of India decided to revert to the old Indian Standard Time from 2 a.m. on 15th October 1945. The Press Note issued by Government is reproduced below :

"The present Indian standard time, which is $6\frac{1}{2}$ hours ahead of Greenwich mean time, was introduced with effect from the midnight of August 31-September 1, 1942. The time was advanced by one hour primarily for operational reasons. With the cessation of hostilities the Government of India have decided to revert to the old Indian Standard Time, which is $5\frac{1}{2}$ hours ahead of Greenwich mean time. The change will take effect from 2 a.m. on October 15, 1945, at which hour the clocks will be put back to 1 a.m."

INTER-MILL WRESTLING TOURNAMENT.

The Wrestling Tournament for 1946 was held on 14th January 1946, in the St. Xavier's College Gymkhana Grounds. Mr. Bhagwandas C. Mehta presided and gave away the prizes and trophies.

RAW COTTON STOCKS.

In accordance with the usual practice, a census of stocks of raw cotton held by the cotton spinning and weaving mills in the City and Island of

Bombay on 28th February 1945 and 31st August 1945, was undertaken by the Association, and the results are summarised below :—

Quantity of Raw Cotton in Stock.

Date	Cotton actually on hand in mill godowns		Ready cotton bought but not taken delivery of		Total	
	Actual Number of bales.	Actual weight of bales (in candies of 784 lbs.)	Actual Number of bales.	Actual weight of bales (in candies of 784 lbs.)	Actual Number of bales.	Actual weight of bales (in candies of 784 lbs.)
28-2-1945 .	400,659	203,146	46,172	23,452	446,831	226,598
31-8-1945 ..	428,149	220,150	40,077	20,008	468,226	240,158

PIECEGOODS MARKET REPORTS.

During the year, the weekly series of Amritsar market reports by Mr. Rama Kant Bhandari were continued, and these, together with the weekly reports submitted by Mr. Jamshed N. Mody on the Bombay market were sent out regularly to all members of the Association.

MEMBERSHIP SUBSCRIPTION.

In accordance with Rule 35 of the Association's Rules and Regulations, the following rates of membership subscriptions for the year 1946 were fixed at a special meeting of the Committee held on Wednesday, 12th December, 1945.

	BOMBAY CITY AND ISLAND (including Kurla)		UP-COUNTRY.	
	Woollen Mills.	Cotton Mills.	Woollen Mills.	Cotton Mills.
	Rs. a.	Rs. a.	Rs. a.	Rs. a.
For every 1,000 mule spindles or part thereof	30 0	17 8	24 0	10 0
For every 500 ring spindles or part thereof.	30 0	17 8	24 0	10 0
For every 50 looms or part thereof, set up in the mill or mills, factory or factories, which, for the time being, shall belong to each member	22 8	40 0	18 0	25 0
For every Rs. 10,000 or part of Rs. 10,000 of the cost up-to-date without depreciation, of the plant, buildings and land, or dyeing and/or bleaching and/or printing and/or mercerising factories or departments owned, by a member..	5 0	5 0	4 0	4 0

In the case of minimum subscription, the rates were fixed as under :

In the case of cotton mills, woollen mills and dyeing and bleaching establishments situated in the City and Island of Bombay and		
Thana .. .. .	..	Ra 750
Do. elsewhere in India . . . . .	..	Ra. 500
In the case of ginning and pressing factories		Ra 300

STAGGERING OF MILL HOLIDAYS.

(See also page 42 of Report for 1944.)

The scheme of staggering of mill holidays was originally introduced by Government in July 1943, and was necessitated by the acute coal and wagon shortage which existed at that time and the munition factory load in Bombay. The Committee had made it clear to Government at that time, that their support to the measure, in spite of all the difficulties and the dislocation which it was likely to cause, was subject to the condition that it would only be introduced as a war measure, and withdrawn as soon as the emergency which necessitated its introduction disappeared.

The scheme had dislocated the domestic and social life of all persons who depended on the Bombay cotton mill industry for their livelihood, and it was brought to the notice of the Committee that friends and even close relations working in the mills scattered over the different parts of the city were unable to meet as often as they would have liked to on account of the fact that the same set of mill holidays was not applicable to mills working in different parts of the city, except in the case of festival holidays. A very large section of the mill workers, mill staff, including jobbers, masters and managers resented the continuance of the scheme especially when the emergency which caused its introduction had disappeared. The Committee, therefore, requested the Government of Bombay, towards the middle of September 1945, to withdraw the scheme forthwith in view of the fact that the war had ended and the need for the continuance of the scheme no longer existed.

No reply has so far been received to the Association's representation in the matter, but Government at the end of December 1945, extended the scheme to cover the holidays during the months of January and February 1946. (*Appendix 14.*)

POWER HOLIDAY FOR BOMBAY MILLS.

Towards the end of April, the Government of Bombay informed the Association that they proposed to ask the mills to close for one day in each week, in addition to Sunday or other authorised holiday. The object of this arrangement, it was pointed out, was to ensure a reduction in energy consumption. Government, however, pointed out that if mills were voluntarily prepared to effect a saving in energy consumption they might be given an option to do so. In commenting upon the proposed arrangement, the Committee pointed out that the proposal, to cut down the consumption of electric power in the mills by observing an additional weekly holiday, was inconsistent with the drive for increased output of cloth and yarn to which the industry stood committed at the instance of the Government of India and which necessitated the full employment of all productive machinery of mills for as many hours as possible during the week. The proposed power holiday, so far as the Bombay Textile industry was concerned, would seriously interfere with the Central Government's scheme for increasing output. Without prejudice to this standpoint, however, the Committee stated that if, in spite of everything, there was a shortage of power for essential war requirements, then, that should be made up by industries and consumers which/who had not made any contribution to the power problem of Bombay. The cotton textile industry, by staggering holidays, had been able to release a seventh of its daily consumption of power for the use of war industries, and it was submitted that if any further saving had to be effected, the other consumers should be asked to meet the situation. This matter was subsequently dropped by Government. (*Appendix 15.*)

STAGGERING OF HOURS OF WORK IN COTTON MILLS.

Early in October, 1944, certain proposals for the introduction of a scheme of staggering of hours of work in cotton mills were forwarded to the Association by the Textile Commissioner. These proposals were designed to effect power and fuel economy by reducing the size and duration of the early evening peak load on the Tata power system, and by utilising a certain amount of water during the monsoon which would otherwise be spilt.

Although the Committee were prepared to render all possible assistance in working a scheme of staggering of hours of work, it was thought that workers would definitely resent any change in the present timings and that it was very likely that if the scheme were put into operation, there would be trouble. In the circumstances, in offering to co-operate in the introduction of the scheme, the Committee stressed that the responsibility for the introduction of the scheme must rest on Government.

It was understood subsequently that the Government had decided not to proceed with the scheme.

MILL HOLIDAYS AND PAY DAYS FOR THE YEAR 1946.

The following mill holidays and pay days, which are in conformity with the provisions of the Indian Factories Act, 1934, and the Payment of Wages Act, 1936, respectively, were recommended by the Committee of the Association for adoption by all Bombay member mills during the year 1946.

It was, however, made clear that the holidays and pay days prescribed by the Committee would be subject to any scheme for staggering of holidays which might be introduced by Government in 1946.

MONTH	DATE	DAY	FESTIVAL	PAY DAY.	
				MILLS EMPLOYING 1,000 OR MORE OPERATIVES.	MILLS EMPLOYING LESS THAN 1,000 OPERATIVES
JANUARY	1st	TUESDAY	<i>New Year Day</i>	Thur. 10th	Mon. 7th
	6th	SUNDAY			
	13th	SUNDAY			
	20th	SUNDAY			
	27th	SUNDAY			
FEBRUARY	3rd	SUNDAY		Sat. 9th	Thur. 7th
	10th	SUNDAY			
	17th	SUNDAY			
	24th	SUNDAY			
MARCH	2nd	SATURDAY	<i>Maha Shivratri</i>	Sat. 9th	Thur. 7th
	10th	SUNDAY			
	17th	SUNDAY			
	18th	MONDAY			
	19th	TUESDAY			
24th	SUNDAY				
APRIL	3rd	WEDNESDAY	<i>Gudi Padva</i> <i>Ram Navama</i>	Tues. 9th	Sat. 6th
	10th	WEDNESDAY			
	14th	SUNDAY			
	21st	SUNDAY			
	28th	SUNDAY			
MAY	5th	SUNDAY		Fri. 10th	Tues. 7th
	12th	SUNDAY			
	19th	SUNDAY			
	26th	SUNDAY			
JUNE	2nd	SUNDAY	<i>Lunar Eclipse</i>	Sat. 8th	Fri. 7th
	9th	SUNDAY			
	14th	FRIDAY			
	23rd	SUNDAY			
	30th	SUNDAY			
JULY	10th	WEDNESDAY	<i>Ashadi Ekadash</i>	Tues. 9th	Sat. 6th
	14th	SUNDAY			
	21st	SUNDAY			
	28th	SUNDAY			
AUGUST	2nd	FRIDAY	<i>Nag Panchami</i> <i>Naris Purnama</i> <i>Gakul Ashtomi</i> <i>Ganesh Chaturthi</i>	Sat. 10th	Wed. 7th
	12th	MONDAY			
	20th	TUESDAY			
	30th	FRIDAY			
SEPTEMBER	5th	THURSDAY	<i>Gouri Visarjan</i> <i>Anant Chaturdashi</i> <i>Sarva Putri Amavasa.</i>	Mon. 9th	Sat. 7th
	10th	TUESDAY			
	16th	SUNDAY			
	24th	TUESDAY			
	29th	SUNDAY			
OCTOBER	5th	SATURDAY	<i>Dasara</i> <i>Dussehra</i>	Thur. 10th	Mon. 7th
	13th	SUNDAY			
	24th	THURSDAY			
	25th	FRIDAY			
	26th	SATURDAY			
NOVEMBER	3rd	SUNDAY		Sat. 9th	Thur. 7th
	10th	SUNDAY			
	17th	SUNDAY			
	24th	SUNDAY			
DECEMBER	1st	SUNDAY		Tues. 10th	Sat. 7th
	8th	SUNDAY			
	15th	SUNDAY			
	22nd	SUNDAY			

TARIFF VALUATIONS UNDER THE INDIAN TARIFF ACT.

For purposes of record, the Indian Customs Tariff, Schedules I and II, appended to the Indian Tariff Act, XXXII of 1934 (as in operation on 1st January 1946) showing the rates of customs duties including the additional duties leviable under the Indian Finance Act 1946 and the Cotton Textiles Fund Ordinance 1945 on goods imported into and exported from British India together with (1) the tariff values fixed, and (2) the rates of duty leviable on articles produced or manufactured in Burma during the twelve months January to December 1946, are reproduced in full in *Appendix 16*.

THE MILLOWNERS' ASSOCIATION, BOMBAY.

Balance Sheet as at 31st December, 1945.

LIABILITIES.		Rs.	a.	p.	Rs.	a.	p.	ASSETS.		Rs.	a.	p.	Rs.	a.	p.		
Auditors' Fees, Advertisements, Printing, Stationery, Electric Lights, Fans, Salary and Bonus paid to staff, refund of subscriptions, etc., unpaid		13,218	7	6				Interest accrued on General Fund to 31st December, 1945, but not received	5,219	13	0						
Subscriptions received in advance for 1946		20,615	8	0				Outstandings due	614	8	0			3,834	3	0	
Deposits: Arbitration Fees (Contracts)		239	0	0				Advances payments made for Books and Periodicals, Telephones Salary of Clerk at Calcutta and other sundry items ..						46,782	7	8	
Recoveries from Mills in connection with Municipal Assessments		117	1	0				Investments (At Cost)	Face value	Cost							
Recoveries from Mills in connection with Wrestling Tournament		2,091	1	3				3½ per cent. Government Loan, 1947-50 ..	83,100	81,401	9	0					
Recoveries from Mills in connection with expenses of Fire Experts		18,817	10	1				3 per cent Government Loan, 1951-54	10,000	10,187	8	0					
Balance of Magazine Account		10,253	13	5				4 per cent Government Loan, 1960-70 . . .	1,10,000	1,10,672	8	0					
Deposits: From Mills against purchase of Iron and Steel Materials		1,06,000	0	0				2½ per cent Government Loan, 1948-52' ..	10,000	10,059	0	0					
Balance of Amount appropriated for future propaganda and action for the promotion of the piecegoods and yarn trade of Member Mills					1,71,352	9	3	3 per cent. Government Loan, 1963-65 ..	3,60,000	3,51,548	14	0					
General Fund:—								3 per cent. Government of India First Defence Loan, 1946	45,000	45,281	6	0			6,09,139	2	0
Balance as on 31st December, 1944		4,33,077	1	1					Rs. 6,18,100								
Excess of Income over Expenditure during the year		64,606	5	11				(Market value of the above was Rs. 6,34,256.9-0 on 31st December, 1945)									
					4,97,683	7	0	Cash:—									
								With the Imperial Bank of India on General Account ..	41,815	2	8						
								With the Imperial Bank of India on Secretary's Account ..	1,224	8	0						
								In hand	188	8	0			63,227	11	8	
Total Ra. ..					7,02,983	8	4	Total Ra. ..						7,02,983	8	4	

Examined and found correct.

A. F. FERGUSON & CO.,

Chartered Accountants,
Registered Accountants,
Auditors.

N. S. V. AIYER,
Secretary.

BOMBAY, 28th February, 1946.

THE MILLOWNERS' ASSOCIATION, BOMBAY.

Dr.

Income and Expenditure Account for the year ended on the 31st December, 1945.

Cr.

EXPENDITURE.	Rs. a. p.	Rs. a. p.	INCOME.	Rs. a. p.	Rs. a. p.
To Establishment	58,760 15 0		By Subscriptions for 1945	1,62,597 13 0	
" Dear Food Allowance	13,739 10 0		" Miscellaneous Receipts	3,364 10 0	
" Conveyance Allowances to Secretary, Assistant Secretary, Labour Officer and Assistant Labour Officer .. .	3,720 0 0		" Interest on Investments of General Fund, etc. (including interest accrued Rs. 3,219-13-0)	20,033 8 0	
" Preparation of Monthly Import and Export Statistics for 1945	1,661 0 0				1,86,995 15 0
" Preparation of Statistics for the Bombay Cotton Mill Industry for 1944	675 0 0				
" Office Rent	2,475 0 0				
" Printing Statistical Returns, Mill Statement for 1945, and Annual Report for 1944, etc	5,791 6 0				
" Stationery	2,237 11 3				
" Advertisements	251 12 0				
" Books and Periodicals	836 10 6				
" Auditors' Fees	800 0 0				
" Telephones	1,482 7 0				
" Electric Lights and Fans	834 14 4				
" Furniture and Fixtures	943 0 0				
" Petty Charges, Sundry expenses including Postage and Telegrams	2,901 7 9				
" Association's Contribution to Provident Fund	4,604 8 0				
" Membership subscription to the Employers' Federation of India, the Textile Institute and the Royal Asiatic Society for 1945	1,318 2 0				
" Income-tax on interest on Securities for Rs. a. p. 1944-45 deducted at source	5,899 12 3				
Less—Refund for 1943 account	1,702 14 0				
	3,196 14 3				
" Bonus to Staff	10,159 3 0				
		1,17,389 9 1			
" Contributions for the year to :—					
The Victoria Jubilee Technical Institute	1,500 0 0				
" Police Comforts Fund	1,000 0 0				
" Textile Technical School	700 0 0				
" Sir J. J. Hospital Nursing Association Fund	500 0 0				
" K. E. M. Hospital Poor Box Fund	400 0 0				
" Naigaum Social Service Centre	350 0 0				
" Bombay Textile and Engineering Association	200 0 0				
" Coouldas Tejpal Hospital Nursing Association Fund	200 0 0				
" Maharashtra High School	150 0 0				
		5,000 0 0			
" Balance, being excess of Income over Expenditure, carried to Balance Sheet		64,606 5 11			
Total Rs.		1,86,995 15 0	Total Rs.		1,86,995 15 0

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Examined and found correct.

BOMBAY, 28th February, 1946.

A. F. FERGUSON & CO.,

*Chartered Accountants,
Registered Accountants,*

Auditors.

N. S. V. AIYER,
Secretary.

THE MILLOWNERS' ASSOCIATION PROVIDENT FUND.

Statement of Funds for the year ended on the 31st December, 1945.

PROPERTY AT OPENING AND RECEIPTS	Rs. a. p.	Rs. a. p.	Rs. a. p.	PROPERTY AT CLOSING.	Rs. a. p.	Rs. a. p.
<i>Funds as at 1st January, 1945</i>		70,002 13 11		<i>Investments held at Cost :—</i>	Face Value. Rs.	Cost.
<i>Contributions received from members during 1945</i>	4,607 13 0			4 per cent. Government Loan, 1960-70 ..	70,500	70,082 8 0
<i>Contributions from the Association for 1945</i>	4,604 8 0			3 per cent. Government Loan, 1963-65 ..	14,000	13,833 12 0
<i>Interest (including interest accrued Rs. 901-4-0)</i>	Rs. a. p. 3,321 1 6			3 per cent. Government Loan, 1951-54 ..	5,000	5,031 4 0
<i>Less—Bank Charges</i>	8 10 6	3,312 7 0			89,500	88,947 8 0
		12,524 12 0		(Market value of these securities was Rs. 98,794-1-0 on 31st December, 1945.)		
<i>Less—Claims paid</i>		82,527 9 11		<i>Advance to Members</i>		49 12 0
		787 0 6		<i>Interest accrued on the above securities</i>		901 4 0
<i>Lapses and Forfeitures :—</i>			81,740 9 5	<i>Cash with the Imperial Bank of India on current account ..</i>		6,194 15 10
<i>Balance as per last statement</i>			14,352 14 5			
Total Rs. .			96,093 7 10	Total Rs. ..		96,093 7 10

Examined and found correct.

BOMBAY, 28th February, 1946.

A. F. FERGUSON & CO.,

Chartered Accountants,

Registered Accountants,

Auditors.

N. S. V. AIYER,

Secretary.

Report for the Year 1945.

Section III.

CORRESPONDENCE.

APPENDICES 1—16.

APPENDIX 1.

RATES OF MATERNITY BENEFITS PAYABLE UNDER THE BOMBAY
MATERNITY BENEFITS ACT.

Copy of letter No 181, dated 13th November, 1945, from the Association to the Chief Secretary to the Government of Bombay, Political and Services Department

I refer to the interview which the Chairman and Deputy Chairman of the Association had with the Hon'ble Sir Charles Bristow, on the 6th November 1945, at his office.

Sir Vithal Chandavarkar raised the question of the surcharge on maternity benefit which is at present being paid by members of this Association. In this connection, would you please refer to Mr. Kirpalani's letter No. 8574-E dated the 29th September 1942, addressed to Mr. Krishnaraj M D Thackersey, the then Chairman of the Association, and to the notes of an interview which took place at the Secretariat on the 28th September 1942. Following this interview, Government issued a *press communique* on 10th November 1942 announcing the fact that the Millowners' Association, Bombay, has decided to pay, for the duration of the war and three months thereafter, a surcharge of 50 per cent of the total amount payable on maternity benefit to an employee. According to this Press note, and the understanding that was reached at the interview with Mr Kirpalani, the surcharge of 50 per cent on maternity benefit will expire three months after the termination of the war. Sir Vithal pointed out to Sir Charles at the interview that, though they would be justified in discontinuing the surcharge three months after the termination of the war, the Committee of the Millowners' Association would be prepared to continue it, but only until such time as the Bombay Working-Class Cost of Living Index Number comes down to 178, the figure at which it stood when the Association originally agreed to add the surcharge. The Committee of the Association feel that, if Government issued, as they did before, a *Press communique* announcing our intention, it might help to clarify the position and avoid all misunderstandings later. I have not advised members of this Association of the Committee's proposals, for I feel that, following past practice, this should only follow the Government's Press note.

Copy of letter No. 8574/23692-E, dated 11th December 1945, from the Chief Secretary to the Government of Bombay, Political and Services Department, to the Association.

**Subject—SURCHARGE ON THE MATERNITY BENEFIT PAYABLE TO
WORKERS—CONTINUANCE OF.**

I am directed to refer to your letter No 181, dated the 13th November 1945, on the subject noted above, and to forward herewith for information a copy of the Press Note being issued by the Government of Bombay.

Copy of Press Note

“The Millowners' Association, Bombay, has decided to continue the payment of the surcharge of 50 per cent. on the maternity benefit payable to the women workers of mills which are members of the Association, even beyond the period of three months after the duration of the war, which was originally agreed to. The concession is to continue for such time as the cost of living index figure remains above 178. Government desires to express its appreciation of this voluntary offer of the Association and hopes that other employers will similarly continue the concession as before.”

APPENDIX 2.

INCOME-TAX ACT AND EXCESS PROFITS TAX ACT.

AMENDMENTS TO PROVIDE FOR A SPECIAL INITIAL DEPRECIATION ALLOWANCE AND FOR ALLOWING RESEARCH EXPENSES AS A BUSINESS DEDUCTION.

Copy of letter No. 138, dated 6th December, 1945, from the Association to the Secretary to the Government of India, Finance Department, New Delhi.

I am directed by the Committee of the Millowners' Association to invite reference to Bill No B-VI of 1945 which was introduced in the Legislative Assembly in February 1945. The Bill sought to amend the Indian Income-tax Act 1922 and the Excess Profits Tax Act, 1940, in the following among other directions:—

- (a) A special additional initial depreciation allowance for new buildings, machinery and plant erected after the 31st day of March, 1945, was proposed; and
- (b) Expenses incurred on scientific research and sums paid to a scientific research association were proposed to be treated as an allowable business expense.

For reasons, which were not considered to be fair to the industry, Government subsequently withdrew the Bill, with the result that the much-needed relief which had been repeatedly asked for by this and other commercial and industrial organisations, has been denied to the industry. The war has ended, and the great need of the Indian cotton textile industry to-day is the immediate rehabilitation and modernisation of its war-worn plant and machinery. Machinery prices, as Government are aware, are to-day several times more than pre-war prices, and unless Government declare their intention actively to assist the industry in this matter, no substantial progress is possible in the direction of rehabilitation of the industry. The cotton mill industry of this country came voluntarily to the help of Government at a critical juncture of the war, and machinery was worked practically without respite even for the routine overhauls, with the result that it is so worn out to-day that a stage has been reached when it is no longer possible to keep it going without serious risk of breakdowns unless substantial replacements are available.

In this view of the case, the Committee of the Association request that a Bill incorporating at least the two specific provisions referred to in the opening paragraph of this letter be introduced in the next Budget Session of the Assembly. It will be recalled that on the recommendation of this Association, member mills in Bombay very recently contributed a sum of about four lakhs of rupees to the Department of Chemical Technology of the University of Bombay. Our members are anxious that the amounts which they have contributed should be allowed as business expenses in the year in which the payments were made, and Committee desire me to suggest that when Government bring their Budget proposals before the next Legislative Assembly, a special provision should be incorporated in the Bill to give retrospective effect to the payments made by members of this Association, so that these payments may be admitted as deduction in the year in which they were paid.

APPENDIX 3.

TRADE MARKS ACT, 1940.

RECIPROCAL ARRANGEMENTS BETWEEN BRITISH INDIA AND INDIAN STATES IN THE MATTER OF REGISTRATION OF TRADE MARKS.

Notification issued by the Government of India, Commerce Department, on 30th December 1944.

No. 401(8)-Tr (T.M.)/44.—In exercise of the powers conferred by sub-section (1) of section 68 of the Trade Marks Act, 1940 (V of 1940), the Central Government is pleased to appoint the 1st January 1946 as the date for the purposes of the said section.

Copy of letter No. 214a, dated 21st February, 1945, from the Association to the Secretary to the Government of India, Department of Commerce, New Delhi

The attention of the Committee of this Association has been drawn to Government notification No 401(8)-Tr (T M)/44, dated 30th December 1944, under which no person shall, with effect from 1st January 1946, make any representation with respect to a mark, not being a trade mark registered under the British Indian Act, to the effect that it is a registered trade mark. As Government are aware, certain Indian States have also enacted separate Trade Marks Acts, and in each case, the State Act is an exact reproduction of the British Indian Act. It is also certain that the States, which have already enacted Trade Marks laws on the British Indian model, would, in due course, come out with notifications on the lines of Government notification dated 30th December 1944, prohibiting, with effect from a particular date, the use of the expression "registered" on any trade mark not registered under the State Act. The position which would then arise would be that, supposing a trade mark was registered in the British Indian Register, then the owner of that trade mark would be entitled to stamp the word "registered" on the face of the registered trade mark *only* when that trade mark circulates in *British India*. If the goods bearing that trade mark were sold in an Indian State where a separate Trade Marks Act is in force, then under section 68 of the State Act, the use of the word "registered" on the British Indian trade mark would be punishable in the State, though the trade mark in question has been registered in British India, by reason of the fact that it has not been registered in the State concerned. In other words, if all the Indian States copied out the British Indian Act, then the owners of the trade marks in British India would have to register their trade marks in all Indian states. So far as the Committee of this Association can see, there is only one remedy for this state of affairs, namely, to come to a reasonable understanding with Indian States in the matter of reciprocity arrangements in trade marks. Provision for such arrangements has already been made in section 83 of the Indian Trade Marks Act, but it is doubtful whether the State authorities have been approached in this matter. As the Registrar of Trade Marks in British India has already started registering British Indian trade marks, the Committee of the Association feel that the Government of India should give early attention to this matter in consultation with Indian States

Copy of letter No. 401(8)-Tr (T M)/44, dated 7th March 1945, from the Under Secretary to the Government of India, New Delhi, to the Association

Subject:—REGISTRATION OF TRADE MARKS—PENALTY FOR FALSE REPRESENTATION.

With reference to your letter No. 214a, dated the 21st February 1945, on the above subject, I am directed to say that the question of conclusion of reciprocal arrangements between British India and Indian States in the matter of the registration and protection of Trade Marks is already receiving the attention of the Government of India. The Indian States have been approached in the matter through the usual channels.

Copy of circular No 214, dated 19th December, 1945, to all Members of the Association.

Further to my circular No. 214, dated 22-1-1945,* the attention of member mills is invited to the following notification issued by the Government of India, Commerce Department dated 15th November 1945

"No 401(8)-Tr (T M)/44—In pursuance of sub-section (1) of sub-section 68 of the Trade Marks Act, 1940 (V of 1940), and in supersession of the notification of the Government of India in the Department of Commerce No 401(8)-Tr (T.M)/44, dated the 30th December 1944, the Central Government is pleased to appoint the 1st January 1947 as the date for the purposes of the said section "

Section 68 of the Trade Marks Act, 1940 lays down *inter alia* the penalty for falsely representing a trade mark as 'registered' when it is not in fact duly registered in accordance

with the provisions of the Act The Central Government by a notification No. 401(8)-Tr (T M)/44, dated the 30th December 1944 (circulated to members with circular No. 214 dated 22-1-45) announced that this provision would be brought into force from 1st January 1946.

The effect of the present notification is that this provision will be brought into force only from 1st January 1947.

Act No. XII of 1946.

An Act further to amend the Trade Marks Act, 1940.

Whereas it is expedient further to amend the Trade Marks Act, 1940 (V of 1940), for the purposes hereinafter appearing,

It is hereby enacted as follows :—

1. *Short title.*—This Act may be called the Trade Marks (Amendment) Act, 1946.

2. *Amendment of section 4, Act V of 1940* —For sub-section (2A) of section 4 of the Trade Marks Act, 1940 (hereinafter referred to as the said Act), the following sub-section shall be substituted, namely :—

“(2A) The Central Government shall appoint two or more Deputy Registrars of Trade Marks to discharge under the superintendence and direction of the Registrar such functions of the Registrar under this Act as he may from time to time authorise them to discharge ; and any reference in this Act to the Registrar shall include a reference to any Deputy Registrar when so discharging any such function.”

(2B) The Central Government may by notification in the official *Gazette* authorise the Registrar to delegate any particular functions of the Registrar to officers other than the Deputy Registrars of Trade Marks.

3. *Amendment of section 10, Act V of 1940.*—In sub-section (1) of section 10 of the said Act, for the words “already on the register” the words, figures and letter “either already on the register or already registered in any Indian State to which section 82A for the time being applies” shall be substituted.

4. *Amendment of section 19, Act V of 1940* —In section 19 of the said Act, after the words “from the register” the words, figures and letter “under this Act, or from the register of trade marks in any Indian State to which section 82A for the time being applies,” shall be inserted.

5. *Amendment of section 21, Act V of 1940.*—(1) Section 21 of the said Act shall be renumbered as sub-section (1) of that section, and in the section as so renumbered, the words “if valid” shall be omitted.

(2) To the said section as so renumbered the following sub-section shall be added, namely :—

“(2) A person registered in any Indian State to which section 82A for the time being applies, as proprietor of a trade mark shall have the same rights in respect thereof as are conferred by this section on a person registered under this Act as proprietor of a trade mark ”

6. *Amendment of section 22, Act V of 1940.*—In sub-section (3) of section 22 of the said Act, for the words “two or more registered trade marks” the words, figures and letter “two or more trade marks registered under this Act or in any Indian State to which section 82A for the time being applies,” shall be substituted

7. *Amendment of section 23, Act V of 1940* —In section 23 of the said Act, for the words “registered trade mark” the words, figures and letter “trade mark registered under this Act or in any Indian State to which section 82A for the time being applies,” shall be substituted.

8. *Amendment of section 46, Act V of 1940.*—To sub-section (2) of section 46 of the said Act, the following Explanation shall be added, namely :—

“*Explanation.*—For the purposes of sub-section (1) and this sub-section, a person who has registered a trade mark in any Indian State to which section 82A for the time being applies, may be a ‘person aggrieved’.”

9. *Amendment of section 57, Act V of 1940* —(1) Section 57 of the said Act shall be renumbered as sub-section (1) of that section, and in the section as so renumbered, the words “if valid” shall be omitted.

(2) To the said section as so renumbered, the following sub-section shall be added, namely :—

“(2) A person registered in any Indian State to which section 82A for the time being applies, as proprietor of a certification trade mark shall have the same rights in respect thereof as are conferred by this section on a person registered under this Act as proprietor of a certification trade mark.”

10. *Amendment of section 58, Act V of 1940.*—In sub-section (3) of section 58 of the said Act, for the words “registered certification trade marks” the words, figures and letter “certification trade marks registered under this Act or in any Indian State to which section 82A for the time being applies,” shall be substituted.

11. *Amendment of section 68, Act V of 1940.*—(1) In sub-section (1) of section 68 of the said Act, for the words “From such date, not being earlier than one year from the commencement of this Act, as the Central Government may, by notification in the official Gazette, appoint in this behalf,” the words and figures “On and after the 1st day of January 1947,” shall be substituted

(2) To the said section the following sub-section shall be added, namely :—

(4) Nothing in this section shall—

- (a) apply to a trade mark, application for the registration of which has been made before the 1st day of January 1947, until such application has been disposed of;
- (b) affect the use of the word “registered” in respect of a trade mark registered in any Indian State to which section 82A for the time being applies, or until the application has been disposed of, in respect of a trade mark, application for the registration of which has been made in any such Indian State before the aforesaid date

12. *Insertion of new section 82A in Act V of 1940.*—After section 82 of the said Act, the following section shall be inserted, namely :—

“82A. *Power to make reciprocal arrangements with Indian States*—(1) The Central Government may enter into reciprocal arrangements with any Indian State whereby trade marks and certification trade marks registered under this Act shall have in that State protection as if registered in that State and where such arrangements have been entered into with any Indian State, the Central Government shall by notification in the official Gazette declare that this section shall apply to that State

(2) Where any such arrangements as aforesaid with any Indian State are terminated, the Central Government shall by a further like notification cancel the notification under sub-section (1) relating to that State ”

13. *Amendment of section 83, Act V of 1940* —In section 83 of the said Act, the word “British”, where it occurs for the first time, shall be omitted.

14.—*Amendment of section 84, Act V of 1940.*—In sub-section (2) of section 84 of the said Act, after clause (i) the following clause shall be inserted, namely :—

“(ii) make such supplementary provision as may be necessary or expedient to give effect to reciprocal arrangements entered into with Indian States under section 82A”.

STATEMENT OF OBJECTS AND REASONS

The Trade Marks Act, 1940, is only effective in British India. There are many Indian States who have either passed Trade Marks Acts of their own on the lines of the Trade Marks Act of 1940, or propose to do so in the near future. The commercial community, however, apprehend that separate registrations in a number of territories in India would be a great financial burden on them, apart from the embarrassment and confusion that would arise as the result of conflicting trade marks being registered in various territories in India. The States who have enacted or propose to enact legislation for trade marks registration have realised the seriousness of the problem, and have expressed their willingness to enter into reciprocal arrangements with the Government of India in this matter. The proposals in the Bill which are explained in the Notes on Clauses have therefore been designed with a view to avoiding conflict of registration in various Indian States and also to make trade marks registered in any territory effective in all territories in India in which trade marks legislation has been enacted. Provision has also been made for the delegation of the statutory powers of the Registrar of Trade Marks to other officers in addition to the Deputy Registrar.

2 Corresponding amendments will be made in the Trade Marks Acts of the Indian States so that infringement actions on trade marks and certification of trade marks registered in British India may be filed in any of the reciprocating Indian States, thus making it unnecessary for the proprietor of a trade mark to register a trade mark more than once in India

APPENDIX 4.

AMENDMENT OF TRADE MARK RULES.

REGROUPING OF THE FIFTH SCHEDULE.

Copy of circular No 214, dated 16th August, 1945, to all Members of the Association.

I circulate for the information of members copy of a notification dated 21st July 1945 issued by the Department of Commerce, New Delhi, amending the rules under the Trade Marks Act, 1940

“No. 405(22)-Tr.(T.M)/44—In exercise of the powers conferred by sub-section (1) of section 84 of the Trade Marks Act, 1940 (V of 1940) the Central Government is pleased to make the following further amendments to the Trade Marks Rules, 1942, the same having been previously published as required by the said sub-section, namely :—

In the said Rules, after Rule 102, the following rules shall be inserted, namely :—

“102A. For the purposes of applications for the registration of trade marks consisting exclusively of letters, numerals or any combination thereof made on Form TM-53 before the 31st July 1945, the goods falling in the different items of the Fifth Schedule to these Rules shall not be deemed to be goods of the same description

“102B. For the purposes of applications for the registration of trade marks consisting exclusively of letters, numerals or any combination thereof made on Form TM-53 after the 31st July 1945, the items of the Fifth Schedule to these Rules shall be grouped as follows :

and goods falling in each group shall be deemed to be goods of the same description and goods falling in different groups shall not be deemed to be goods of the same description :—

Group.	Items of Fifth Schedule to these Rules.
Group 1	Items 1, 4, 5, 8, 9, 10, 11, 12, 16, 19, 20, 22, 23, 24, 25, 26, 27, 30, 33, 36, 37, 39, 41, 42, 44, 45, 48, 49, 54, 55, 59, 61, 62, 65 and 91.
Group 2	Items 2, 3, 14, 17, 18, 34, 35, and 47.
Group 3	Items 6, 7, 21, 38 and 52.
Group 4	Items 13, 29, 75, 77 and 78.
Group 5	Items 15, 28, 31, 40, 60, 66, 79, 88, 90 and 93.
Group 6	Items 32, 43, 64 and 94.
Group 7	Items 46, 83, and 85.
Group 8	Items 50, 51, 56, 57, 63, 76, 80, 84, 86, 87, and 89.
Group 9	Item 53
Group 10	Items 58, 82 and 92
Group 11	Items 67, 68, 69, 70 and 71.
Group 12	Item 72
Group 13	Item 73.
Group 14	Item 74.
Group 15	Item 81.

These amendments regroup items listed in Schedule 5 of the Trade Mark Rules, and provide that in respect of applications for registration of trade marks made *before* 31st July 1945, goods falling in different items of the Schedule *shall not be deemed to be goods of the same description* and that in the case of applications for registration made *after* the 31st July, 1945 the goods falling in each group of the revised schedule shall be deemed to be goods of the same description

APPENDIX 5.

AMENDMENT OF THE BOMBAY INDUSTRIAL DISPUTES ACT, 1938

BOMBAY ACT No XIX OF 1945.

(First published, after having received the assent of the Governor, in the *Bombay Government Gazette* on the 3rd November 1945)

An Act to amend the Bombay Industrial Disputes Act, 1938.

Whereas it is expedient to amend the Bombay Industrial Disputes Act, 1938, for the purpose hereinafter appearing :

And whereas the Governor of Bombay has assumed to himself under the Proclamation dated the 4th November 1939 issued by him under section 93 of the Government of India Act, 1935, all powers vested by or under the said Act in the Provincial Legislature,

Now, therefore, in exercise of the said powers, the Governor of Bombay is pleased to make the following Act.—

1 This Act may be called the Bombay Industrial Disputes (Amendment) Act, 1945.

2. In section 25 of the Bombay Industrial Disputes Act, 1938, after sub-section (3), the following new sub-section shall be inserted, namely.—

“(3A) A Labour Officer may, after giving reasonable notice, convene a meeting of the employees of an employer, for any of the purposes of this Act, on the premises where the

employees are employed for work and may require the employer to affix a written announcement of the meeting at such conspicuous places in the premises as he may order. The announcement shall specify the date, time and place of the meeting, the employees or class of employees affected, and the purpose for which the meeting is convened :

Provided that during the continuance of a lock-out which is not illegal, no such meeting on the premises of the employer continuing the lock-out shall be convened of any employees affected by the lock-out without the consent of the employer."

STATEMENT.

There is no provision in the Bombay Industrial Disputes Act, 1938, under which it would be possible for the Labour Officer to hold for any of the purposes of the Act meetings in the mill compounds if the millowners object to permit the use of their premises for the meeting. While in general millowners have permitted such use, yet instances have arisen where their refusal has frustrated the objects of the Act. It is proposed therefore to amend the Act to empower the Labour Officer to convene a meeting in the mill compounds and to require the employer to post announcements of such meetings at such places on the premises as he may order.

APPENDIX 6.

HOLIDAYS WITH PAY FOR WORKERS.

FACTORIES (AMENDMENT) ACT, 1945.

The following Act of the Indian Legislature received the assent of the Governor General on the 16th April 1945, and is hereby promulgated for general information

ACT No. III of 1945

An Act further to amend the Factories Act, 1934.

Whereas it is expedient further to amend the Factories Act, 1934 (XXV of 1934), for the purposes hereinafter appearing ;

It is hereby enacted as follows :—

1. *Short title and commencement* :— (1) This Act may be called the Factories (Amendment) Act, 1945

(2) It shall come into force on the 1st day of January 1946

2. *Insertion of new section 35A in Act XXV of 1934*.—After section 35 of the Factories Act, 1934 (XXV of 1934) (hereinafter referred to as the said Act), the following section shall be inserted, namely :—

35A. *Compensatory holidays*.—(1) Where, as a result of the passing of an order or the making of a rule under the provisions of this Act exempting a factory or the workers therein from the provisions of section 35, a worker is deprived of any of the weekly holidays for which provision is made by sub-section (1) of that section, he shall be allowed, as soon as circumstances permit, compensatory holidays of equal number to the holidays so lost.

(2) The Provincial Government may make rules prescribing the manner in which the holidays, for which provision is made in sub-section (1) shall be allowed

3. *Insertion of new Chapter IVA in Act XIV of 1934*.—After Chapter IV of the said Act the following Chapter shall be inserted, namely :—

CHAPTER IVA.

Holidays with Pay

49A *Application of Chapter* —(1) The provisions of this chapter shall not apply to a seasonal factory.

(u) The provisions of this chapter shall not operate to the prejudice of any rights to which a worker may be entitled under any other enactment, or under the terms of any award, agreement or contract of service.

49B *Annual Holidays* —(1) Every worker who has completed a period of twelve months' continuous service in a factory shall be allowed, during the subsequent period of twelve months, holidays for a period of ten or, if a child, fourteen consecutive days, inclusive of the day or days, if any, on which he is entitled to a holiday under sub-section (1) of section 35

(u) If a worker fails in any one such period of twelve months to take the whole of the holidays allowed to him under sub-section (1), any holidays not taken by him shall be added to the holidays to be allowed to him under sub-section (1) in the succeeding period of twelve months, so however that the total number of days holidays which may be carried forward to a succeeding period shall not exceed ten or, in the case of a child, fourteen

(uu) If a worker entitled to holidays under sub-section (1) is discharged by his employer before he has been allowed the holidays or if, having applied for and having been refused, the holidays, he quits his employment before he has been allowed the holidays, the employer shall pay him the amount payable under section 49C in respect of the holidays.

Explanation :—A worker shall be deemed to have completed a period of twelve months' continuous service in a factory notwithstanding any interruption in service during those twelve months brought about by sickness, accident or authorised leave not exceeding ninety days in the aggregate for all three, or by a lock-out, or by a strike which is not an illegal strike, or by intermittent periods of involuntary unemployment not exceeding thirty days in the aggregate and authorised leave shall be deemed not to include any weekly holidays allowed under section 35 which occurs at the beginning or end of an interruption brought about by the leave.

49C *Pay during annual holidays* —Without prejudice to the conditions governing the day or days, if any, on which the worker is entitled to a holiday under sub-section (1) of section 35, the worker shall, for the remaining days of the holidays allowed to him under section 49B, be paid at a rate equivalent to the daily average of his wages as defined in the Payment of Wages Act, 1936 (IV of 1936), for the days on which he actually worked during the preceding three months, exclusive of any earnings in respect of overtime

49D. *Payment when to be made* —A worker who has been allowed holidays under section 49B shall, before his holidays begin, be paid half the total pay due for the period of holidays

49E. *Power of Inspector to act for worker*.—Any Inspector may institute proceedings on behalf of any worker to recover any sum required to be paid under this chapter by an employer which the employer has not paid

49F. *Power to make rules* —(1) The Provincial Government may make rules to carry into effect the provisions of this chapter.

(2) Without prejudice to the generality of the foregoing power rules may be made under this section prescribing the keeping by employers of registers showing such particulars as may be prescribed and requiring such registers to be made available for examination by Inspectors

(3) The Central Government may give directions to a Province as to the carrying into execution of the provisions of this section.

49G *Exemption of factories from provisions of this chapter*—Where the Provincial Government is satisfied that the leave rules applicable to workers in a factory provide benefits substantially similar to those for which this chapter makes provision, it may by written order, exempt the factory from the provisions of this chapter

(4) *Amendment of Section 60, Act XXV of 1934*—In section 60 of the said Act —

(a) at the end of clause (f), the word 'or' shall be added;

(b) after clause (f) as so amended, the following clauses shall be inserted, namely.—

“(g) there is any contravention of section 49B, 49C or 49D, or of any rule made under section 49F”

5 *Amendment of Section 61, Act XXV of 1934*—In section 61 of the said Act, for the brackets and letter “(f)”, the brackets and letter “(g)”, shall be substituted

Copy of letter No. 148, dated, 6th November, 1945 from the Association to the Secretary to the Government of Bombay, Political and Services Department.

I am directed to refer to Government notification No. 658/34 dated the 15th August 1945* regarding the Rules which Government propose to frame under the provisions of the Factories (Amendment) Act, 1945, in connection with holidays with pay

2. Before setting forth their comments on the Draft Rules, my Committee desire to raise certain issues arising out of the abovementioned legislation, which have not so far been satisfactorily clarified either in the Amendment Act or in the Draft Rules. My Committee strongly feel that these issues should be carefully considered and decided before the legislation referred to is brought into force, otherwise, misunderstandings as regards the scope of the legislation are likely to arise, leading to unfortunate consequences, which the Association desires to avoid as far as possible.

3. The first issue which my Committee desire to raise is in connection with the date from which the qualifying period of service would commence to run. Sub-section (2) of section 1 of the Amendment Act states that it shall come into force on the 1st day of January 1946, which in the view of my Committee, means that the qualifying period of service would begin to count from 1st day of January 1946, and the leave, if any, sanctioned by the Statute would fall due after 31st December 1946. This matter was raised by the employers' representatives at the seventh meeting of the Standing Labour Committee held on 28th August 1945, when, it is understood, one of Government's spokesmen expressed agreement with the Association's view; nevertheless, the fact remains that, according to the information at the disposal of my Committee, the employees of certain industrial establishments still feel that, if they had put in continuous service in 1945, they would be entitled under the Act to a paid holiday in the year 1946, and it is, therefore, very important that this misunderstanding should be cleared by Government issuing a Press note clarifying the position.

4. The next point, which neither the Act nor the proposed Rules seek to clarify, is in regard to the expression “Continuous service”. If the Statute is to be very closely followed by those who are concerned with it, then it is necessary that the requirements of the Statute should be placed beyond doubt, free from all misunderstandings, which are likely to crop up in matters of this type. Attention is, in this connection, drawn to the explanation added to sub-clause (iii) of section 49B of the Act which reads as under.—

“A worker shall be deemed to have completed a period of twelve months' continuous service in a factory notwithstanding any interruption in service during those twelve months brought about by sickness, accident or authorised leave not exceeding ninety days in the aggregate for all three, or by a lock-out, or by a strike which is not an illegal strike or by intermittent periods of involuntary unemployment not exceeding

thirty days in the aggregate and authorised leave shall be deemed not to include any weekly holiday allowed under section 35 which occurs at the beginning or end of an interruption brought about by the leave."

5. In this clause, there are, among other things, two expressions, namely, "authorised leave" and "involuntary unemployment". My Committee suggest that these two expressions be defined. It might, for instance be laid down that "authorised leave" means leave taken with or under the orders of the manager, or any person authorised by him for the purpose in writing. As regards "involuntary unemployment", it must be clearly limited to unemployment arising from reasons over which neither the employer nor the employee has any control, in the aggregate.

6. The explanation to sub-clause (iii) of clause 49B quoted above is one of the most important operative parts of the Statute which, if misinterpreted by the operatives, is likely to cause trouble, and my Committee suggest that the implications of this proviso should also form part of the Press note, which has been suggested by my Committee in a previous paragraph. The Press note dealing with the explanation might make it clear, among other things, that workers would not be entitled to the benefit of the holidays with pay under the following circumstances:

- (a) If during a period of 12 months' service, a worker is absent for more than 90 days in the aggregate on account of sickness, accident or authorised leave
- (b) If during a period of 12 months' service a worker is absent on account of involuntary unemployment exceeding 30 days
- (c) If a worker had participated in an illegal strike, regardless of its duration, during the 12 months' service.
- (d) If a worker is absent without leave, even if for a day

7. When on the question of the qualifying period of service, my Committee would incidentally like to refer to another difficulty, which may arise in interpreting the term. If a worker joined, say, on 1st March 1946 and put in continuous service for a year, then his leave will be due on 1st March 1947. If, on the other hand, after having worked in the mill for a fortnight, say, from 1st March 1946 to 16th March 1946, he took 10 days off without leave, and came back on, say, the 27th of March 1946, it is not clear whether he would be considered as having started afresh for purposes of this Act and commenced his qualifying period from 27th March 1946, or whether, having taken 10 days' unauthorised leave in his 12 months' service ending 1st March, 1947, the worker would be expected to put in another period of 12 months from 1st March 1947 in order to earn his leave with pay in the year 1948. This point should be clarified. The second alternative would not be fair to the worker, and naturally, his qualifying service should commence from the day on which he rejoined duty after his unauthorised holiday, but in that event it will be throwing an enormous job on the management for, without a very considerable increase in the staff, it will be very difficult to keep track of such cases. This point is of utmost importance when considering the question of the registers to be maintained under the Act and Rules.

8. The next point which my Committee desire to raise is that the position of adolescents is not made quite clear in the Act. It is suggested that they should be treated in all respects as adults.

9. Another point which my Committee feel should be made clear in the Rules is that, according to section 49B (iii), the question of compensating the worker for the holiday earned but not taken, would arise only in the case of a worker who has been discharged by his employer before he has been allowed the holidays and in the case of a worker who, having applied for the holiday had been refused it, and subsequently left the service of the employer before he had been allowed the holiday. It should be made quite clear here that the question of such compensation *would not arise* in the case of a worker, who has been dismissed by the management for any reason whatsoever. This point, it is thought, should also be made clear in the Press note, which my Committee have suggested.

10. Turning now to the Draft Rules, my Committee have the following observations to make :—

Rule 2 · In their previous draft circulated to the members of the Standing Labour Committee, Government had introduced a definition of the expression 'authorised leave' For reasons, which are not clear to my Committee, this definition has been taken out from the draft published. In any event, the case for defining what constitutes authorised leave has been set forth in paragraph 5 of this letter, and it is hoped that the point will be considered by Government.

Rule 2 is perhaps also the most appropriate place for including a definition of the expression 'involuntary unemployment' and the suggestions made in paragraph 5 of this letter will, it is thought, be borne in mind by Government when drafting the definition

Rule 4 · This Rule lays down that any subsequent change in the notice in respect of any compensatory holiday shall be made not less than one week in advance of the date of the holiday. My Committee are not clear why a week's notice has been insisted upon for a change in the notice. They are not, however, inclined to dispute this provision, but it is suggested that a further proviso be added so that, where an employee concerned agrees to a change with a lesser notice, such intimation may be dispensed with.

Rule 5 : This rule does not make it clear as to what the position will be when an employee to whom a compensatory holiday is due, *leaves service without notifying his employer* In such cases, the employer should be absolved from all liability under the Act. If, however, an employee to whom a compensatory holiday is due notifies the employer of his intention to leave, and if he is also permitted to leave before he could avail himself of the compensatory holiday due to him, it should be made permissible for the employer to make, in lieu of the holidays due, a cash payment representing the basic wages of the employee concerned for the number of days for which compensatory leave is due to him. My Committee are recommending such conversion only in the case of an employee who retires from service with the permission of the employer before the compensatory holiday due to him has been taken. They do not, however, recommend the adoption of such a course in the case of an employee who continues to be in service, for the reason that the object of the legislation is to enable the operative concerned to recoup his health, and this object would be defeated if it were made possible for the employee to claim monetary consideration in lieu of a compensatory holiday.

Rule 5 lays down that the compensatory holiday or holidays will be given before a worker is discharged or dismissed In this connection, it must be pointed out that if an employee is adjudged by the manager to be guilty of an offence meriting dismissal, he is usually dismissed on the spot after he had been given an opportunity of explaining his conduct, and it will not be practicable to postpone the dismissal till the employee concerned has had the compensatory holiday or holidays due to him In such cases also, it is suggested that the employer should be permitted to substitute for the compensatory holiday or holidays a cash payment representing the wages of the employee concerned for the number of days for which the compensatory holidays are due to him,

Rule 6(1) provides for a return to be submitted by the manager to the appropriate authorities within 15 days of the end of the year or season as the case may be. It is recommended that the time limit be raised to two months from the end of the year or season as the case may be, for the reason that employers have far too many returns to complete these days This rule might also clarify the point as to whether the "year" referred to covers the fiscal or calendar year. *Rule 7(1)* suggests that calendar year applies, but it should be made quite clear.

Rule 7 : Attention is invited to the observation already made by my Committee in paragraph 7 of this communication. This has relevance to the form in which the registers are to be maintained, but as regards the time limit for the submission of the return, it is suggested that the words 1st March be inserted in place of the 1st of February where it appears in sub-rule (1) of *Rule 7*.

Rule 8 My Committee strongly recommend that this rule be deleted. After all, what Government apparently have in view is that it should be possible for every workman to ascertain what his dues are under the Act. If this is so, it is thought that the object Government have in mind might be met by a simple provision making it obligatory on the employer to furnish the information to the worker on demand.

There is perhaps a practical difficulty in complying with the provisions of Rule 8(1). Apart from the extra staff which mills have to employ for bringing these holiday books of individual workers up-to-date in addition to maintaining mills' own registers, these holiday books of individual workers will also require material alterations from time to time, for, as pointed out in paragraph 7 of this communication, the date of commencement of the qualifying period is likely to change from time to time as the operatives take unauthorised holidays. In this connection, it may be pointed out that, as 75 per cent of the workers do take these holidays without the previous sanction of the management, the amount of labour involved in correcting the mill registers and also the individual mill holiday books of the workers is out of all proportion to the benefits which are likely to accrue to those who are likely to qualify for the holidays.

Moreover, the rule requires the employer to provide every worker with the holiday book. This, in my Committee's view, is a wasteful provision for the reason that *badlis* and temporary workers who between them constitute about 20 to 25 per cent of the factories' normal working force would be eligible for these books, though, as a matter of fact, they would not be entitled to the annual holiday for the reason that it would be physically impossible for them to satisfy the conditions attached to it.

Rule 9 This rule lays down that if so required by the employer by a notice displayed, as in Rule 4, the worker shall submit a medical certificate signed by a registered medical practitioner, etc., stating the cause of the absence and the period for which the worker is in his opinion unable to attend work. It is suggested that in all cases where the worker is absent on account of illness, it should be laid down that he should produce a medical certificate signed by the medical officer provided by the employer wherever such medical officers have been provided. The provision regarding medical certificates by *hakims* and *vaids* is calculated to lend itself to grave abuses in the sense that the worker may be inclined to and can secure these certificates in exchange for a monetary consideration. In this view of the case, it is thought that, where the worker is unable to produce a certificate signed by the employer's own doctor, his absence should be regarded as *not being* due to sickness.

In making this suggestion, my Committee are not unmindful of the fact that it might result in unnecessary hardship in certain *bona fide* cases, but as against this must be set off the very large number of workers who at present take unauthorised holidays, whenever, they feel like it, at different periods of the year, and who might, as a result of the new statute, endeavour to legalise their absence by procuring faked medical certificates. It is thought that the law should be made sufficiently watertight to prevent it being converted into machinery for legalising unauthorised absenteeism.

Rule 10 Before my Committee desire to submit their observations on this clause, they would like to be informed as to what the expression "involuntary unemployment" really means. Closures of all kinds, regardless of the reasons therefore are put up on the notice with particulars as to the department or departments affected, and copies of these notices are available for inspection with the employers at all times. These documents can also be made available for inspection by the authority concerned, and my Committee do not see any necessity for notifying the Inspector every case of involuntary unemployment.

Rule 11 This rule lays down that, before or on the completion of a period of 12 months' continuous service in the factory, a worker may give notice to the employer of his intention not to avail himself of holidays falling due in the following period of 12 months. It is thought this rule should also contain an option to the employer to notify an employee before or on completion of his 12 months' service with the mill, of his inability to allow the employee to accumulate the leave due to him. The object of seeking such an amendment is to prevent a large number of operatives taking leave at the same time and thus bringing the work in the factory practically to a standstill.

The most important point to remember in connection with Rules 11 and 12 is that, if a worker is entitled to leave with pay, the manager should have the right to fix the date on which the leave in question should commence, so long as four weeks' notice is given to the worker. In Bombay, the majority of workers usually take their holidays in the month of May, and it will be a very difficult job for the manager to settle the period of leave for each worker to whom such leave is due. If the worker refuses to take the leave when the manager offers it to him, he might ask for that leave to be added on to the leave due to him in respect of continuous work in the following year, but that will be only postponing the question, and the same difficulty will arise in the following year. My Committee think that it ought to be laid down clearly in the Rules that the manager's decision in such matters should be final and if the worker fails to take his leave when offered by the manager, then, subject to the provision of section 49B(ii), the accumulated leave shall lapse.

Rule 16 : The expression "pay" in this rule should be very clearly defined. It is presumed that it includes only the basic wage and not the dearness allowance or any other allowances.

In conclusion, I am desirous to suggest that the various points raised in this letter could perhaps be discussed and settled at a joint meeting between Officers of Government and representatives of this Association, and if this suggestion is acceptable to Government, then my Committee would be very happy to depute a few representatives to meet Government.

Political and Services Department, Bombay Castle, 11th January, 1946.

FACTORIES ACT, 1934.

No. 658/34 —In exercise of the powers conferred by sub-section (2) of section 35A and section 49F of the Factories Act, 1934 (XXV of 1934), the Government of Bombay is pleased to make the following rules, namely:—

THE FACTORIES (HOLIDAYS) RULES.

I—PRELIMINARY.

1. *Title* —These rules may be called the "Factories (Holidays) Rules"
2. *Definitions*.—In these rules, unless there is anything repugnant in the subject or context,—
 - (a) "the Act" means the Factories Act, 1934 (XXV of 1934);
 - (b) "the section" means a section of the Act,
 - (c) "the Chapter" means Chapter IV-A of the Act;
 - (d) "form" means a form appended to these rules;
 - (e) "register" means the Holidays with Pay Register;
 - (f) "family" means husband, wife and children

II—COMPENSATORY HOLIDAYS.

3. The compensatory holidays to be allowed under section 35A(1) shall be so spaced that not more than two holidays are given in one week, except where the persons are engaged on continuous processes in whose case they shall be so spaced that not more than four holidays are given in one week.
4. The Manager of the factory shall display, on or before the end of the month, a notice of the dates on which the compensatory holidays will be given in the following month, at the place at which the Notice of Periods of Works, prescribed under section 39 is displayed. Any subsequent change in the notice in respect of any compensatory holiday shall be made not less than one week in advance of the date of that holiday.
5. The holiday or holidays will be given before a worker is discharged or dismissed.

6 (1) The Manager shall maintain a register in form "Q" and make a return in form "R" to the Inspector of Factories within two months of the end of the year or season, as the case may be :

Provided that, if the Chief Inspector of Factories is of the opinion that any muster roll or register maintained as part of the routine of the factory, or return made by the Manager gives in respect of any or all of the workers in the factory the particulars required for the enforcement of section 35A, he may, by order in writing, direct that such muster roll or register or return shall, to the corresponding extent, be maintained in place of and be treated as the register or return required under this rule for that factory.

(2) The register maintained under sub-rule (1) shall be preserved for a period of 3 years after the last entry in it and shall be produced before the Inspector on demand.

III—HOLIDAYS WITH PAY.

7. (1) The employer shall maintain a Holiday with Pay Register in form "S" and make a return in form "T" to the Inspector of Factories, not later than the 1st March of the year subsequent to that to which it relates :

Provided that, if the Chief Inspector of Factories is of the opinion that any muster roll or register maintained as part of the routine of the factory, or return made by the employer, gives in respect of any or all of the workers in the factory the particulars required for the enforcement of Chapter IV-A, he may, by order in writing, direct that such muster roll or register or return shall, to the corresponding extent, be maintained in place of and be treated as the register or return required under this rule for that factory.

(2) The register maintained under sub-rule(1) shall be preserved for a period of 3 years after the last entry in it and shall be produced before the Inspector on demand.

8. (1) The employer shall provide each worker with a book called "Holiday Book" in form "S-1" The book shall be the property of the worker and the employer or his agent shall not demand it except to make entries of the dates of holidays or interruptions in service, and shall not keep it for more than a week at a time.

(2) If a worker loses his "Holiday Book," the employer shall provide him with another copy on the payment of anna one and shall complete it from his record.

9 If so required by the employer in writing, the worker shall submit a medical certificate signed by a registered medical practitioner or by a registered *vaid* or *hakim* stating the cause of the absence and the period for which the worker is, in his opinion, unable to attend to his work.

10 The employer shall give, as soon as possible, a notice to the Inspector of every case of involuntary unemployment stating the number of workers affected and the reason for their unemployment

11. Before or on the completion of a period of 12 months' continuous service in the factory, as defined in section 49B, a worker may give notice to the employer of his intention not to avail himself of holidays falling due in the following period of 12 months The employer shall make an entry to that effect in the Register in respect of that worker and in his Holiday Book

12 Except in regard to the worker who has given notice of his intention not to avail himself of holidays in the year in which these accrue, the employer shall fix the dates on which holidays with pay shall be allowed to each worker including the worker who has accumulated his holidays over two periods of twelve months each This date shall not, in an individual case, be earlier than 4 weeks from the date of notice unless the worker agrees to take the holidays earlier. The necessary entries shall be made in the Register and the Holiday Book.

FORM "R"

Compensatory Holidays—Annual Return.

Name of Factory..... for the year ending 31st December 19..
 .. for the season ending.....

Name of occupier. Name of Manager.....

1. District.
2. Postal address
3. Nature of Industry
4. No. of workers exempted } Men
 from section 35 of the }
 Factories Act } Women.
5. Number who received holidays in the
 - (1) same month. ..
 - (2) following month
 - (3) third month.....
 - (4) fourth month. .

FORM "S"

Register of Holidays with Pay

Factory. Part I—Adults.

Department. Part II—Children.

Serial No	Serial No in the Register of Adult/Child worker.	Name	Father's Name.	Date of entry into service	Interruptions.					Holidays due with effect from	Whether holidays not desired during the next 12 months.	Date from which the worker is allowed leave	Remuneration paid on		Discharged worker		Remarks.
					Sickness and accident	Authorized leave.	Lookout or legal strike	Involuntary unemployment.	Others.				First moiety	Second moiety	Date of discharge	Date and amount of payment made in lieu of holidays due	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18

Note.—Separate page will be allotted to each worker

FORM "S.1"

Holiday Book

Will be the same as the register but will be made out separately for each worker on a thick bound sheet.

Form "T"

Holidays with Pay—Annual Return

Name of factory.....for the year ending 31st December 19...

Name of occupier..... Name of Manager.....

District

Postal address

Nature of Industry

Total number of persons employed during the year—

Men

Women

Children

Number of persons who completed twelve months' continuous service during the year—

Men

Women

Children.....

Number of persons who were granted holidays during the year—

Men

Women

Children.....

Number of persons who gave notice not to avail themselves of holidays during the year in which holidays accrued—

Men

Women

Children.....

Copy of circular No. 148 dated 8th April, 1946 from the Secretary to all members of the Association.

Further to my circular No. 148, dated 24th January 1946,* I have to state that certain matters arising out of the operation of the provisions relating to Holidays with Pay, particularly the question of the registers, and the returns which mills have to keep was discussed by the Managers' Sub-Committee with the Chief Inspector of Factories, Bombay, and the arrangement indicated below has been approved by him.

(1) The Register in form 'Q' and the Return in form 'R' prescribed in Rule 6 will be maintained by mills. This was agreed to by the Association in view of the fact that the number of workers who would be eligible for compensatory holidays would be very small. In this connection, it may be stated that compensatory holidays should be granted only to employees who are covered by sub-section 2 of section 43 of the Factories Act or those listed in Schedule III (Rule 77 of Rules under the Factories Act, 1934), and to such workers (not supervisors) as are exempted under section 44(2) of that Act.

(2) In regard to the Register which the mills are required to maintain under Rule 7, the Chief Inspector of Factories agrees that the present Workmen's Service Record Cards amplified in certain directions might be maintained by mills in lieu of the return set forth in the Rules. The suggestion is that a slip of paper be pasted on to the Workmen's Service

* Not published.

Record Card, this slip providing blank space for information not contained in the Workmen's Service Record Card, which is required under form 'S' prescribed in the Rules. A specimen copy of the slip* is enclosed herewith. Additional copies of these slips will, in due course, be made available at Rs 6-4 per 500 copies

(3) Rule 8 of the Holidays with Pay Rules requires the employer to provide each worker with a book called the 'Holiday Book' in form 'S'. The Chief Inspector of Factories has agreed that for the purposes of this rule, the enclosed* 'Holiday Book' which is a duplicate of the slip of paper, referred to in paragraph above, with certain additional information may be adopted. Copies of the Holiday Books will be made available to members at Rs. 22-8 per 500 copies. Members are requested particularly to note that the Holiday Books should be supplied to all permanent workers and to such of the *badli* workers or temporary workers as have completed a service of at least 6 months in their mills. The Holiday Books need not be supplied to *badli* or temporary workers who have not put in the aggregate a service of at least 6 months in a particular mill.

(4) Rule 10 requires the employer to notify the Chief Inspector of Factories as soon as possible of every case of involuntary unemployment, specifying the number of workers affected and the reason for their unemployment. The Chief Inspector of Factories has agreed that until otherwise directed, it would suffice if mills sent in *monthly statements* containing this information.

The Factories (Amendment) Act and the Rules made thereunder have come into force from 1st January, 1946, i.e., the qualifying period of service for purposes of holidays with pay has commenced to run from that date. Workers will thus be eligible to get statutory holiday on and after 1st January 1947.

There are still certain points on which clarification has been sought by the Association from the Government of Bombay, and a further circular will be issued on receipt of a reply from them.

APPENDIX 7.

INDUSTRIAL STATISTICS ACT, 1942.

CENSUS OF MANUFACTURING INDUSTRIES RULES, 1945.

Issued by the Government of Bombay on 8th December 1945, and published in the *Bombay Government Gazette Extraordinary*, Part IV-A, dated 18th December 1945

No 4190/33—In exercise of the powers conferred by sub-section (i) of section 12 of the Industrial Statistics Act, 1942 (XIX of 1942), and in supersession of Government Notification in the General Department, No 4190/33, dated the 31st March 1944, the Government of Bombay is pleased to make the following rules for carrying out the purposes of the Act so far as it relates to collection of statistics relating to some of the matters in clause (a) of sub-section (1) of section 3 of the Act, the same having been previously published as required by sub-section (1) of the said section 12, namely—

CENSUS OF MANUFACTURING INDUSTRIES RULES, 1945

- 1 (1) These rules may be called the Census of Manufacturing Industries Rules, 1945.
- (2) They shall come into force at once.
- 2 In these rules, unless there is anything repugnant in the subject or context,—
 - (a) "Act" means the Industrial Statistics Act, 1942;
 - (b) "Factory" means a factory as defined in clause (j) of section 2 of the Factories Act, 1934, or any premises deemed to be a factory in pursuance of a declaration made under sub-section (1) of section 5 of that Act,
 - (c) "Form" means a form set forth in Schedule II*, appended to these rules.

* Not published

- (d) "Occupier" means the occupier of a factory as defined in clause (1) of section 2 of the Factories Act, 1934 ;
- (e) "Schedule" means a schedule appended to these rules ;
- (f) "Section" means a section of the Act ;
- (g) "Statistics Authority" means the Statistics Authority appointed by the Government of Bombay under section 4.

3. (1) The Statistics Authority shall, before the end of December, each year, serve a notice on the occupier of each factory which is engaged in any of the industries mentioned in Schedule I (except the sugar industry) or which, being previously so engaged, has temporarily suspended manufacturing processes, requiring him to furnish to the Statistics Authority

- (a) a return in duplicate relating to the next following calendar year in the form appropriate to the industry in which the factory is engaged, and
- (b) if the factory is owned by a company incorporated in British India or elsewhere, also along with the return, two copies each of the annual balance sheet, profit and loss account, as well as of the Directors' report, if any, for the period covered by the return if the Company's accounting year coincides with this period ; otherwise for the last preceding year for which the accounts of the company were closed.

(2) The Statistics Authority shall before the end of June each year serve a notice on the occupier of each factory engaged in the sugar industry or which being previously so engaged has temporarily suspended manufacturing processes, requiring him to furnish to the Statistics Authority—

- (a) a return in duplicate relating to the next following annual period commencing with the 1st July and ending with the 30th June in the form appropriate to the sugar industry, and
- (b) if the factory is owned by a company incorporated in British India or elsewhere, also along with the return, two copies each of the annual balance sheet, profit and loss account, as well as of the directors' report, if any, for the period covered by the return if the company's accounting year coincides with this period otherwise, for the last preceding year for which the accounts of the company were closed

(3) The Statistics Authority shall forward with the notice referred to in sub-rules (1) and (2) three copies of the form in which the occupier of any factory is required to furnish the return.

4. (1) Any occupier of a factory on whom a notice has been served by the Statistics Authority in accordance with the provisions of rule 3 shall furnish the required return in duplicate in the form received with the notice, so as to reach the Statistics Authority not later than two months after the expiry of the period for which the return is required to be made, and if the factory is owned by a company incorporated in British India or elsewhere, shall also along with the return forward two copies each of the annual balance sheet and profits and loss account, as well as of the directors' report, if any, referred to in clause (b) of sub-rules (1) and (2) of rule 3 :

Provided that, on representation being received from any occupier, the Statistics Authority may if he is satisfied that sufficient reason exists, allow an extension of time up to one month beyond the date specified in this rule for the submission of the return.

(2) Two copies of the form received with the notice by an occupier shall be used for the purpose of submission of the return to the Statistics Authority as required under sub-rule (1). The occupier shall retain an exact copy of the return submitted by him under sub-rule (1) in the third copy of the form received by him.

5. If the occupier of any factory receives with the notice served under sub-rule (1) or sub-rule (2), as the case may be, of rule 3, a form relating to an industry in which

the factory is not engaged the occupier shall within seven days of the receipt of the said notice intimate to the Statistics Authority the name of the industry in which the factory is engaged and of each of its principal products. Thereupon the Statistics Authority shall within seven days of the receipt of such intimation forward to the occupier the appropriate form for such industry, if it is one of those mentioned in Schedule I, together with a fresh notice, if necessary, and the occupier shall furnish a return in that form as if the form and the fresh notice, if any, had been received on the date on which the original notice was received.

6. (1) The Statistics Authority shall serve the notice referred to in sub-rules (1) and (2) of rule 3 and the occupier of a factory shall furnish the return referred to in sub-rule (1) of rule 4 through the post under registered cover with acknowledgment due. On the cover containing the return, the occupier shall write prominently the words and the figures "Confidential Return under the Census of Manufacturing Industries Rules, 1945."

(2) The notice referred to in sub-rules (1) and (2) of rule 3 may be served—

- (a) when the occupier is a corporation or firm, or any director or other principal officer of the corporation or on any member of the firm or by addressing the same in the name of the corporation or firm at its registered office or the place where it carries on business in British India,
- (b) when the occupier is a person (not being a corporation or firm), on the person at the usual or the last known place of abode or business of such person, and such service shall be deemed to be good service as against the corporation, all partners of the firm or as against the person, as the case may be

7. All information required under rule 3 shall be furnished in English

SCHEDULE 1.

List of Industries.

1	Wheat flour.	2	Rice milling
3	Biscuit making (including bakeries and confectioneries)	4	Fruit and vegetable processing
5	Sugar	6	Distilleries and breweries (including power alcohol manufacturing)
7	Starch	8.	Vegetable oils—oilseed crushing, and extraction and processing of vegetable oils
9	Paints and varnishes	10	Soap
11	Tanning	12	Cement
13	Glass and glassware	14	Ceramics
15	Plywood and tea chests.	16	Paper and paperboard (including straw-board)
17	Matches	18	Cotton textiles—spinning and weaving
19.	Woollen textiles	20	Jute textiles
21	Chemicals including drugs and pharmaceuticals	22	Aluminium, copper and brass—all processes from ore smelting to manufacture of final products ready for use.
23	Iron and steel—smelting (including blast furnace operations), rolling and re-rolling.	24	Sewing machines
25	Bicycles	26	Producer gas plants
27	Electric lamps	28	Electric fans.
29.	General engineering and electrical engineering (excluding generation and transformation of electrical energy)		

APPENDIX 8.

AMENDMENT TO THE INDIAN ELECTRICITY RULES

Copy of letter No. 242-A, dated 6th September 1945, from the Association to the Deputy Secretary to the Government of Bombay, Public Works Department.

Subject · RULE 62—SUB-RULES (2) AND (3) OF THE INDIAN ELECTRICITY RULES, 1937.

I am directed to refer to the previous correspondence which has taken place between this Association and Government on the abovementioned subject, resting with your letter No 1611/36-E1, dated the 24th January 1945. It was mentioned in Government's communi-

cation referred to that "the general exemption asked for by the Association from the provisions of Rule 62 cannot be given, but that applications from individual mills for exemptions would be dealt with and exemptions given as and when necessary." The Association was also asked to advise members to put up cases separately to the Electrical Inspector, Bombay Province, and accordingly, members were instructed to communicate direct with the Electrical Inspector, setting forth the circumstances under which individual exemptions were claimed. A number of mills, it is understood, accordingly sent in their applications to the Electrical Inspector to which stereotyped replies have been received stating that "no exemptions can be granted", and mills have also been asked to put up proposals for modifications to existing installations to comply with the requirements of the Rules.

It has never been the Association's desire that mills in Bombay should be exempted wholesale from the provisions of the amended rule 62—sub-rules (2) and (3) of the Indian Electricity Rules. What the Association suggested in its letter No. 242, dated the 30th August 1944, was that, in view of the difficulties explained therein, Government should appoint a Committee of experienced practical Engineers to assist the Electrical Inspector in imposing absolutely essential and reasonable modifications as far as practicable to comply with the new rulings, granting exemptions in appropriate cases, but the Electrical Inspector's refusal to grant any exemption has created an extremely difficult situation for the mills; for, it is physically impossible at present to comply with the provisions of the amended Rule 62 in several cases. With a view, however, to ensure that the position taken up by the Association was strictly in accordance with the practical requirements of the situation, my Committee consulted Messrs Tata Hydro-Electric Agencies, Ltd, in this matter, and the latter entirely agree that for the following reasons, the Rule in question should not be enforced, or enforced only in the case of sub-stations put up after the amended rules were notified:—

(a) In most cases, compliance with the amended Rules will necessitate the entire re-building, re-modelling, or serious modifications to existing sub-stations, and the enormous quantities of material which will be required in the shape of cement, bricks, cables, etc., are not available at present.

(b) Apart from the quantities of material required for the purpose, absolutely no building space is available in certain mills in the close vicinity of existing sub-stations, and building up a sub-station at another site would completely dislocate the entire distribution system.

(c) Alterations, re-modelling or re-building of sub-stations in mills would necessitate complete closure of the mills, which, it is thought, should be avoided so long as there is a serious shortage of cloth in the country, but even assuming that it would be possible to give temporary connections to enable the mills to carry on, it should not be forgotten that the supply companies who are the only authorities competent to carry out such changes, would have to employ a very large number of technicians and workers to tackle all the mills, which is an impossibility at present due to skilled workers not being readily available, with the result that, taking each mill by turns, the whole work will take an unreasonably long time to complete.

(d) There appears to be no point in compelling factory-owners to comply with the provisions of the new rules for the following reasons:—

(i) Shutting down of the power supply and the consequent closure of the mills for long periods.

(ii) Some of these sub-stations have been in existence for a number of years, and, so far as this Association is aware, there have been no serious cases of accidents or fire.

(iii) The present sub-stations were built up according to the requirements which were in force when they were originally laid down, and it is considered to be unfair to insist on their being re-modelled from time to time except in very special cases where the old design or lay-out has been proved to be dangerous to human lives.

(iv) It is very likely that the productive equipment of individual mills would undergo drastic changes according to certain post-war plans which are now under consideration, and in this view of the case, it is not advisable to insist on the power sub-station being re-modelled now, as it may have to be done again to meet the altered situation in the post-war period.

(v) The Association understands that provisions somewhat similar to the amended Rule 62 came to be enforced in London during the war in order to reduce the damage following from air bombardments. Later on, when the war spread to the East with the advent of Japan on the side of the Axis Powers, various air raid precautionary measures taken by the United Kingdom were embodied in the amended Rule 62 for application to this country. If this is so, hostilities having ceased, there is no point in insisting on compliance with Rule 62, which was introduced mainly as a war measure.

It is submitted that the situation requires very sympathetic consideration of Government and a practical appreciation of the difficulties of the industry. The Association has always been willing to co-operate with Government in such matters, but a situation has arisen when certain rules which have been placed on the statute impose real hardship on most mills. The Association would have no objection to Government asking for certain modifications to be made in the most appropriate cases if it is proved beyond doubt that the lay-out in such cases requires alteration in the interest of safety, but a general enforcement of the provisions of the Rules is likely to lead to results which neither Government nor the Association desire to bring about. In the course of the Association's discussions with the representatives of Messrs Tata Hydro-Electric Agencies Ltd, it transpired that the latter had been given to understand by the Electrical Commissioner with the Government of India that, when the amendments to Rule 62 were originally drawn up, the authorities fully realised the difficulties involved in the application of the amended rule to existing installations, and it is further understood that it was not the intention to apply the amended rule to such installations unless, of course, their lay-out constituted a menace to human lives and property. Under all these circumstances, the Committee of the Association earnestly request reconsideration of the whole case, or, it is suggested for the consideration of Government that the scope of the amended Rule 62 be referred back to the Central Electricity Board for clarification. My Committee would be very happy to wait in deputation on the Hon'ble Adviser, to elaborate the case put forward in this memorandum, and if the Hon'ble Adviser would be good enough to receive a deputation from the Association, we request permission to attach to our deputation a responsible officer from our power suppliers, Messrs Tata Hydro-Electric Agencies Ltd.

Copy of letter No 1611/36-El (I) dated, 10th October 1945, from the Deputy Secretary to the Government of Bombay, Public Works Department, to the Association

With reference to your letter No 242-A, dated the 6th September 1945, I am directed to state that Government considers that it is desirable that the question referred to therein should be discussed at a conference consisting of the following —

- (1) The Electrical Engineer to Government, (Chairman)
- (2) The Electric Inspector, Bombay Province
- (3) Two representatives of the Millowners' Association.
- (4) A representative of Messrs Tatas
- (5) A representative of the Bombay Electric Supply and Tramways Company, Limited.
- (6) The Electrical Inspector, Fire Insurance Association.

2 I am to ask whether the Association agrees to that procedure, in the event, the conference will be convened by the Electrical Engineer to Government.

Copy of letter No 242-A, dated 13th October, 1945, from the Association to the Deputy Secretary to the Government of Bombay, Public Works Department

I am directed to acknowledge with thanks the receipt of your letter No. 1611/36-E1. (I), dated the 10th October 1945, and to state that this Association agrees to the procedure suggested therein for discussing the problems arising out of the amendments to Rule 62, sub-rules (2) and (3) of the Indian Electricity Rules, 1937. It is requested that as long a notice as possible of the date of the conference be given to me.

I am to add that the Secretary of the Association will also be attending the conference along with the representatives of the Association.

Copy of letter No. LRm 31, dated 10th November 1945, from the Electric Engineer to the Government of Bombay, to the Association.

Subject :—AMENDMENTS TO RULE 62, SUB-RULES (2) AND (3) OF THE INDIAN ELECTRICITY RULES, 1937.

I have been directed by Government to convene a meeting in order to discuss the above amendments. The meeting will be held in my office on Tuesday, November the 20th at 5 p.m. I request that you will arrange for two representatives of the Millowners' Association to attend the meeting.

Copy of letter No 242-A, dated 15th November, 1945 from the Association to the Electrical Engineer to Government, Bombay

Subject :—AMENDMENTS TO RULE 62, SUB-RULES (2) AND (3) OF THE INDIAN ELECTRICITY RULES, 1937.

I am directed to acknowledge the receipt of your letter No. L R M · 31, dated the 10th November 1945, and to state that I shall arrange for two representatives of the Association to attend the meeting convened by Government on Tuesday, the 20th November 1945, at 5 p.m. to discuss the above amendments.

APPENDIX 9.

BOMBAY SALES TAX BILL.

Copy of letter No. 405, dated 22nd January, 1946, from the Association to the Joint Secretary to the Government of Bombay, Finance Department.

The attention of my Committee has been drawn to the draft of the Bombay Sales Tax Bill of 1945, which has been published under Notification No 2847/33, dated the 6th December 1945, for public criticism.

My Committee desire to confine their observations to the provisions which affect them as representing manufacturers of cloth and yarn. They feel that, if and when it is decided to levy a tax on the sale of goods, the provisions relating to it must be beyond all possibility of doubt. In the statement attached to the Bill, it is stated that the object of the Bill is to levy a tax on the sale of goods or, more accurately, on the turnover of such sale, and that the tax will be levied on the turnover of the goods to actual consumers. The provisions of the Bill, as drafted, do not, however, seem to make it clear beyond doubt that the tax would be levied only on goods at the point of retail sale.

The Association as representing manufacturers of cloth and yarn is, however, more directly concerned with the effect of the provisions on raw materials such as cotton, dyes and chemicals, etc., used for the manufacture of cloth and yarn. The Committee's interpretation of the Bill, as at present drafted is that, in virtue of clause 8(2) (a) read with clause 2(b) and (d), purchases made by mills of materials used for manufacturing cloth and yarn will be exempted from the sales tax, provided mills get themselves registered as dealers under clause 8. There seems, however, considerable doubt in the mind of other parties interested as to whether cotton and other stores used for manufacturing purposes are in fact exempted

from the sales tax. My Committee, therefore, suggest that it should be made clear that materials which are used in the manufacture of goods would be exempted from the proposed tax. They would also suggest that a more simple procedure under which such materials are exempted from the tax, may be prescribed in the Bill. So far as the cotton textile industry is concerned, they would suggest that the following materials should be specifically exempted from the operation of the sales tax —

- 1 All cotton used by mills
- 2 All synthetic staple used by mills.
3. All cotton waste used by mills
- 4 All types of yarn used by mills.
- 5 Dyes and chemicals, etc, used by mills
6. All mill stores and sizing materials.
7. Coal, and fuel of all descriptions.

The list given above is not exhaustive, but the principle which my Committee would urge is that the materials which are used for the manufacture of finished goods should be exempted from the tax.

In regard to the last named item, my Committee observe that, while "electrical energy" is at present specifically included in the Schedule of exempted goods attached to the Bill, no such exemption is extended to coal and fuel oil

My Committee also desire to suggest that, as the object of the Bill is to impose a tax on the sale of goods, it should be made clear that, in the case of goods, the retail prices of which are controlled, as, for example, cloth, the seller should be entitled to charge the sales tax over and above the ceiling prices

BOMBAY ACT NO. V OF 1946

An Act to provide for the levy of a tax on the sale of goods in the Province of Bombay.

Preamble —Whereas it is expedient to provide for the levy of a tax on the sale of goods in the Province of Bombay ;

And whereas the Governor of Bombay has assumed to himself under the Proclamation dated the 4th November 1939, issued by him under section 93 of the Government of India Act, 1935, all powers vested by or under the said Act in the Provincial Legislature ;

Now, therefore, in exercise of the said powers, the Governor of Bombay is pleased to make the following Act —

1. *Short title, extent and commencement.*—(1) This Act may be called the Bombay Sales Tax Act, 1946.

(2) It shall extend to the whole of the Province of Bombay.

(3) This section shall come into force at once and the rest of this Act shall come into force on such date as the Provincial Government may, by notification in official Gazette appoint

2 *Definitions.*—In this Act unless there is anything repugnant in the subject or context,—

(a) "Commissioner" means the Commissioner of Sales Tax appointed under subsection (1) of section 3 ;

(b) "contract" means any agreement for carrying out for cash or deferred payment or other valuable consideration, the construction, fitting out, improvement or repair of any building, road, bridge or other immovable property ;

- (c) "dealer" means any person who carries on the business of selling or supplying goods in the Province of Bombay, whether for commission, remuneration or otherwise and includes any society, club or association which sells or supplies goods to its members,

Explanation —The manager or agent of a dealer who resides outside the Province of Bombay and carries on the business of selling or supplying goods in the Province of Bombay shall, in respect of such business, be deemed to be a dealer for the purposes of this Act,

- (d) "goods" means all kinds of movable property other than actionable claims, stocks, shares and securities, and includes all materials, articles and commodities, whether or not to be used in the construction, fitting out, improvement or repair of immovable property ;
- (e) "prescribed" means prescribed by rules made under this Act ;
- (f) "registered dealer" means a dealer registered under this Act ;
- (g) "sale" with all its grammatical variations and cognate expressions means any transfer of property in goods for cash or deferred payment or other valuable consideration, including a transfer of property in goods involved in the execution of a contract but does not include a mortgage, hypothecation, charge or pledge ;

Explanation 1 —A transfer of goods on hire purchase or other instalment system of payment shall, notwithstanding the fact that the seller retains a title to any goods as security for payment of the price, be deemed to be a sale ,

Explanation 2 —Notwithstanding anything to the contrary in the Indian Sale of Goods Act, 1930, the sale of any goods which are actually in the Province of Bombay at the time when the contract for sale (as defined in that Act) is made in respect thereof, shall, wherever the said contract of sale is made, be deemed for the purposes of this Act to have taken place in the Province of Bombay ;

- (h) "sale price" means the amount payable to a dealer as valuable consideration for—
- (i) the sale or supply of any goods, less any sum allowed as cash discount according to trade practice, but including any sum charged for anything done by the dealer in respect of the goods at the time of or before delivery thereof, other than the cost of freight or delivery or the cost of installation when such cost is separately charged, or
- (ii) the carrying out of any contract, less such portion as may be prescribed, of such amount, representing the usual proportion of the cost of labour to the cost of materials used in carrying out such contract ;
- (i) "Tribunal" means the Tribunal constituted under section 4 ;
- (j) "turnover" means the aggregate of the amounts of sale-prices received and receivable by a dealer in respect of sale or supply of goods or carrying out of any contract, effected or made during a given period ; and
- (k) "year" means the financial year.

3 *Taxing authorities* —(1) For carrying out the purposes of this Act, the Provincial Government may appoint any person to be a Commissioner of Sales Tax, and such other persons to assist him as the Provincial Government thinks fit.

(2) Persons appointed under sub-section (1) shall exercise such powers as may be conferred and perform such duties as may be imposed on them by or under this Act.

(3) All persons appointed under sub-section (1) shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code

4. *Tribunal* —(1) The Provincial Government shall constitute a Tribunal to exercise the functions conferred on the Tribunal by or under this Act.

(2) The Tribunal shall consist of not more than three members possessing such qualifications as may be prescribed.

(3) Any vacancy in the membership of the Tribunal shall be filled up by the Provincial Government.

(4) Subject to the previous sanction of the Provincial Government, the Tribunal shall frame regulations consistent with the provisions of this Act and the rules made thereunder, for regulating its procedure and the disposal of its business.

(5) The regulations made under sub-section (4) shall be published in the Official Gazette.

5. *Incidence of taxation.*—(1) Subject to the provisions of sections 6 and 7 and with effect from such date as the Provincial Government may, by notification in the Official Gazette appoint, being not earlier than thirty days after the date of the said notification, every dealer whose gross turnover during the year immediately preceding the commencement of this Act exceeded Rs. 10,000, shall be liable to pay tax under this Act on sales effected after the date so notified :

Provided that the tax shall not be payable on sales involved in the execution of a contract which is shown to the satisfaction of the Commissioner to have been entered into by the dealer concerned on or before the date so notified.

(2) Every dealer to whom sub-section (1) does not apply shall be liable to pay tax under this Act with effect from the date of expiry of three months after the commencement of the year immediately following that during which his gross turnover hereafter first exceeds Rs. 10,000.

(3) Every dealer who has become liable to pay tax under this Act shall continue to be so liable until the expiry of three consecutive years, during each of which his gross turnover has failed to exceed Rs. 10,000 and such further period after the date of such expiry as may be prescribed and on the expiry of this latter period his liability to pay the tax shall cease.

(4) Every dealer whose liability to pay tax has ceased under the provisions of sub-section (3) shall again be liable to pay tax under this Act with effect from the date of expiry of three months after the commencement of the year immediately following that during which his gross turnover again exceeds Rs. 10,000.

6. *Levy and rate of tax.*—(1) The tax payable by a dealer under this Act shall be a tax levied on his taxable turnover at the rate of half anna in the rupee.

(2) In this Act the expression "taxable turnover" means that part of a dealer's gross turnover during any period of his liability to pay the tax which remains after deducting therefrom—

(a) his turnover during that period, on—

(i) the sale of any goods declared, from time to time, as tax-free under section 7,

(ii) sales to a registered dealer of goods specified in the purchasing dealer's certificate of registration as being intended for re-sale by him, or for use by him in the manufacture of any goods for sale or in the execution of any contract and on sales to a registered dealer of containers and other materials for the packing of such goods;

(iii) sales of goods which are shown to the satisfaction of the Commissioner to have been despatched by, or on behalf of, the dealer to an address outside the Province of Bombay, and

(iv) such other sales as may be prescribed;

(b) three per centum of the balance remaining after making the deductions allowed by sub-clauses (i) to (iv) of clause (a).

7. *Tax-free goods*—(1) No tax shall be payable under this Act on the sale of goods specified in the first column of the Schedule, subject to the conditions and exceptions, if any, set out in the corresponding entry in the second column thereof.

(2) The Provincial Government, after giving by notification in the *Official Gazette* not less than one month's notice of its intention so to do, may by like notification add to the Schedule and thereupon the Schedule shall be deemed to be amended accordingly.

8. *Registration of dealers*.—(1) No dealer shall, while being liable to pay tax under section 5 of this Act, carry on business as a dealer unless he has been registered and possesses a registration certificate :

Provided that for the purposes of this sub-section the gross turnover shall be calculated without making the deductions referred to in sub-section (2) of section 6

(2) Every dealer required by sub-section (1) to be registered shall make application in that behalf in the prescribed manner to the prescribed authority.

(3) If the said authority is satisfied that an application for registration is in order, it shall, in accordance with such rules as may be prescribed, register the applicant and grant him a certificate of registration in the prescribed form which shall specify the class or classes of goods in which at the time of the grant of the said certificate the dealer carries on business and such other particulars as may be prescribed.

(4) The prescribed authority may, from time to time amend any certificate of registration after considering the information furnished under section 17 or otherwise received.

(5) When any dealer has been convicted or has paid composition money under section 26, in respect of any contravention of sub-section (1) of this section, the prescribed authority shall register such dealer and grant him a certificate of registration, and such registration shall take effect as if it had been made under sub-section (3) of this section on the dealer's application.

(6) When—

(a) any business in respect of which a certificate has been granted under this section has been discontinued or transferred, or

(b) the gross turnover of any such business has during each of three consecutive years failed to exceed Rs. 10,000,

the prescribed authority shall cancel the registration with effect from the prescribed date.

9. *Publication of the list of registered dealers*—The Provincial Government shall, as soon as may be after the commencement of this Act, publish in the prescribed manner a list of the names and addresses of registered dealers together with a description of the goods in accordance with their certificates of registration and thereafter shall, in like manner, from time to time publish—

(a) such particulars of any dealer who is subsequently registered or whose certificate of registration is amended or whose registration is cancelled, as soon as may be after such registration, amendment or cancellation ; and

(b) a consolidated list embodying the modifications in the first list published under this section.

10. *Returns*—(1) Every such dealer as may be required so to do by the Commissioner by notice served in the prescribed manner and every registered dealer shall furnish such returns by such dates and to such authority as may be prescribed.

(2) If any dealer having furnished a return under sub-section (1) discovers any omission or wrong statement therein, he may furnish a revised return, at any time before assessment is made in the prescribed manner.

11. *Assessment of tax.*—(1) If the Commissioner is satisfied without requiring the presence of a registered dealer or the production by him of any evidence that the returns furnished in respect of any period are correct and complete, he shall assess the amount of tax due from the dealer on the basis of such returns.

(2) (a) If the Commissioner is not satisfied, without requiring the presence of a registered dealer who furnished the returns or production of evidence that the returns furnished in respect of any period are correct and complete, he shall serve on such dealer a notice in the prescribed manner requiring him, on a date and at a place specified therein either to attend in person or to produce or to cause to be produced any evidence on which such dealer may rely in support of such returns.

(b) On the day specified in the notice or as soon afterwards as may be, the Commissioner shall, after hearing such evidence as the dealer may produce, and such other evidence as the Commissioner may require on specified points, assess the amount of tax due from the dealer

(3) If a registered dealer, having furnished returns in respect of a period, fails to comply with all the terms of a notice issued under sub-section (2), the Commissioner shall assess, to the best of his judgment, the amount of tax due from the dealer.

(4) If a registered dealer does not furnish returns in respect of any period by the prescribed date, the Commissioner shall, after giving the dealer a reasonable opportunity of being heard, assess to the best of his judgment, the amount of tax, if any, due from the dealer.

(5) If upon information which has come into his possession, the Commissioner is satisfied that any dealer has been liable to pay tax under this Act in respect of any period and has nevertheless wilfully failed to apply for registration, the Commissioner shall, after giving the dealer a reasonable opportunity of being heard, assess, to the best of his judgment, the amount of tax, if any, due from the dealer in respect of such period and all subsequent periods and the Commissioner may direct that the dealer shall pay, by way of penalty, in addition to the amount so assessed, a sum not exceeding one and a half times that amount

(6) Any assessment made under this section shall be without prejudice to any prosecution instituted for an offence under this Act

12. *Payment and recovery of tax*—(1) The tax payable under this Act shall be paid in the manner hereinafter provided at such intervals as may be prescribed.

(2) Before any registered dealer furnishes the returns required by sub-section (1) of section 10, he shall, in the prescribed manner, pay into a Government treasury the full amount of tax due from him under this Act according to such returns and shall furnish, along with the returns, a receipt from such treasury showing the payment of such amount

(3) Before any registered dealer submits a revised return in accordance with sub-section (2) of section 10 which shows a greater amount of tax to be due than was payable in accordance with the original return, he shall pay into a Government treasury the extra amount of tax and shall furnish along with the revised return, a receipt from such treasury showing payment of the extra amount

(4) *The amount of tax*—

(a) due where the returns are furnished without receipt showing full payment thereof, or

(b) assessed under sub-sections (1), (2), (3) and (4) of section 11 less the sum, if any, already paid by the dealer in respect of the said period or

(c) assessed under sub-section (5) of section 11 together with the penalty directed to be paid under that sub-section,

shall be paid by the dealer into a Government treasury by such date as may be specified in a notice issued by the Commissioner for this purpose and the date to be so specified shall be not less than thirty days from the date of service of such notice.

Provided that the Commissioner may, in respect of any particular dealer and for reasons to be recorded in writing, extend the date of such payment or allow such dealer to pay the tax due and the penalty (if any) by instalments

(5) Any amount of tax together with the penalty, if any, which remains unpaid after the date specified in the notice issued under sub-section (4) shall be recoverable as an arrear of land revenue.

13 *Refunds*—The Commissioner shall, in the prescribed manner, refund to a registered dealer applying in this behalf any amount of tax paid by such dealer in excess of the amount due from him under this Act, either by cash payment or, at the option of the dealer, by deduction of such excess from the amount of tax due in respect of any other period.

Provided that no claim to refund of any tax paid under this Act shall be allowed unless it is made within twenty-four months from the date on which the order of assessment was passed or within twelve months of the final order passed on appeal, revision, or reference in respect of the order of assessment, whichever period is later.

14. *Accounts*—Every registered dealer and every other dealer on whom a notice has been served to furnish returns under sub-section (1) of section 10 shall keep a true account of the value of goods bought and sold by him, and if the Commissioner considers that such account is not sufficiently clear and intelligible to enable him to make a proper check of the returns referred to in that sub-section, he may require such dealer by notice in writing to keep such accounts (including records of sales) as he may, subject to anything that may be prescribed in that behalf, in writing direct.

15. *Production and inspection of accounts and documents, and search of premises*—
(1) The Commissioner may, subject to such conditions as may be prescribed, require any dealer to produce before him any accounts or documents, or to furnish any information, relating to the stocks of goods of, or purchases, sales and deliveries of goods by, the dealer as may be necessary for the purposes of this Act.

(2) All accounts, registers and documents relating to the stocks of goods of or purchases, sales and deliveries of goods by, any dealer and all goods kept in any place of business or warehouse of any dealer shall at all reasonable time be open to inspection by the Commissioner.

(3) If the Commissioner has reason to suspect that any dealer is attempting to evade the payment of any tax due from him under this Act, he may, for reasons to be recorded in writing, seize such accounts, registers or documents of the dealer as may be necessary, and shall grant a receipt for the same, and shall retain the same only for so long as may be necessary for examination thereof or for a prosecution.

(4) For the purposes of sub-section (2) or sub-section (3) the Commissioner may enter and search any place of business or warehouse of any dealer.

16. *Delegation of Commissioner's functions*.—Subject to such conditions and restrictions as the Provincial Government may, by general or special order, impose, the Commissioner may, by order in writing, delegate any of his powers and duties under this Act to any persons appointed under section 3 to assist him.

17. *Information to be furnished regarding changes of business*—If any dealer to whom the provisions of sub-section (1) of section 10 apply—

- (a) sells or otherwise disposes of his business or any part of his business or effects, or comes to know of any other change in the ownership of the business, or
- (b) discontinues his business or changes his place of business or opens a new place of business, or
- (c) changes the name or nature of his business or effects any change in the classes of goods in which he carries on business,

he shall, within the prescribed time inform the prescribed authority accordingly; and if any such dealer dies, his legal representative shall, in like manner, inform the said authority

18. *Tax payable by transferee of business.*—When the ownership of the business of a registered dealer is entirely transferred, any tax payable in respect of such business and remaining unpaid at the time of the transfer shall be payable by the transferee as if he were the registered dealer, and the transferee shall within thirty days of the transfer apply for registration under section 8.

19. *Power of Commissioner to determine disputes.*—If any question arises (otherwise than in a proceeding before a Court) whether or not, for the purposes of this Act,—

(a) any person or firm or any branch or department of any firm is a dealer, or

(b) any transaction is a sale or contract, or

(c) any particular dealer is liable to registration, or

(d) any particular goods purchased by a registered dealer are covered by his certificate or registration, or

(e) any tax is payable in respect of any particular sale or contract, or

(f) any goods or classes of goods should be specified in the certificate of registration of any dealer under sub-section (3) of section 8,

the Commissioner shall determine such question.

Provided that the Commissioner may direct that any such determination shall not affect the liability of any dealer under this Act in respect of any contract entered into or sale effected prior to the date of such determination.

20. *Bar to certain proceedings.*—Save as is provided in section 23, no assessment made and no order passed under this Act or the rules made thereunder by the Commissioner or any person appointed under section 3 to assist him shall be called into question in any Civil Court, and save as is provided in section 21, no appeal or application for revision shall lie against any such assessment or order.

21. *Appeal*—(1) Within sixty days from the making of an order of assessment either with or without penalty or the passing of any other order under this Act, any dealer may in the prescribed manner, appeal to the prescribed authority against such assessment or other order.

Provided that no appeal against an order of assessment, with or without penalty, shall be entertained by the said authority unless it is accompanied by satisfactory proof of the tax, with penalty, if any, in respect of which the appeal has been preferred.

(2) Subject to such rules of procedure as may be prescribed the said authority may pass such orders on the appeal as such authority may think fit.

(3) Every order passed in appeal under this section shall, subject to the provisions of sections 22 and 23, be final.

22. *Revision*—(1) Subject to such rules as may be prescribed and for reasons to be recorded in writing, the Commissioner may, upon application or of his own motion, revise any order passed under this Act, or the rules thereunder by a person appointed under section 3 to assist him, and, subject as aforesaid the Tribunal may, in like manner, revise any order passed by the Commissioner.

Provided that before rejecting any application for the revision of any such order the Commissioner or the Tribunal as the case may be, shall record reasons for such rejection.

(2) Before any order is passed under this section which is likely to affect any person adversely, such person shall be given a reasonable opportunity of being heard.

23. *Statement of Case to High Court*—(1) Within sixty days from the passing by the Tribunal of any order under sub-section (2) of section 21 or sub-section (1) of section 22 affecting any liability of any dealer to pay tax under this Act, such dealer or the Commissioner may, by application in writing accompanied, where the application is made by a dealer by a fee of one hundred rupees, require the Tribunal to refer to the High Court any question of law arising out of such order, and where the Tribunal agrees it shall draw up a statement of the case and refer it to the High Court.

(2) If, for reasons to be recorded in writing the Tribunal refuses to make such reference, the applicant may, within thirty days of such refusal, either—

(a) withdraw his application (and if the applicant who does so is a dealer the fee paid by him shall be refunded), or

(b) apply to the High Court against such refusal

(3) If upon the receipt of an application under clause (b) of sub-section (2), the High Court is not satisfied that such refusal was justified, it may require the Tribunal to state a case and refer it to the High Court and on receipt of such requisition the Tribunal shall state and refer the case accordingly.

(4) If the High Court is not satisfied that the statements in a case referred under this section are sufficient to enable it to determine the question raised thereby, it may refer the case back to the Tribunal, to make such additions thereto or alterations therein as the High Court may direct in that behalf.

(5) The High Court upon the hearing of any such case shall decide the question of law raised thereby, and shall deliver its judgment thereon containing the grounds on which such decision is founded, and shall send to the Tribunal a copy of such judgment under the seal of the Court and the signature of the Registrar, and the Tribunal shall dispose of the case accordingly.

(6) Where a reference is made to the High Court under this section, the costs [including the disposal of the fee referred to in sub-section (1)] shall be in the discretion of the Court.

(7) The payment of the amount, if any, of tax due in accordance with the order of the Tribunal in respect of which an application has been made under sub-section (1) shall not be stayed pending the disposal of such application or any reference made in consequence thereof, but if such amount is reduced as the result of such reference, the excess tax paid shall be refunded in accordance with the provisions of section 13.

24. *Offences and penalties*.—(1) Whoever—

(a) carries on business as a dealer in contravention of sub-section (1) of section 8; or

(b) fails, without sufficient cause, to submit any return as required by section 10 or knowingly submits a false return; or

(c) being a registered dealer, falsely represents when purchasing any class of goods, that goods of such class are covered by his certificate of registration; or

(d) not being a registered dealer, falsely represents when purchasing goods that he is a registered dealer; or

(e) fails, when directed so to do under section 14, to keep any accounts or records of sales in accordance with the direction; or

(f) refuses to comply with any requirement made of him under sub-section (1) of section 15; or

(g) knowingly produces incorrect accounts, registers or documents, or knowingly furnishes incorrect information; or

(b) obstructs any officer making an inspection, a search, or a seizure under section 15, of

(c) neglects to furnish any information required by section 17, shall, in addition to the recovery of any tax that may be due from him, be punishable with simple imprisonment which may extend to six months or with fine not exceeding one thousand rupees or with both; and when the offence is a continuing one, with a daily fine not exceeding fifty rupees during the period of the continuance of the offence

(2) No Court shall take cognizance of any offence under this Act, or under the rules made thereunder, except with the previous sanction of the Commissioner, and no Court inferior to that of a Magistrate of the Second Class shall try any such offence

(3) Notwithstanding anything contained in the Code of Criminal Procedure, 1898, all offences punishable under this Act shall be cognizable and bailable

25 *Investigation of offences*—(1) Subject to such conditions as may be prescribed, the Commissioner may authorise any persons appointed under section 3 to assist him, to investigate all offences punishable under this Act

(2) Every person so authorised shall, in the conduct of such investigation, exercise the powers conferred by the Code of Criminal Procedure, 1898, upon an officer in charge of a police station for the investigation of a cognizable offence.

26 *Compounding of offences*—(1) The Commissioner may, either before or after the institution of proceedings under section 24, accept from any person charged with an offence under sub-section (1) of section 24 or under any rules made under this Act, by way of composition of the offence, a sum not exceeding one thousand rupees or where the offence charged under clause (a) or clause (b) of that sub-section, not exceeding double the amount of tax which would have been payable by the dealer had he complied with the provisions of this Act, whichever is greater.

(2) On payment of such sum as may be determined by the Commissioner under sub-section (1) no further proceedings shall be taken against the accused person in respect of the same offence.

27. *Indemnity*.—No suit, prosecution or other legal proceedings shall lie against any servant of the Crown for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

28. *Disclosure of information by a public servant*.—(1) All particulars contained in any statement made, return furnished or accounts or documents produced in accordance with this Act, or in any record of evidence given in the course of any proceedings under this Act other than proceedings before a Criminal Court shall, save as provided in sub-section (3), be treated as confidential, and notwithstanding anything contained in the Indian Evidence Act, 1872, no Court shall, save as aforesaid, be entitled to require any servant of the Crown to produce before it any such statement, return, account, document or record or any part thereof, or to give evidence before it in respect thereof.

(2) If, save as provided in sub-section (3), any servant of the Crown discloses any of the particulars referred to in sub-section (1), he shall be punishable with imprisonment which may extend to six months or with fine or with both.

3 Nothing in this section shall apply to the disclosure of any of the particulars referred to in sub-section (1) for the purposes of a prosecution under the Indian Penal Code, in respect of any statement, return, accounts, document or evidence, or for the purposes of a prosecution under this Act.

29. *Power to make rules*—(1) The Provincial Government may, subject to the condition of previous publication, make rules for carrying out the purposes of this Act

(2) In particular and without prejudice to the generality of the foregoing power, such rules may prescribe—

- (a) the portion referred to in sub-clause (u) of clause (h) of section 2 ;
- (b) the qualifications to be possessed by a member of the Tribunal ,
- (c) the further period after the date of expiry of three consecutive years referred to in sub-section (3) of section 5 ;
- (d) the other sales, turnover in respect of which may be deducted from a dealer's gross turnover in computing his taxable turnover as defined in section 6 ,
- (e) the manner in which and the authority to which applications for registration shall be made under section 8 ,
- (f) the procedure for, and other matters incidental to, the registration of dealers and the granting of certificates of registration, and the form of such certificates under section 8 and the date from which cancellation of registration under sub-section (6) of that section shall take effect ,
- (g) the manner in which the lists and particulars referred to in section 9 shall be published ,
- (h) the returns to be furnished under section 10 and the dates by which, and the authority to which, such returns shall be furnished ,
- (i) the procedure to be followed for assessment under section 11 ,
- (j) the intervals at which, and the manner in which, the tax shall be payable under section 12 ,
- (k) the manner in which refunds under section 13 shall be made ;
- (l) the accounts and forms thereof required by the Commissioner to be kept under section 14 ;
- (m) the conditions under which the production of accounts or documents or the furnishing of information may be required under sub-section (1) of section 15 ;
- (n) the authority to which, and the time within which, information shall be furnished under section 17 ;
- (o) the manner in which, and the authority to which, appeals against any order, under the Act, may be preferred under section 21 ;
- (p) the procedure for, and other matters (including fees) incidental to, the disposal of appeals and applications for revision under sections 21 and 22 ;
- (q) the manner in which, and the time within which, applications shall be made information furnished and notices served, under this Act ;
- (r) any other matter which is required to be or may be prescribed.

(3) In making any rule the Provincial Government may direct that a breach thereof shall be punishable with fine not exceeding one thousand rupees, and when the offence is a continuing one, with a daily fine not exceeding fifty rupees during the continuance of the offence.

30. *Repeal of Bom. V of 1939*—On the date on which the whole of this Act comes into force, the Bombay Sales Tax Act, 1939, shall be repealed.

SCHEDULE

[See Section 7.]

Serial No	Description of goods	Conditions and exceptions subject to which exemption has been allowed.
1	All cereals and pulses including all forms of rice	
2	Flour including <i>atta</i> , <i>maida</i> , <i>suji</i> and bran	
3	Bread.	
4	Meat.	
5	Fish.	
6	Fresh Eggs	
7	Live stock including poultry	
8	Vegetables green or dried other than medical preparations	
9	Fruits—fresh and dried	
10	Cooked food eaten at a hotel, restaurant, refreshment room, eating house or other place where cooked food is served	Except when the cost of a single meal exceeds annas eight.
11	Gur, sugar and molasses	
12	Salt,	
13	Pepper, tamarind and chillies	
14	Fresh milk, condensed milk, separated milk, milk powder and infant foods	
15	Cheap cloth of such variety and of such rate as may be specified by the Provincial Government by notification in the Official Gazette	
16	Kerosene.	
17	Cattle feeds including fodder, cotton-seed and other concentrates	
18	Fertilizers.	
19	Quinine	
20	Coal gas	When sold by a Gas Supply Company for consumption— (a) by Government or any Local Authority, or (b) in respect of any industrial undertaking (other than in residential or office premises)
21	Tobacco in any form whether manufactured or not.	
22	Matches.	
23	Bullion and Specie	
24	Goods on which duty is or may be levied under the Bombay Abkari Act, 1878, or the Opium Act, 1878.	
25	Electrical energy	
26	Motor spirit, meaning any liquid or admixture of liquids which is capable of providing reasonably efficient motive power for any form of motor vehicle and which has a flashing point below 76°F	

STATEMENT.

The object of the Act is to levy a tax on the sale of goods or, more accurately, on the turnover of such sale. The immediate occasion for the tax is the need to augment Provincial revenue in order to meet the expenditure, recurring and non-recurring, on Post-war Reconstruction. A sales tax, in one form or another, already exists in Madras, the Punjab, Bengal and Bihar. The Government of Bombay considers that it may suitably be introduced in this Province.

The tax will be levied on the turnover of sales of goods to actual consumers, but only such turnover will be taxed as exceeds Rs 10,000 a year. All dealers whose turnover exceed Rs 10,000 a year will be registered and the tax realised from them. The rate of levy proposed is half an anna in the rupee. It is proposed to exempt certain essential articles such as foodgrains and cheap cloth, as also articles which are already subject to a separate Central or Provincial tax such as matches, sugar, liquor, opium, and electricity. It is also proposed that sales of goods to addressees living outside the Province should be excluded from the operation of the tax.

APPENDIX 10.

POST-WAR PLANNING OF THE TEXTILE INDUSTRY.

(a) POST-WAR SIZE OF THE COTTON TEXTILE INDUSTRY.

Copy of letter No 319-E, dated 18th August 1945, from the Association to the Secretary, Post-war Planning Committee of the Textile Control Board, Bombay

The Committee of the Association understand that your Committee have under consideration the question of planning the size of the Indian cotton textile industry in the post-war period. It also transpires that, in the view of your Committee, the productive capacity of the Indian cotton textile industry should be enhanced so as to yield an output of 7,200 million yards of cloth per annum with sufficient extra quantities of yarn for the handloom industry to enable that industry to produce 2,000 million yards of cloth per annum. It is further understood that your Committee propose that machinery covering 40,000 looms and 2.75 million spindles should be supplied within the next five years for new mills. Of these 1.25 million spindles being suitable for production of fine yarn, your Committee also propose, it is understood, that machinery covering 200,000 looms and 10 million spindles should be supplied over a period of ten years for replacement. In other words, if my Committee's understanding of the situation is correct, your Committee hope to secure the target figure of 7,200 million yards by the additional loomage and spindleage allocated in the next five years for expansion. Apparently, the expansion programme takes precedence over replacement of machinery in existing cotton mills, which, as you are aware, has been worked to death in the last four or five years.

2. If your Committee's proposals were given effect to, the country would have at its disposal in the year 1950-51, 7,200 million yards of mill-made cloth and 2,000 million yards of handloom cloth, making a total of 9,200 million yards as against the pre-war supply of approximately 6,700 million yards. My Committee have serious doubts as to whether the purchasing power of the masses in this country would have increased to permit of such an increase in the offtake of cloth. They are aware that, a substantial increase in the purchasing power of the masses is the main idea behind Government's many post-war schemes and plans, but having unfortunately gone through a long period of trade depression before 1940 and also bearing in mind the fact that the mills were, immediately before the outbreak of the war, finding it extremely difficult to dispose of, at reasonable prices, even the lower production of 1938-39 and were seriously considering plans for restricting production, my Committee would strongly advocate a more cautious policy in the matter of the post-war expansion of the Indian cotton textile industry. Their view is that the enhancement of the industry's productive capacity, if necessary, should be attained by instalments to ensure that the increase in the purchasing power of the masses really keeps pace with increased production and also to ensure that what is produced is readily absorbed without any danger of accumulation of stocks and consequent slump in prices to unreasonably low levels. My Committee understand that your Planning Committee have already allotted a million spindles for the establishment of new mills in certain deficit areas. The suggestion is that let this allotment stand, but whatever machinery India may be able to secure over and above this allocation, should be divided in the ratio of 66½ per cent. for the immediate rehabilitation and modernization of existing units and the rest for new mills, extensions and balancing of existing plant. If at any time the need for acceleration of expansion programme is proved, my Committee would have no objection to the proportions being adjusted temporarily to meet the situation.

3. A cautious policy would be justifiable from another point of view. It is not clear whether the target figure indicated by your Committee makes any provision for imports into and exports from British India. My Committee understand that no provision has been made for imports, though a figure of 600 million yards appears to have been mentioned as the probable exports from this country. My Committee are not in the confidence of Government and are not, therefore, competent to say what the prospects are under the head "imports", but if past experience could be taken as a guide, then, it is not very difficult to see that, so

long as India continues to be dependent on overseas countries for the purchase of her short-staple cotton, some sort of a reciprocal arrangement, providing for the import of certain quantities of cloth from these countries in exchange for Indian cotton, is inevitable. It is agreed, however, that such reciprocity arrangements will not arise if there is no cotton surplus to be disposed of in foreign countries, but this requires investigation, and, as you will agree no tangible results are likely to accrue in the immediate future, and due allowance will, therefore, have to be made for reasonable quantities of imports. In this view of the case, the total quantity of cloth available in this country, including imports, is likely to exceed 9,200 million yards.

4. On the question of exports, however, while it may be reasonable to anticipate India being able to export considerable quantities of cloth in the *immediate* post-war period, it is extremely doubtful whether, in the years to come, when India's overseas competitors will emerge from their war seclusion in a modernised form and compete with us in the overseas markets, any sizable export of cloth from this country will be possible. Cotton mills are now springing up in various countries which have hitherto been buying their cloth from India also; besides, in view of the fact that this country cannot reasonably be expected to have any control or influence over the tariff and foreign policies of the overseas countries concerned, it would be extremely unwise to lay our plans in anticipation of a share in the piecegoods trade of the countries concerned.

5. However, successive Tariff Boards have expressed the view that export trade provides a welcome safety valve to relieve depression in the industry, and looking at the question from this angle, it would help the industry in the post-war period if your Committee recommended to Government that the following disabilities from which the Indian industry at present suffers in overseas markets *vis-a-vis* its competitors, should be neutralised by appropriate action:—

- (a) The duty on imported cotton
- (b) The duty on imported stores and dyestuffs
- (c) The high freight which has to be paid on Indian goods in respect of shorter distances to be covered, as compared with the United Kingdom and Japan

6. The immediate need of the Indian cotton textile industry is the replacement of its worn out machinery with more up-to-date plant. Without modernization and the adoption of various labour-saving device the industry cannot reasonably expect to be able to hold its own against foreign competition even in the home market. Machinery prices are, however, abnormally high at present, and as the cessation of hostilities is likely to be followed by a drop in commodity prices, it is only natural that industrialists would expect some assurance from Government on the question of securing a fair return on the high capital expenditure which would have to be incurred in rehabilitating their mills. The Committee of the Association suggest that your Committee might consider the question of making a suitable recommendation to Government to provide for higher depreciation allowances than at present and/or a rehabilitation allowance.

7. Summarising, my Committee's views are

- (a) A more cautious policy is strongly advocated in the matter of the expansion of the industry to ensure that what is produced is readily absorbed in the country.
- (b) Let the allocation of a million spindles already made by the Planning Committee stand, but further supplies of machinery which may be available from time to time should be earmarked as under.
 - 66.2/3 per cent for the rehabilitation and modernization of existing units, and 33½ per cent for new mills and extension and balancing of existing units.
- (c) Assistance should be given to the industry in securing overseas markets (In this connection, please see paragraph 5)
- (d) Assistance is also requested in the shape of an extra depreciation or rehabilitation allowance to the industry. (Please see paragraph 6)

APPENDIX 11:

EXPORT TRADE IN COTTON PIECEGOODS AND YARN DURING
THE POST-WAR PERIOD.

Copy of letter No. 48, dated 18th December, 1945, from the Association to the Secretary to the Government of India, Department of Commerce

I am directed by the Committee of the Millowners' Association, Bombay, to refer to certain discussions which they had towards the end of July with Mr K. G. Menon, the then Chief Controller of Exports, regarding the export policy of the Government of India in respect of cotton piecegoods and yarn. It was suggested during the course of the discussions that a representation incorporating the views of the Association regarding the export trade in general and the names of countries with which the members of the Association would like to continue business in the post-war period might be sent to the Government. The Committee of the Association had subsequently occasion to examine the recommendations made by the *Ad hoc* Sub-Committee appointed by the Export Committee of the Textile Control Board in regard to the allocation of the export quota to various countries, and they desire me to communicate the following views to Government.

At the outset the Committee desire to refer to the recent reduction in India's total global export quota from 600 to 400 million yards per annum. In view of the fact that the war has come to an end sooner than was expected, the Committee hold the view that there is a case for the immediate restoration of the cut in the exports made by Government. With the termination of hostilities, the industry has been confronted with several problems, of which one is the reopening of the industry's overseas markets in Burma, Malaya, Dutch East Indies, etc. These markets have in pre-war years been absorbing considerable quantities of Indian piecegoods and yarn, and if India fails to supply a reasonable part of their requirements at this juncture, it is very likely that they will turn elsewhere, to the permanent disadvantage of India. The Association, therefore, suggests, the immediate restoration of the cut in the quota made by the Government some time ago.

In regard to the countries in which the Committee would desire the export trade to develop, while the Association would ordinarily like to retain for India the custom of all countries bordering on the Indian Ocean, I am to draw Government's attention to the following resolution recently passed at a meeting of my Committee which sets forth the principles which my Committee desire to be followed—

"It was agreed that the point of view of the Association might be defined as under:—

- (a) Firstly, that manufacturers in India recognised that the people of this country had the first claim on the manufactures, of the Indian cotton textile industry;
- (b) Secondly, consistent with (a), they desired exports to be permitted only to those countries which were likely to maintain trade relations with India in the post-war period; and
- (c) Thirdly, they desired exports to be permitted only to those countries which were :
 - (i) not discriminating against Indian nationals residing in those countries;
 - (ii) supplying foodgrains, raw materials, etc., to India on terms not less favourable than those accorded to any other country; and
 - (iii) controlling effectively prices of cotton manufactures within their territorial limits "

Bearing the principles underlying the resolution referred to and bearing in mind the cloth supply position within India itself, my Committee have carefully examined the proposals submitted by the *Ad hoc* Export Sub-Committee for the allocation of the export quota

to various countries, (a) with the present maximum of 400 million yards and (b) with the maximum increase of 600 million yards, and I am desired to point out that the Association is in complete agreement with the figures put forward by the *Ad Hoc* Export Sub-Committee. There is only one suggestion which they would like to make, and that is the figure for Egypt might be slightly increased.

When the cloth supply position within this country improves, the Committee of the Association would like to be in a position to be afforded all reasonable facilities by Government to increase the industry's export markets. One of the difficulties which the industry has been experiencing in connection with the development of its foreign markets is the import duty which it has to pay on raw cotton and various stores and other materials imported into India from overseas. These duties naturally increase the cost of production and adversely affect the industry's competitive position in overseas markets *vis-a-vis* manufactures from other countries. In this view of the case, the Association would strongly recommend a rebate or subsidy from Government equivalent to an amount which would offset the duty paid by the industry on the raw materials and stores used in the manufacture of cotton piecegoods and yarn exported overseas.

Copy of letter No. 67-CW(21)/45 dated 3rd May, 1946, from the Under Secretary to the Government of India, to the Association

Subject:—EXPORT OF COTTON PIECEGOODS AND YARN FROM INDIA

I am directed to invite a reference to your letter No. 48 dated the 18th December 1945, on the above subject, and to observe as follows—

(1) **EXPORT QUOTA FOR COTTON TEXTILES**—Your Association's views have been noted by the Government of India.

(2) **RECOMMENDATIONS OF THE *Ad Hoc* EXPORT SUB-COMMITTEE**—The principles underlying their resolutions have been given due consideration while sub-allocating cloth quotas to various destinations.

(3) **GRANT OF REBATE**—Government have already accepted in principle the grant of such a rebate of duty in respect of import of cotton used in the cotton manufactures exported and suitable action would be taken when it is actually found necessary to inaugurate the rebates.

APPENDIX 12.

GOVERNMENT'S INDUSTRIAL POLICY

APPOINTMENT OF TARIFF BOARD.

Copy of Press communique issued by the Planning and Development Department, Government of India, on 21st April 1945

The Government of India have issued the following statement on Industrial Policy:—

The Government of India have reached a stage in their planning of industrial development when they consider it would be in the public interest to make an announcement of the conclusions reached by them on various aspects of policy. There has not been time to consult either Provincial Governments which are at present constitutionally responsible for industrial development in Provinces or States between whom and British India a high degree of collaboration will be necessary if the maximum results are to be achieved from a vigorous industrial policy. Some of the proposals will eventually have to be placed before the Legislature for approval. Although, for these and other reasons, the conclusions reached are, to

some extent, provisional, the Government of India consider that an announcement of their views may help to clear up the uncertainty which appears at present to be impeding plan of development by private industry.

2. Under the Government of India Act, 1935, the development of industries is a provincial subject, but it is open to the Centre to declare by law that the development of certain industries under Central control is expedient in the public interest and thereupon, the development of such industries becomes a Central subject. No such Act has in fact been passed by the Central Legislature with the consequence that the development of industries is at the moment wholly a provincial subject. In view of this, some explanation is necessary as to why the Government of India feel themselves called upon to issue a statement of their industrial policy. The reasons are two-fold. In the first place, the general economic policy pursued by the Government of India under their own constitutional powers exercises a profound influence over industrial development. It is a matter of history, for example, that the cotton textile, the iron and steel and the sugar industries have made rapid strides in India largely as a result of the fiscal policy pursued by the Central Government. In the second place, the progress of planning has made it abundantly clear that certain industries must be taken over under Central control in the interests of co-ordinated development. It was indeed contemplated by Parliament, when the Government of India Act was passed, that industries in which a common policy was desirable would be brought under Central control. Government consider that for achieving the foregoing object the following industries should be centralised, but before coming to a final decision they will consult the Provinces and the leading Indian States :—

(i) Iron and steel; (ii) manufacture of prime movers; (iii) automobiles and tractors and transport vehicles; (iv) aircraft; (v) ship-building and marine engineering, (vi) electrical machinery; (vii) heavy machinery such as textiles, sugar, paper, mining, cement and chemical; (viii) machine tools; (ix) heavy chemicals and fine chemicals, chemical dyes, fertilisers and pharmaceutical drugs, (x) electro-chemical industry; (xi) cotton and woollen textiles; (xii) cement; (xiii) power alcohol; (xiv) sugar; (xv) motor and aviation fuel; (xvi) rubber manufacture; (xvii) non-ferrous metals industry, (xviii) electric power, (xix) coal; (xx) radio engineering.

When the necessary legislation is passed by the Centre, the Government of India will have direct constitutional authority for shaping the progress of a number of industries of vital importance to the country's development. It may be pointed out, although the point is clear enough, that this arrangement has no long-range constitutional implications. It is intended to be in operation for so long as the present Constitution lasts; and to what extent it will survive beyond that period is a matter to be decided by the future.

3. The policy to be pursued by Government must be governed by what they consider to be the proper objectives of industrial development and the steps that will be necessary, in the conditions in which India will find herself after the war, to enable these objectives to be achieved. Government consider that the fundamental objects of industrialisation are three-fold :

- (i) To increase the national wealth by the maximum exploitation of the country's resources. It is well known that there are considerable unused resources of manpower and material, and clearly Government policy must be directed towards stimulating their fullest and most effective utilisation.
- (ii) To make the country better prepared for defence. The experience of two wars has demonstrated the dangers, both to India and to the rest of the Commonwealth, inherent in India's dependence on overseas supplies for vital commodities required for defence.
- (iii) To provide a high and stable level of employment. At present the volume of industrial employment is comparatively speaking small, but if the country's industrial resources are developed to their maximum possible extent, industrial employment including employment in ancillary trades and professions, will considerably affect the volume of total employment in the country. Government consider that their industrial policy should be directed towards maintaining employment at the highest possible degree of stability and volume.

It is axiomatic in Government's policy that the additional wealth created by industrial development should be distributed in a manner that may be regarded as socially equitable. Powers must be taken and consciously used to secure this purpose.

4 The attitude of Government towards industry in the past was for many years one of *laissez faire*. Till the war of 1914-18 this policy was maintained in the belief, which was in accordance with current economic doctrine, that industrial progress was best achieved by unregulated private enterprise. This attitude underwent some modification after the last war through the adoption of the policy of discriminating protection. The Secretary of State, Mr. Edwin Montagu, in a despatch to the Government of India in 1919 on the Fiscal Commission report, announced a new policy. "If," he said, "the active participation by Government in industrial development is to be accepted as one of its legitimate functions a new policy is required."

"With the quickening of political life that will follow the grant of constitutional reforms the demand for progress in administration and social reform may be expected to become insistent, and if progress is not to be hampered by want of funds the taxable capacity of the people will have to be increased. To this end the natural resources of India must be effectively utilised, as new opportunities for the investment of capital present themselves, in order that the standard of comfort of the people may be raised, and the economic strength of the country may increase. Further, as the experience of the past few years has shown that in time of war, India cannot rely on outside sources for her needs, the matter is one in which political expediency, economic advantage and military security are coincident and accord with the interests of the Empire as a whole."

"I accept the two fundamental principles, underlying the recommendations of the Commission; first, that in future Government should play an active part in the industrial development of the country; secondly, that Government cannot undertake this work unless provided with adequate administrative equipment and forearmed with reliable scientific and technical advice."

This despatch was soon followed by the Government of India Act, 1919, under which industries became a provincial subject. The Government of India therefore lost direct interest in industrial development and the Provinces had neither the financial nor the technical resources to stimulate development on any significant scale.

The Government of India consider that the continuance of their existing policy, in the conditions in which India will find herself after this war, will not meet the objectives of sound post-war development. Though industrially stronger than in 1939, India will find herself in a position of relative inferiority. In other countries technological advances have been immense and, as a result of the nature of modern warfare, there has been a striking increase in the total volume of skilled industrial labour. If India is to make rapid headway and if the standard of living of the masses is to be effectively raised, a vigorous and sustained effort is necessary in which the State no less than private industry must take a part.

5. Government have decided to take positive steps to encourage and promote the rapid industrialisation of the country to the fullest extent possible. They attach particular importance to the development of those industries which constitute the foundation of modern industrial life, such as the iron and steel industry, the heavy engineering industries, the machine tool industry, the heavy chemical industry and so on. But while the development of these industries must take high priority, it must form part of a balanced plan in which due place is given to consumption goods industries. It is clear that if progress is to be achieved, the development of industry must be planned by Government in co-operation with industry and every effort made to make the plan effective.

6 The formulation of a tariff policy appropriate to the post-war needs and conditions of the country is under active consideration. The subject, however, is one of great complexity, and will require a little further time for the Government of India to determine its policy and devise the machinery for implementing it. In the meantime, the position of industries which have been established or developed in war-time requires consideration. Some of these are

covered by the announcement made in 1940 in regard to the grant of an assurance of post-war protection to essential war-time industries. Outside the scope of this announcement, however, lie a large number of industries which have helped to sustain the national economy during an exceptionally difficult period. The provision of assistance to or protection of such of these industries as have been established on sound lines is likely to assume a measure of urgency during the period of transition. Government proposes to set up machinery without delay for the investigation of the claims of such industries for assistance or protection. This is a short-term measure pending the formulation of long-term tariff policy and the establishment of permanent machinery for the purpose.

7 (1) A primary point in industrial policy is the extent to which the State will take part in industrial enterprise. In India, ordnance factories, public utilities and railways together forming a considerable proportion of the total industrial enterprise are already very largely State-owned and State-operated. This arrangement will naturally continue. Further, Government have recently decided that the bulk generation of electric power should, as far as possible, be a State concern. This decision falls within the existing pattern of State and private enterprise. Apart from ordnance factories, public utilities and railways, basic industries of national importance may be nationalised provided adequate private capital is not forthcoming and it is regarded as essential, in the national interests, to promote such industries. For the purpose of Government policy, basic industries can be defined as including aircraft, automobiles and tractors, chemicals and dyes, iron and steel, prime movers, transport vehicles, electrical machinery, machine tools, electro-chemical and non-ferrous metal industries. It is contemplated also that Government may take over certain industries, in which the tax element is much more predominating than the profit element and it is necessary and convenient for the State to take over the industry. An example of such action in the past is "salt manufacture."

All other industries will be left to private enterprise under varying degrees of control. There may be no control except such as is required to ensure fair conditions for labour, in the case of such industries as those catering for ordinary consumers' demands and subject to free competition. While in the case of industries of a semi-monopolistic nature or which control scarce natural resources there may be a stricter control varying with the circumstances of each case.

The views expressed in this paragraph regarding the scope of nationalisation will be discussed with Provinces and also with the more important Indian States and a further statement issued as to whether the scope should be enlarged at all and if so to what extent.

Within the field considered open for State enterprise, the question whether the existing units which are privately owned should be taken over by the State will be examined on the merits of each type of each case. The Reconstruction Committee of Council has decided in regard to electricity undertakings that, as licences fall due, they will as far as possible be taken over by the State or quasi-State organisation.

The case of coal will be examined and dealt with separately.

(2) Certain industries of national importance such as shipbuilding and the manufacture of locomotives and boilers will be run by the State as well as by private capitalists.

(3) Normally State enterprises will be managed by the State. In special cases the possibility of management through private agency for a limited period may have to be explored.

(4) In some cases, State enterprises may be operated through public corporations. In order to gain experience of management through public corporations, further experiments will be tried.

8. *Government Assistance to Industry.*—Government have a primary responsibility which they propose to discharge without delay as soon as war conditions allow, for developing certain prerequisites of industrial progress. One of them is the development of transport facilities. This is a matter in which both Central and Provincial Governments as well as the

Indian States are vitally interested and steps to ensure a co-ordinated policy have already been initiated and made considerable headway. Another prerequisite is the development of power. The Government of India have made good progress in ensuring co-ordinated development in this field. In many cases, power schemes—particularly where they are combined with irrigation—are the primary responsibility of Provinces, but where regional projects, which overrun Provincial and State boundaries, are considered necessary, the Government of India are taking action for the development of resources on a regional basis. The survey of mineral resources is another field where the responsibility falls squarely on the Central Government. Steps are being taken to extend the Geological Survey and to put it on a footing where it can be of the maximum service to the country. Another prerequisite of industrial progress is scientific and industrial research; the Government of India have already devoted considerable attention to it and they propose to take all steps which their resources will allow for seeing that it is maintained at a high level. Technical education, particularly through high grade technological institutes and technical training of personnel required for skilled employment, are also matters in which the Government of India have initiated action which will directly assist industrial progress.

9 In addition to discharging their responsibility for thus laying the foundation of industrial progress, the Government of India are prepared to assist industry in one or more of the following ways—

(1) Government will take part either by making loans or by subscribing a share of the capital, in industrial undertakings which are considered to be of importance to the country's development, but for which adequate private capital may not be forthcoming. Within this category might fall such industries as those manufacturing aircraft, automobiles and tractors, chemicals and dyes, iron and steel, prime movers, transport vehicles, electrical machinery, machine tools, electro-chemical and non-ferrous metal industries. This list will be modified from time to time as circumstances warrant. Industries receiving this type of assistance will be subject to a greater degree of Government control than others. For example, Government might require representation on the Board of Management and that their sanction should be obtained for incurring certain types of expenditure and for certain appointments, Government might provide in suitable cases capital equipment like buildings, services and/or machinery on terms to be settled on the merits of each case. This might in certain cases take the form of bulk Government orders for capital goods which might then be allocated to industrialists on suitable terms.

(2) In special cases, industrial enterprise will be encouraged by guaranteeing a minimum dividend on capital or undertaking to meet revenue losses, for a fixed number of years, subject to the condition that Government would have a voice in the management and that a ceiling will be fixed for the return on capital. Where this procedure is followed, profits in subsequent years over and above the ceiling will be appropriated towards returning the funds paid by Government and, after this has been done, such excess profits as continue to accrue will be divided by the Government and the Company in agreed proportions.

(3) Government will be prepared to give adequate financial support to research organisations set up by Industrial Associations representing organised industries and to provide for grants to Universities for approved schemes of research. Such assistance would be in addition to direct Government organisation of research as, for instance, through the Council of Scientific and Industrial Research.

(4) Subject to reasonable safeguards as to quality and price, Government will continue to encourage Indian industry by buying its products in preference to others.

(5) The Government of India are examining the question of the promotion of an Industrial Investment Corporation or a similar institution.

(6) Government will undertake to examine from time to time the tax system with a view to ensuring that, while securing the ends of social justice and national budgetary interests, the taxation does not tend to act adversely on development.

(7) Government will assist in the procurement of capital goods required by industrialists. They propose to set up an organisation in the U.K. and in the U.S.A. for this purpose.

(8) In certain branches of industry, the advice of experts is particularly essential. Government will help in making the services of such experts available to industry.

10 *Licensing of Industry*—Government have come to the conclusion that they must take power to license industrial undertakings. They have at present no power except

for emergency war-time controls, to regulate the growth of industry; normally a person may put up a factory wherever he likes and may manufacture in it whatever commodity he chooses. There are, of course, local laws which regulate the size of the buildings, the proportion of open space, public health needs and so forth and it is possible under these regulations to refuse permission to put up a factory building, but such refusal cannot be based on considerations of industrial development. One effect of this unregulated freedom to promote industrial enterprise has been the concentration of industry in certain areas, for instance, the manufacture of cotton textiles has been concentrated in Bombay and Ahmedabad; sugar in the United Provinces and Bihar; paper in Bengal. In some cases, there are good grounds for the concentration of particular industries in particular areas, but in many cases, it has been the result of fortuitous and haphazard growth. There are vast areas in this country which, though suitable for industrial development, have not been developed because industry has tended to flow in particular channels.

11. The effects of such concentration are economic, social as well as strategic. It seems unsound from the strategic point of view that so large a proportion of industry should be concentrated in a few cities which might well be vulnerable to attack. On the social side it is clear that concentration creates housing problems of a most acute type. Perhaps, an even more important consideration is that concentration deprives other areas of the country of the beneficent effects of diversified economy. Lastly, it is not clear that concentration is necessarily economically sound. The markets for textiles, for instance, are situated all over India, and cotton, the main raw material, is also grown in various parts of India. From the point of view of the consumer, it would obviously be right to cut out unnecessary transportation costs and to locate manufacture where both the raw material and the market are situated. Even where concentration appears relatively cheap on the basis of financial costs of production and distribution, it would, in many cases be found, in the long run, both socially and economically cheaper to disperse industry, if regard is paid to the benefits of a widely spread industrial structure and its integration with agriculture.

12. Control over development would be necessary from another point of view. In an unregulated industrial economy there is likely to be a tendency for capitalists to go in for schemes which promise quick returns. This will lead to lopsided development—a scramble for some industries, with the danger of overproduction and excessive competition and inadequate attention to other industries which are equally necessary in the national interest. To overcome this difficulty it would be necessary to fix targets, to allocate them on a regional basis and to see that these targets are achieved.

13. As Government has no authority at present to do this, they will have to take powers by legislation. Government propose that they should take power to license the starting of new factories and the expansion of existing factories, for, without this power, planned industrial development will be quite impossible. At the same time, in order to avoid unnecessary delays it is proposed to set a monetary limit to the plants or projects requiring licence so that very small plants, moderate extension of existing plants or replacements which do not add to output should not be subject to licensing. Details of this legislation are under consideration. Even on a preliminary examination, it is manifest that the power proposed to be taken by Government must be used in a manner that will command general public confidence. It is equally clear that the administration of the licensing system must be such as to assure Indian States that their legitimate desire for industrial development is not overlooked. It is accordingly proposed that a Board should be constituted at a high level to advise the Central Government in the matter of granting licences for industries specified in para 2 above. Details of the personnel of the Board, its function, and other connected matters will be decided later.

14. *Other Controls* — In a planned economy it is impossible to do without controls. Government consider that such controls should be the very minimum required. They propose that apart from licensing, control should be undertaken to achieve the following objects —

(1) To secure balanced investment in industry, agriculture and the social services. It will be necessary, after the war, to ensure that the available capital resources are utilised on a balanced plan of agricultural, industrial and other development and that inside the field of industrial development, a balance is kept between the manufacture of capital and consumer goods. Agricultural development will be undertaken almost wholly under the auspices of the State. This is because the bulk of the holders of land are poor and cannot themselves

finance, at any rate, initially, improvements such as contour bunding and irrigation by lift pumps. In many cases it will be possible to recover the cost ultimately, but the capital expenditure will have to be advanced by the State. The State will also require to borrow heavy sums either directly for itself or on behalf of local authorities for financing road development, irrigation, electric power, public health and other social services. On any reasonable estimate, the capital resources required for these purposes will be heavy, and it will be necessary to ensure that the State is in a position to mobilise them from the country's savings. This will make it necessary to maintain control over capital issues; for, otherwise, capital may flow excessively in one direction and lead to lopsided development.

(ii) To secure for industrial workers a fair wage, decent conditions of work and living and a reasonable security of tenure. It is a fundamental objective of industrial development that it should enable the general standard of living to be raised. It would be a frustration of this objective if industrial workers do not get fair wages and decent working conditions. In the past, these matters were left largely to be settled between the employers and the workers, but it may be necessary for the State to intervene with statutory powers. This question is engaging the earnest attention of Government and the necessary legislation will be undertaken from time to time.

(iii) To prevent excessive profits to private capital. In the case of private undertakings, subject to free competition, it would be a mistake to discourage enterprise by undue restriction of profits. The risks of such enterprise are considerable and if industrialists are to bear the losses, they must also be permitted to reap the profits. In the normal course the tax system may be expected to prevent any excessive accumulation of profits. Where, however, conditions of free competition do not exist and as a consequence, excessive profits accrue, special steps would be necessary. These can only be considered on the facts of each case as it arises.

(iv) To ensure the quality of industrial products in the interest of both internal and external markets. It is of the utmost importance to ensure good quality for the internal as well as the external markets. This involves standardisation of products and administrative machinery to enforce standardisation.

(v) To ensure that unhealthy concentration of assets in the hands of a few persons or of a special community would be avoided. This may be secured by a judicious exercise of controls, such as capital issues control and the licensing machinery for the regionalisation of industry.

(vi) To require necessary technical training of personnel and to extend the benefit of such training to minorities and backward communities.

15. The Government of India propose without delay to enter into discussions with Provinces and with the Indian States in the light of the policy stated above and are confident that it will be possible to evolve a machinery which will enable an agreed policy to be implemented in practice in a spirit of friendly co-operation on the part of all parties concerned.

GOVERNMENT RESOLUTION ON THE APPOINTMENT OF TARIFF BOARD

Copy of Department of Commerce Resolution, dated New Delhi, 3rd November 1945

No 218-T(55)/45—In the statement on industrial policy issued by the Government of India on the 23rd April 1945, it was announced that, pending the formulation of a tariff policy appropriate to the post-war needs and conditions of the country and the establishment of permanent machinery for the purpose, Government would set up machinery for investigating claims from industries, which have been started or developed in war-time and which are established on sound lines, to assistance or protection during the transition period. A Press *Communique* issued on the same date invited industries to address their claims to the Secretary to the Government of India in the Department of Commerce.

2. Several industries have accordingly applied for assistance or protection, and on a preliminary examination of their claims, the Government of India have come to the conclusion that applications submitted by the following industries call for a detailed examination—

(i) non-ferrous metals, including antimony; (ii) grinding wheels, (iii) caustic soda and bleaching powder, (iv) sodium thiosulphate, sodium sulphite anhydrous, sodium bisulphite, (v) phosphates and phosphoric acid; (vi) butter colour, aerated water powder,

colour ; (vii) rubber manufactures ; (viii) fire hose ; (ix) wood screws ; (x) steel hoops for baling.

Other applications are under the consideration of Government, and further action in their case will be taken in due course

3. In addition to the industries which have applied for assistance or protection, there are certain industries the starting of which was considered essential by the Government of India under conditions created by the war. Early in 1940, Government announced that specified industries promoted with their direct encouragement during war-time might feel assured that, if they were conducted on sound business lines, they would, by such measures as Government might devise, be protected against unfair competition from outside India. In accordance with this decision, the following industries have been given an assurance of protection against unfair competition after the war.—

(i) bichromates ; (ii) steel pipes and tubes up to a nominal bore of 4 inches ; (iii) aluminium ; (iv) calcium chloride, (v) calcium carbide ; (vi) starch.

Of these industries, only those engaged in the manufacture of bichromates, calcium chloride and starch have so far applied for assistance or protection during the transition period. The Government of India consider that the applications submitted by these three industries also call for immediate investigation.

4. For the purpose of these and any subsequent investigations the Government of India have decided to set up a Tariff Board for a period not exceeding two years, in the first instance. The Board will consist of —

President : Sir R. K. Shanmukham Chetty, K.C.I.E.

Members : Mr. C. C. Desai, C.I.E., I.C.S. and Prof. H. L. Dey, D.Sc. (London).

The Board will include one more member whose name will be announced shortly. Mr. Desai will act as Secretary to the Board in addition to his duties as member.

5. The Tariff Board is requested to undertake in such order as it thinks fit, the investigation of claims put forward by the industries specified in paragraphs 2 and 3 above. In the case of each industry the Board will after such examination as it considers necessary report whether the industry satisfies the following conditions :—

(1) that it is established and conducted on sound business lines ; and

(2) (a) that, having regard to the natural or economic advantages enjoyed by the industry and its actual or probable costs, it is likely within a reasonable time to develop sufficiently to be able to carry on successfully without protection or State assistance ; or

(b) that it is an industry to which it is desirable in the national interest to grant protection or assistance and that the probable cost of such protection or assistance to the community is not excessive. Where a claim to protection or assistance is found to be established, i.e., if condition (1) and condition (2) (a) or (b) are satisfied, the Board will recommend—

(i) whether, at what rate and in respect of what articles, or class or description of articles, a protective duty should be imposed ;

(ii) what additional or alternative measures should be taken to protect or assist the industry ; and

(iii) for what period, not exceeding three years, the tariff or other measures recommended should remain in force.

In making its recommendations the Board will give due weight to the interests of consumer in the light of the prevailing conditions and also consider how the recommendations affect industries using the articles in respect of which protection is to be granted. Since relief, to be effective, should be afforded without delay, the Board is requested to complete its enquiries with all possible expedition and to submit a report as soon as the investigation of the claim of each industry is concluded.

6. The headquarters of the Board will be at Bombay, but it will visit such other places as it thinks necessary for purposes of its enquiries. Firms and persons interested in any of these industries, or in industries dependent on the use of the products of these industries, who desire that their views should be considered, should address their representations to the Secretary to the Board.

7. Any claims hereafter received from other industries which in the opinion of the Government of India are suitable for examination by the Board will be referred to the Board in due course for examination.

8. The Government of India trust that Provincial Governments and Administrations will afford the Board all the assistance which it may require and will comply with any request for information which may be addressed to them by it

APPENDIX 13.

PAPER (PACKING OF COTTON TEXTILES) CONTROL ORDER, 1945

Copy of letter No. 172 dated 19th October, 1945 from the Association to the Secretary to the Government of India, Department of Industries and Civil Supplies, New Delhi

The Committee of the Millowners' Association, Bombay, desire to draw your attention to the Paper (Packing of Cotton Textiles) Control Order 1943 which was introduced at a time when paper generally was in short supply. The Committee of the Association at that time recognised the need for economy in the use of paper, and even before the Control Orders came into operation, the use of paper, so far as information available at the disposal of the Association goes, had been curtailed to a very considerable extent by members of the Association on their own initiative. My Committee's information to-day is that packing paper and paper boards are more freely available in the Indian market than paper used for other purposes, and bearing in mind the fact that Government have already relaxed to a very considerable extent the provisions of the Paper Control (Economy) Order, it is felt that the Paper (Packing of Cotton Textiles) Control Order should be withdrawn.

My Committee are informed that at one of their recent meetings, the Millstores and Priority Assistance Committee attached to the office of the Textile Commissioner in Bombay expressed the view that the present restrictions on the use of paper and paper boards should be removed. It is further understood that this matter is receiving the attention of Government, but my Committee desire to submit that, in view of the complaints which are being received by mills from their up-country customers regarding damages sustained by cotton manufactures in transit on account of the meagre protective paper covering which could be given by the mills under the "packing regulations, no further time should be lost in withdrawing the regulations.

Copy of circular No. 172 dated 21st December 1945, to all Members of the Association

The attention of member mills is invited to the following notification issued by the Deputy Secretary to the Government of India, Department of Industries and Civil Supplies, dated 15th December, 1945 —

No 2-TC/45 — In exercise of the powers conferred by sub-rule (2) of rule 81 of the Defence of India Rules, the Central Government is pleased to direct that the Paper (Packing of Cotton Textiles) Control Order, 1945, published with the Notification of the Government of India, in the Department of Industries and Civil Supplies, No 2-TC/45, dated the 15th September 1945, shall be repealed.

APPENDIX 14.

STAGGERING OF MILL HOLIDAYS

Copy of letter No. 275 dated 17th September, 1945, from the Association to the Chief Secretary to the Government of Bombay, Political and Services Department

I am directed to refer to the scheme of staggering of mill holidays in Bombay City first introduced by Government in July 1943. As Government are aware, the introduction

of the scheme of staggering was necessitated by the acute coal and wagon shortage which existed at that time, and the munition factory load in Bombay, and in agreeing to co-operate with Government, my Committee made it clear that their support to the measure, in spite of all the difficulties and the dislocation which it was likely to cause, was subject to the condition that it would be introduced only as a war measure, and withdrawn as soon as the emergency which necessitated its introduction, disappeared. Now that the war has ended, my Committee suggest for the serious consideration of Government the question of withdrawing the scheme forthwith, especially in view of the fact that the heavy war industry load, which was present hitherto, will not be there.

The scheme has dislocated the domestic and social life of all persons who depend on the Bombay cotton mill industry for their livelihood. Friends and even closest relations working in mills scattered over the different parts of the city are unable to meet as often as they would like to, on account of the fact that the same set of mill holidays is not applicable to mills working in different parts of the city, except in the case of festival holidays. This would not by itself, perhaps be a very strong argument in support of the case for the withdrawal of the staggering scheme had it not been for the fact that a very large section of the mill workers, mill staff including jobbers, masters, and managers resent the continuance of the scheme, especially when the emergency which caused its introduction has disappeared. My Committee, therefore, earnestly request Government to review the position and discontinue the scheme forthwith.

Copy of circular No. 275, dated 28th March 1946 to all Mills in Bombay.

In continuation of my circular No. 275 dated the 27th February 1946*, on the above subject, I reproduce below for the information of member mills Press Note No. P. 263 dated 13th March 1946 regarding discontinuance of the scheme of staggering of mill holidays :

"The scheme for the staggering of the holidays of the textile mills in Bombay, which was introduced by the Government of Bombay in July 1943, as an emergency measure, has been discontinued from March 1,"

In view of the above Press Note, mills should follow with effect from the 1st April 1946. the holidays indicated in the List of Holidays prescribed by the Millowners' Association.

APPENDIX 15.

POWER HOLIDAY FOR BOMBAY MILLS.

Copy of letter No. 1932/36-El, dated 27th April 1945 from the Secretary to the Government of Bombay, Public Works Department to the Association.

In view of the situation arising out of the shortage of available hydraulic storage on the Tata Hydro-Electric Companies' System, the Government of India have advised that it is necessary to prepare and have available for application at short notice a "power holiday system" of the type which has been prepared for the Calcutta area and is held in readiness there to deal with the position which would arise if and when the stocks of coal at the Calcutta power stations fall below certain levels. The "power holiday system" involves the preparation of a scheme by which all high tension consumers other than those who are engaged on works of exceptional essentiality would be served with an order by which they must forthwith cut off all industrial motive power, electric furnaces, etc., for one day in each week in addition to Sunday or other authorised holiday. The object of this arrangement is to ensure that the reduction in energy consumption shall take place at once and without waiting for the formulation of further plans by each individual consumer as to how he would prefer to reduce his consumption.

* Not printed.

2 Two meetings were held on the 5th and 6th March 1945 to discuss the "power holiday system" suggested by the Government of India at which representatives of the interests concerned, including Mr J B Greaves of the office of the Textile Commissioner, Bombay, were present. At these meetings it was, however, suggested, *inter alia*, that instead of compelling the mills to shut down periodically as envisaged in the rationing scheme, they might be given an option of effecting an equivalent saving voluntarily by whatever means they consider convenient. Accordingly Messrs Tata Hydro-Electric Agencies, Limited, and other Electric Supply Companies which receive supply of energy from the Tata system, were asked to report the average monthly consumption during the year 1944 by textile mills depending for their power supply on the Tata System. From the information furnished it is found that out of those companies, only the following five supply electrical energy to textile mills and that the monthly average consumption by the mills during the calendar year 1944 was as shown below:—

	Units.
(1) Messrs Tata Hydro-Electric Agencies, Limited, Bombay.	43,071,871
(2) " The Bombay Electric Supply and Tramways Company, Limited, Bombay	285,540
(3) " The Bombay Suburban Electric Supply Limited,	79,153
(4) " The Poona Electric Supply Company, Limited	8,745
(5) " The Amalgamated Electricity Company (Belgaum) Limited (Bhiwandi Branch).	35,007
Total:	43,480,316

3 I am to request you kindly to state what percentage of this total consumption you would be prepared to reduce voluntarily in anticipation of the proposed rationing scheme.

Copy of letter No 275B, dated 8th May, 1945, from the Association to the Secretary to the Government of Bombay, Public Works Department.

I am directed to acknowledge the receipt of your letter No. 1932/36-El, dated the 27th April 1945, in which you request my Committee to express an opinion as regards the extent to which the industry would be prepared to reduce voluntarily its consumption of electricity in anticipation of the proposed rationing scheme.

My Committee's immediate reaction to Government's proposal is that, any scheme of rationing would be inconsistent with the drive for increased output of cloth and yarn, to which the industry stands committed at the instance of the Government of India, and which necessitates the full employment of all the productive machinery of the mills for as many hours as possible during the week. My Committee are not sure whether the Government of Bombay are in touch with the Government of India in this matter, but on receipt of Government's communication under review, the matter was ventilated at a meeting of the Industry's Committee of the Textile Control Board held on 28th April 1945, at which representatives of the Government of India were present, and the latter fully concurred in the view expressed by the Association's representatives, namely, that a Power Holiday in Bombay, so far as the cotton textile industry was concerned, would seriously interfere with Government of India's scheme for increasing output.

Without prejudice to the points made in the preceding paragraph, my Committee would like to point out that if, in spite of everything, there is a shortage of power for essential war requirements, then, that should be made up by industries and consumers which/who have not yet made any contribution to the power problem of Bombay. Government will concede that the cotton textile industry which consumes about 50 to 55 per cent. of the Hydro-Electric Companies' total output has, by staggering its holidays, been able to release a seventh of its daily consumption of power for the use of war industries. The other consumers who, between them, consume about 45 to 50 per cent. of the available power have not, so far as my Committee are aware, been asked to make any sacrifice, and if, as stated above, any further saving has to be effected, it must be this section of the consumers who should be asked to meet the situation.

APPENDIX 16.

TARIFF VALUATIONS UNDER THE INDIAN TARIFF ACT.

Reprint of the First and Second Schedules appended to the Indian Tariff Act, XXXII of 1934 (as in operation on 1st January, 1946), showing the rates of Customs duties, including the additional duties levied under the Indian Finance Act, 1945, levied on goods imported into, and exported from, British India, together with (1) the tariff values fixed for certain articles under Government of India, Commerce Department, Notification No. 73-T.(5)/45, dated the 15th December, 1945, for the purpose of assessment of Customs duties with effect from the 1st January 1946, (2) the rates of duty leviable on articles the produce or manufacture of Burma under the Government of India, Finance Department (Central Revenues), Notification No. 39-Customs, dated the 7th June, 1941, as subsequently amended, (3) the rates of Excise duties leviable on articles produced or manufactured in British India, and (4) the rates of Cesses leviable on certain articles on export or otherwise and the Tariff values fixed for certain articles under the Government of India, Department of Education, Health and Lands, Notification No. F. 3-2/45-A, dated the 21st June, 1945, for the purpose of assessment of the Agricultural Produce Cess with effect from the 1st July, 1945.

Note 1.—In the expression “*ad valorem*” used in these Schedules the reference is to “real value” as defined in section 30 of the Sea Customs Act, 1878 (VIII of 1878), unless an article has a tariff value assigned to it.

Note 2.—The tariff value specified in the second column of the First Schedule shall, unless otherwise expressly provided, apply whether the article is assessed to duty under the item specified in the corresponding entry in the first column or under any other item.

Note 3.—The description of tariff-valued articles in the second column follows the ordinary trade description and covers all reduced grades and mixtures unless they are specially provided for.

Note 4.—In this publication, the expression “standard rate of duty” means, in the case of articles liable to preferential rates of duty, the standard rate of duty as opposed to the preferential rate, and in the case of other articles, the ordinary rate of duty.

Note 5.—Postal parcels, packets and letters on whose contents the total duty payable is not more than 12 annas, are exempt from payment of import duty.

Note 6.—The expression “Far East” covers China, including Hongkong and Macao, Japan and the Japanese Empire, the Straits Settlements, Malaya, Thailand, French Indo-China, the Netherlands East Indies, Sarawak, British North Borneo, the Philippines, Burma and Ceylon.

THE FIRST SCHEDULE.—IMPORT TARIFF.

Item No.	Name of article.	Nature of duty.	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION I.							
LIVE ANIMALS AND PRODUCTS OF THE ANIMAL KINGDOM.							
1	ANIMALS, living, all sorts .. .. .	....	Free .. .. .	....	....	....	....
2	BACON AND HAM, not canned or bottled ..	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
3	FISH, not otherwise specified	Revenue ..	80 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
3(1)	FISH, salted, wet	Revenue ..	Such rate or rates of duty not exceeding one rupee per Indian maund of 82-2/7 lbs. avoirdupois weight as the Central Government may, by notification in the <i>Official Gazette</i> from time to time prescribe,* plus 6½ per cent. <i>ad valorem</i> plus one-fifth of the total duty.	....	....	Free ..	....
	<i>Tariff values—</i>	Per Indian maund.					
		Rs. a. p.					
	(i) Soormai	10 0 0					
	(ii) Bangdas	5 0 0					
	(iii) All other sorts	11 0 0					
3(2)	FISH, salted, dry	Revenue ..	18 per cent. <i>ad valorem</i>.	....	....	Free ..	....
3(3)	FISH, unsalted, dry	Preferential revenue.	36 per cent. <i>ad valorem</i>.	....	24 per cent. <i>ad valorem</i> .	12 per cent. <i>ad valorem</i>.	....
	<i>Tariff value—</i>	Per cwt.					
		Rs. a. p.					
	Bomlas	15 0 0					

* The rate on the 1st January, 1946, and until further notice is annas 9½ per maund of 82-2/7 lbs. avoiz.

SCHEDULE I—IMPORT TARIFF—contd.

Item No.	Name of article.	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony	Burma.	
SECTION I—contd.							
LIVE ANIMALS AND PRODUCTS OF THE ANIMAL KINGDOM—contd.							
3(4)	FISHMANS, including singly and soxils and sharkins. <i>Tariff value—</i> Per cwt Rs. s. p. Sharkins, loose or in bundles from Arabian and Persian Gulf Ports. 4 0 0	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i>	
4	BUTTER, CHEESE AND GHEE <i>Tariff value—</i> Per lb. Rs. s. p. Butter 1 7 0 Per cwt Ghee 140 0 0	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i>	
4(1)	M.L.K.* condensed or preserved, including milk cream.	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
5	CORAL, unprepared	Revenue	30 per cent. <i>ad valorem</i>			12 per cent. <i>ad valorem</i> .	
5(1)	COWRIES AND SHELLS <i>Tariff value—</i> Per thousand. Rs. s. p. Chanks— Sound, live 88 0 0 Sound, dead 55 8 0 Other sorts 13 0 0 Per cwt Cowries, bazar, common 8 8 0 Cowries, yellow, superior quality, 12 0 0 Cowries, mottled, commonly known as Zillah, Tiger and similar other qualities. 9 4 0 Cowries, Makliva 18 0 0 Cowries, Sankhil 140 0 0 Mother-of-pearl, nacre 28 0 0 Nakhla 240 0 0 Per lb. Tortoise-shell 11 4 0 Tortoise-shell, nakh 1 14 0	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
5(2)	IVORY, unmanufactured <i>Tariff value—</i> Per cwt Rs. s. p. Elephants' grinders 350 0 0 Elephants' tusks (other than hollows, centres, and points), each exceeding 20 lbs in weight, and hollows, centres, and points each weighing 10 lbs. and over 660 0 0 Elephants' tusks (other than hollows, centres, and points), not less than 10 lbs. and not exceeding 20 lbs. each, and hollows, centres, and points each weighing less than 10 lbs. 615 0 0 Elephants' tusks each less than 10 lbs (other than hollows, centres, and points) 220 0 0 Sea-cow or moys teeth, each not less than 4 lbs. 300 0 0 Sea-cow or moys teeth, each not less than 3 lbs. and under 4 lbs. 240 0 0 Sea-cow or moys teeth, each less than 3 lbs., 140 0 0	Preferential revenue	36 per cent. <i>ad valorem</i>	24 per cent <i>ad valorem</i>		12 per cent <i>ad valorem</i>	
SECTION II.							
PRODUCTS OF THE VEGETABLE KINGDOM.							
6	PLANTS, LIVING, not otherwise specified		Free				
6(1)	RUBBER STUMPS		Free				
7	VEGETABLES, all sorts, fresh, dried, salted or preserved, not otherwise specified	Preferential revenue	36 per cent. <i>ad valorem</i>	24 per cent <i>ad valorem</i>		Potatoes and Onions— 5 per cent <i>ad valorem</i> , all others, 12 per cent <i>ad valorem</i> .	

* Under Government of India, Finance Department (Central Revenues), Notification No 33, dated the 22nd June, 1935, as amended subsequently, dried skim milk, that is to say, dried milk powder containing not more than 4 per cent. of fat and no added ingredients, is exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom	A British Colony	Burma.	
SECTION II—<i>contd.</i>							
PRODUCTS OF THE VEGETABLE KINGDOM—<i>contd.</i>							
8	Fruits, all sorts, fresh, dried, salted or preserved, not otherwise specified.*	Preferential revenue.	36 per cent. <i>ad valorem</i> .	..	24 per cent. <i>ad valorem</i> .	12 per cent. <i>ad valorem</i> .	..
	<i>Tariff values—</i>						
	Almonds—						
	(i) Without shell ..	Per cwt. Rs. a. p.					
	(ii) In the shell—						
	(a) Iranian Kagani	155 0 0					
	(b) Iranian other than Kagani.	100 0 0					
	Cashew or cajoo kernels, not skinned.	55 0 0					
		39 0 0					
	Coconuts, Ceylon	Per thousand.					
	Coconuts, other except Maldives.	95 0 0					
	Dates, dry, excluding seedless—Shekra or Shakeria, Sakina and Brami.	85 0 0					
	Kapkapu, Chbarra, Chupchap, Sarki, Sori, Omani and Bhatul	Per cwt.					
	All other qualities	40 0 0					
	Dates, wet, in bags, baskets and bundles.	28 0 0					
	Dates, wet, packed in other receptacles.	14 0 0					
	Figs, dried, Iranian	15 0 0					
	Pistachio nuts	180 0 0					
	Raisins, red, Persian Gulf	30 0 0					
8(1)	CURRANTS	Revenue	Ra. 1-8 per cwt.	..	Free	Free	..
9	COFFEE, not otherwise specified	Preferential revenue.	25 per cent. <i>ad valorem</i> plus one anna per pound plus one-fifth of the total duty	..	30 per cent. <i>ad valorem</i> .	10 per cent. <i>ad valorem</i> .	..
9(1)	COFFEE, canned or bottled	Preferential revenue.	36 per cent. <i>ad valorem</i> .	..	24 per cent. <i>ad valorem</i> .	12 per cent. <i>ad valorem</i> .	..
9(2)	TEA†	Preferential revenue.	Six annas per pound ..	..	Three and three-fifths annas per pound.	Two and two-fifths annas per pound.	..
9(3)	THE FOLLOWING SPICES, whether ground or unground, namely:—						
	Cardamoms, cassia, cinnamon, cloves, nutmegs and pepper.	Preferential revenue.	54 per cent. <i>ad valorem</i> .	..	65 per cent. <i>ad valorem</i> .	10 per cent. <i>ad valorem</i> .	..
	<i>Tariff values—</i>						
	Spices, unground—	Per cwt. Rs. a. p.					
	Cloves, (other than exhausted)	65 0 0					
	Nutmegs in the shell	Per lb. Rs. a. p.					
		4 0 0					
9(4)	THE FOLLOWING UNGROUNDED SPICES, namely:—						
	Chillies, ginger and maca	Preferential revenue.	36 per cent. <i>ad valorem</i>	..	27 per cent. <i>ad valorem</i>	12 per cent. <i>ad valorem</i>	..
	<i>Tariff values—</i>						
	Maca, unground..	Per lb. Rs. a. p.					
		9 8 0					
9(5)	BETELNUTS	Preferential revenue.	Five annas per pound.	..	Four annas per pound.	20 per cent. <i>ad valorem</i>	..
	<i>Tariff values—</i>						
	Betelnuts (husked)—	Per cwt. Rs. a. p.					
	Whole from Goa	37 0 0					
	Whole from Ceylon	44 0 0					
	Split from Ceylon—						
	(a) Mature	38 0 0					
	(b) Immature	57 0 0					
	All other sorts	40 0 0					
9(6)	VANILLA BEANS	Revenue	30 per cent. <i>ad valorem</i> .	..	12 per cent. <i>ad valorem</i> .	Free	..
10	GRAIN AND PULSE, not otherwise specified, including broken grains and pulse, but excluding flour	..	Free .. ..	..	..	..	..
10(1)	WHEAT‡	Protective	Ra. 1 12-4/5 per cwt. ..	..	Free	Free	March 31st, 1947.
11	FLOUR, not otherwise specified	Revenue	30 per cent. <i>ad valorem</i>.	..	..	12 per cent. <i>ad valorem</i>	..
11(1)	WHEAT FLOUR	Protective	Ra. 1 12-4/5 per cwt. ..	..	Free	Free	March 31st, 1947
11(2)	SAGO FLOUR .. ..	..	Free .. ..	..	..	..	..

* Under Government of India, Finance Department (Central Revenue), Notification No. 23, dated the 22nd June, 1935, raw cashewnuts are exempt from payment of import duty

† Under Government of India, Finance Department (Central Revenue), Notification No. 23, dated the 22nd June, 1935, as amended subsequently Black Brack tea, the produce of China, when imported at Calcutta from a port in Burma is exempt from payment of import duty

‡ Under Government of India, Commerce Department, Notification No. 156-T (3)/41, dated the 6th December 1941 wheat is exempt from payment of import duty

SCHEDULE I—IMPORT TARIFF—*contd*

Item No.	Name of article.	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony	Burma	
SECTION II—<i>concl.</i>							
PRODUCTS OF THE VEGETABLE KINGDOM—<i>concl.</i>							
11(3)	SAGO, TAPIOCA AND TAPIOCA FLOUR	Preferential revenue.	36 per cent <i>ad valorem</i>		24 per cent <i>ad valorem</i>	12 per cent <i>ad valorem</i>	
11(4)	STARCH AND FARINA ..	Revenue	18 per cent <i>ad valorem</i>			Free	
12	SEEDS, all sorts, not otherwise specified	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i>	
12(1)	OLSEEDS imported into British India by sea from the territories of any Prince or Chief in India.		Free				
12(2)	OLSEEDS, non-essential, all sorts not otherwise specified, including copra or coconut kernel.*	Preferential revenue	36 per cent <i>ad valorem</i> .		24 per cent <i>ad valorem</i>	12 per cent <i>ad valorem</i>	
	<i>Tariff value—</i>						
	Per cwt						
	Rs. s. p.						
	Poppy seeds						
	18 4 0						
12(3)	RUBBER SEEDS		Free				
12(4)	HOPS		Free				
12(5)	FODDER, BRAN AND POLLARDS	Revenue	3 per cent <i>ad valorem</i>			Free	
13	DYEING AND TANNING SUBSTANCES, all sorts, not otherwise specified.†	Revenue	30 per cent <i>ad valorem</i> .			Free	
	<i>Tariff values—</i>						
	Per lb						
	Rs. s. p.						
	Cochineal						
	5 0 0						
	Per cwt						
	Gallnuts						
	43 0 0						
13(1)	BARKS FOR TANNING ‡	Revenue	3-3/5 per cent <i>ad valorem</i>			Free	
13(2)	CUTCH AND GAMBIE, all sorts	Preferential revenue.	36 per cent <i>ad valorem</i>		24 per cent <i>ad valorem</i>	5 per cent <i>ad valorem</i>	
13(3)	GUMS, RESINS AND LAC, all sorts not otherwise specified.	Revenue	30 per cent <i>ad valorem</i>			Free	
	<i>Tariff values—</i>						
	Per cwt						
	Rs. s. p.						
	Gum olibanum or frankincense.						
	28 0 0						
	Gum Iranian (false)						
	28 0 0						
	Myrrh, excluding cleaned and sifted Myrrh						
	75 0 0						
13(4)	GUMS, Arabic, Benjamin (ras and cowrie) and Dammer (including unrefined betu) and rosin.	Preferential revenue	36 per cent <i>ad valorem</i>		24 per cent <i>ad valorem</i>	Free	
	<i>Tariff value—</i>						
	Per cwt						
	Rs. s. p.						
	Acadian gums, other than ground, including gum Arabic, gum Senegal and gum African but excluding gums cleaned and sifted						
	45 0 0						
13(5)	STICK OR SEED LAC		Free				
13(6)	OPIMUM	Revenue	Rs. 30 per seer of 80 tolas or 18½ per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty			Free	
13(7)	CINCHONA BARK		Free				
14	CANKS AND RATTANS	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i>	
SECTION III.							
FATTY SUBSTANCES, GREASES, OILS AND PRODUCTS OF THEIR DECOMPOSITION, PREPARED ALIMENTARY FATS, WAXES OF ANIMAL OR VEGETABLE ORIGIN.							
15	ALL SORTS OF STEARINE, WAX, GREASE AND ANIMAL FAT, not otherwise specified.	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i> .	
	<i>Tariff values—</i>						
	Per lb						
	Rs. s. p.						
	Lubricating grease						
	0 8 6						
	Petroleum jelly, white						
	0 8 6						
	Petroleum jelly, all other sorts.						
	0 5 6						
	<i>N.B.—</i> The tariff values apply to articles packed in containers of not less than 14 lbs						
15(1)	LARD, not canned or bottled	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
15(2)	BEESWAX	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i> .	
15(3)	TALLOW		Free				

* Under Government of India, Department of Education, Health and Lands (Agriculture), Notification No F 43-4/45-A, dated the 24th May, 1945 and in exercise of the powers conferred by section 3 of the Indian Coconut Committee Act, 1944 (X of 1944), an additional duty of annas four per hundred weight *avourdupois* is levied on all copra consumed in any mill in British India when imported from outside British India.

† Under Government of India, Finance Department (Central Revenues), Notification No. 57, Customs, dated the 15th November, 1941, wattle extract for tanning is liable to import duty at 12 per cent *ad valorem*.

‡ Under Government of India, Finance Department (Central Revenues), Notification No 17-Customs, dated the 25th August, 1945, barks for tanning are exempt from payment of the customs duty leviable thereon.

SCHEDULE I—IMPORT TARIFF—contd.

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony	Burma.	
SECTION III—contd.							
FATTY SUBSTANCES, GREASES, OILS AND PRODUCTS OF THEIR DECOMPOSITION, PREPARED ALIMENTARY FATS, WAXES OF ANIMAL OR VEGETABLE ORIGIN— <i>contd.</i>							
15(4)	FISH OIL, including whale oil, not otherwise specified.	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
15(5)	FISH OIL AND WHALE OIL, hardened or hydrogenated.	Revenue	Rs. 12 per cwt.			Free	
15(6)	VEGETABLE NON-ESSENTIAL OILS, not otherwise specified.	Preferential revenue.	42 per cent <i>ad valorem</i> .		50 per cent <i>ad valorem</i> .	18 per cent <i>ad valorem</i> .	
15(7)	THE FOLLOWING VEGETABLE NON-ESSENTIAL OILS, namely, coconut, groundnut and linseed.*	Preferential revenue.	42 per cent <i>ad valorem</i> .		50 per cent <i>ad valorem</i> .	18 per cent <i>ad valorem</i> .	
	<i>Tariff value—</i>	Per Imperial gallon.					
		Rs. s. p.					
	Linseed oil, raw or boiled	6 0 0					
	<i>N.B.</i> —The tariff value applies to articles packed in containers of not less than 16 lbs						
15(8)	ALL SORTS OF ANIMAL OILS, not otherwise specified.	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
SECTION IV.							
PRODUCTS OF THE FOOD-PREPARING INDUSTRIES, BEVERAGES, ALCOHOLIC LIQUORS AND VINEGARS; TOBACCO.							
16	CANNED OR BOTTLED BACON, HAM AND LARD	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
16(1)	FISH, canned	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
16(2)	ISINGLASS, canned or bottled	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
17	SUGAR, excluding confectionery	Protective	The rate at which excise duty is for the time being leviable on Sugar, other than <i>Ahandari</i> or palmyra sugar, produced in British India† plus Rs. 6-12 per cwt. plus one-fifth of the total duty			The rate at which excise duty is for the time being leviable on sugar other than <i>Ahandari</i> or palmyra sugar produced in British India.†	March 31st, 1947
17(1)	MOLASSES	Revenue	37½ per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
17(2)	CONFECTIONERY	Revenue	60 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
17(3)	SUGAR-CANDY	Revenue	Rs. 12-9-3/5 per cwt.			Free	
18	COCOA AND CHOCOLATE, other than confectionery	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
19	BISCUITS, CAKES, AND FARMACIOUS AND PASTRY FOODS, canned or bottled.	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
20	VEGETABLE PRODUCT, JAMS, JELLIES, PICKLES, CROUTERS, SAUCES AND CONDENSES, canned or bottled.	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
	<i>Tariff value—</i>	Per lb.					
		Rs. s. p.					
	Vegetable product (excluding hardened coconut oil)	6 12 0					
20(1)	FRUIT JUICES	Preferential revenue.	26 per cent <i>ad valorem</i> .		24 per cent <i>ad valorem</i> .	12 per cent <i>ad valorem</i> .	
20(2)	FRUITS AND VEGETABLES, canned or bottled	Preferential revenue.	26 per cent <i>ad valorem</i> .		24 per cent <i>ad valorem</i> .	12 per cent <i>ad valorem</i> .	
21	CANNED OR BOTTLED PROVISIONS, not otherwise specified.	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
21(1)	PROVISIONS AND OILMAN'S STORES AND GROCERIES, all sorts not otherwise specified.	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
	<i>Tariff value—</i>	Per cwt.					
		Rs. s. p.					
	Cocoa.	15 0 0					
		Per lb.					
	Vegetable product (excluding hardened coconut oil), not canned or bottled.	6 6 0					
21(2)	ALL SORTS OF FOOD not otherwise specified	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
22	ALL SORTS OF DAIRY not otherwise specified..	Revenue	20 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	

* Under Government of India, Finance Department (Central Revenue), Notification No. 21, dated the 22nd June, 1946, the duty leviable on linseed oil at the standard rate is 20 per cent *ad valorem*.

† The rate of excise duty on the 1st January 1946, and until further notice, on sugar other than *Ahandari* or palmyra sugar, produced in any factory in British India and either issued out of or used within, such factory is Rs. 3 per cwt. The rate of excise duty on *Ahandari* sugar produced in any factory in British India and issued out of such factory is eight annas per cwt.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article	Nature of duty	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony	Burma.	
	SECTION IV—<i>contd.</i>						
	PRODUCTS OF THE FOOD-PREPARING INDUSTRIES, BEVERAGES, ALCOHOLIC LIQUORS AND VINEGARS, TOBACCO—<i>contd.</i>						
*22(1) 22(2)	ALE, BEER, PORTER, CIDER AND OTHER FERMENTED LIQUORS—						
	(a) In barrels or other containers containing 27 ozs. or more	Revenue	Rs. 1-2 per Imperial gallon.				The rate at which excise duty is leviable at the place of importation plus one-fifth of the total duty.
	(b) In bottles containing less than 27 ozs. but not less than 20 ozs.	Revenue	Three annas per bottle				
	(c) In bottles containing less than 13½ ozs but not less than 10 ozs	Revenue	One anna and six pies per bottle				
	(d) In bottles containing less than 6½ ozs but not less than 5 ozs.	Revenue	Nine pies per bottle				
	(e) In other containers †	Revenue	Rs. 1-8 per Imperial gallon				
22(3)	WINES, not containing more than 42 per cent of proof spirit—						The rate at which excise duty is leviable at the place of importation plus one-half of the total duty.
	(a) Champagne and other sparkling wines	Revenue	Rs 15-12 per Imperial gallon				
	(b) Other sorts	Revenue	Rs 9 per Imperial gallon				
22(4)	SPIRITS (other than denatured spirit)—						The rate at which excise duty is leviable at the place of importation plus one-half of the total duty
	(a) Brandy, gin, whisky and other sorts of spirits not otherwise specified, including wines containing more than 42 per cent of proof spirit	Revenue	Rs 56-4 per Imperial gallon of the strength of London proof				
	(b) Liqueurs, cordials, mixtures and other preparations containing spirit not otherwise specified— (i) entered in such a manner as to indicate that the strength is not to be tested. (ii) not so entered	Revenue Revenue	Rs 75 per Imperial gallon Rs. 56-4 per Imperial gallon of the strength of London proof				
	PROVIDED THAT—						
	(a) the duty on any article included in this item shall in no case be less than the duty which would be charged if the article were liable to a duty of 37½ per cent <i>ad valorem</i> ,						
	(b) where the unit of assessment is the Imperial gallon of the strength of London proof, the duty shall be increased or reduced in proportion as the strength is greater or less than London proof						
22(5)	SPIRITS—						The rate at which excise duty is leviable at the place of importation plus one-half of the total duty
	(a) Bitters—						
	(i) entered in such a manner as to indicate that the strength is not to be tested	Preferential revenue	Rs. 75 per Imperial gallon.		Rs. 67-8 per Imperial gallon.		
	(ii) not so entered	Preferential revenue.	Rs. 56-4 per Imperial gallon of the strength of London proof		Rs. 50-10 per Imperial gallon of the strength of London proof.		
	(b) Drugs and medicines containing spirit—						
	(i) entered in such a manner as to indicate that the strength is not to be tested.	Preferential revenue.	Rs 60 per Imperial gallon	Rs. 54 per Imperial gallon.	Rs. 54 per Imperial gallon.		
	(ii) not so entered	Preferential revenue	Rs 43-8 per Imperial gallon of the strength of London proof	Rs. 39 per Imperial gallon of the strength of London proof	Rs. 39 per Imperial gallon of the strength of London proof		

* There is no entry bearing Item No 22(1)

† Under Government of India, Finance Department (Central Revenues), Notification No 33, dated the 22nd June, 1935, as amended subsequently, ale and beer in containers other than bottles are exempt from so much of the duty as is in excess of the duty that would have been leviable if such containers were bottles

‡ Under the Government of India, Finance Department (Central Revenues), Notification No 10-Customs, dated the 22nd April, 1944, goods specified in this item are exempt, with effect from the 1st March, 1944, from so much of the duty leviable thereon as is in excess of that leviable at the rates shown below

(1) Specific rates

Item No.	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of	
		The United Kingdom	A British Colony
22(5)—			
(b) (i)	Rs. 48 per Imperial gallon	Rs. 43-3½ per Imperial gallon	Rs. 43-3½ per Imperial gallon.
(b) (ii)	Rs 34 12½ per Imperial gallon of the strength of London proof	Rs 31 3½ per Imperial gallon of the strength of London proof	Rs 31 3½ per Imperial gallon of the strength of London proof

(2) Alternative *ad valorem* rates of 24 per cent and 36 per cent respectively, if duty is levied under proviso (a) to Item 22 (5)

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of preferential rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION IV—<i>concl.</i>							
PRODUCTS OF THE FOOD-PREPARING INDUSTRIES; BEVERAGES, ALCOHOLIC LIQUORS AND VINEGARS; TOBACCO—<i>concl.</i>							
	(c) Perfumed spirits	Revenue ..	Rs. 60 per Imperial gallon or 25 per cent. <i>ad valorem</i> whichever is higher plus one-half of the total duty.	....	....	....	....
	(d) Rum	Preferential revenue.	Rs. 56-4 per Imperial gallon of the strength of London proof.	....	Rs. 50-10 per Imperial gallon of the strength of London proof.	....	....
PROVIDED THAT—							
(a) on any article chargeable under this item with the lower rate of duty, the duty levied shall in no case be less than 30 per cent. <i>ad valorem</i> , and on any article chargeable under this item with the higher rate of duty, the duty levied shall in no case be less than 45 per cent. <i>ad valorem</i> ;							
(b) where the unit of assessment is the Imperial gallon of the strength of London proof, the duty shall be increased or reduced in proportion as the strength is greater or less than London proof.							
22(6)	DENATURED SPIRIT	Revenue ..	11½ per cent. <i>ad valorem</i>.	....	....	Free ..	....
22(7)	VINEGAR IN CASKS	Revenue ..	3 per cent. <i>ad valorem</i>.	....	....	Free ..	....
23	OILCAKES	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
24	TOBACCO, manufactured, not otherwise specified.	Revenue ..	Rs. 8 per lb.	....	....	....	....
24(1)	CIGARS	Revenue ..	The rate at which duty is for the time being leviable on articles included in Item No. 87 read with any other enactment in force plus Rs. 7-8 per lb.	....	....	10 per cent. <i>ad valorem</i>.	....
24(2)	CIGARETTES	Revenue ..	The rate at which duty is for the time being leviable on articles included in Item No. 87 read with any other enactment in force plus Rs. 13/12/- per thousand or Rs. 7/8/- per lb. whichever is higher.	....	....	....	....
24(3)	TOBACCO, unmanufactured	Preferential revenue.	Rs. 7-8 per lb.	....	Rs. 7 per lb.	10 per cent. <i>ad valorem</i>.	....
SECTION V.							
MINERAL PRODUCTS.							
25	CHINA CLAY .. .. .	....	Free .. .. .	....	....	....	....
25(1)	SALT, excluding salt exempted under item No. 25 (2).	Revenue ..	The rate at which excise duty is for the time being leviable on salt manufactured in the place where the import takes place.*	....	....	....	....
25(2)	SALT IMPORTED INTO BRITISH INDIA AND ISSUED, in accordance with rules made with the previous sanction of the Central Government for use in any process of manufacture; also salt imported into the port of Calcutta and issued with the sanction of the Central Government to manufacturers of glazed stoneware; also salt imported into any port in the provinces of Bengal and Bihar and Orissa and issued, in accordance with rules made with the previous sanction of the Central Government for use in curing fish in those provinces.	....	Free .. .. .	....	....	....	....
25(3)	THE FOLLOWING BUILDING AND ENGINEERING MATERIALS, namely, chalk, lime and clay.	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
25(4)	CEMENT not otherwise specified	Preferential revenue.	36 per cent. <i>ad valorem</i> .	24 per cent. <i>ad valorem</i>.	....	12 per cent. <i>ad valorem</i>.	....
25(5)	PORTLAND CEMENT excluding white Portland cement.	Revenue ..	Rs. 16-8 per ton. ..	....	....	12 per cent. <i>ad valorem</i>.	....
25(6)	STONE prepared as for road metalling .. .. .	....	Free .. .. .	....	....	....	....
25(7)	MARBLE AND STONE not otherwise specified† ..	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
26	METALLIC ORES, all sorts except ochres and other pigment ores.	....	Free .. .. .	....	....	....	....
27	COAL, COKE AND PATENT FUEL	Revenue ..	Twelve annas per ton..	....	....	Free ..	....
27(1)	ASPHALT	Preferential revenue.	30 per cent. <i>ad valorem</i>	....	18 per cent. <i>ad valorem</i> .	6 per cent. <i>ad valorem</i>.	....
27(2)	PITCH AND TAR	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....

* The rate of excise duty on the 1st January, 1946, and until further notice is Re. 1-9-0 per standard maund.

† Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, sandstone is exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—contd.

Item No.	Name of article.	Nature of duty	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony	Burma.	
SECTION V—concld							
MINERAL PRODUCTS—concld.							
	<i>Tariff value—</i>	Per cwt Rs. a p 8 8 0					
27(5)	Coal pitch						
27(5)	ALL SORTS OF MINERAL OILS not otherwise specified.	Revenue	30 per cent <i>ad valorem</i> .			12 per cent. <i>ad valorem</i> .	
	<i>Tariff value—</i>	Per Imperial gallon Rs. a p 2 6 0					
	Mineral Colza oil	3 0 0					
	Transformer oil, including transil and switch oil, other than that assessed to duty under the proviso to Item No 72(3) of the First Schedule of the Indian Tariff Act, 1934						
27(4)	KEROSENE,* also any mineral oil other than kerosene and motor spirit which has its flashing point below one hundred degrees of Fahrenheit's thermometer by Abel's close test	Revenue	Four annas and nine pies per Imperial gallon				
27(5)	MINERAL OIL, not included in Item No 27(4) or Item No 27(6) which is suitable for use as an illuminant in wick lamps.	Revenue	Four annas and six pies per Imperial gallon				
27(6)	MOTOR SPIRIT †	Revenue	The rate at which excise duty is for the time being leviable on motor spirit				
27(7)	MINERAL OIL—						
	(a) which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer, and is ordinarily used for the batching of putty or other fibre,	Revenue	Rs. 18-12 per ton			Free	
	(b) which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer, is not suitable for use as an illuminant in wick lamps, and is such as is not ordinarily used except as fuel or for some sanitary or hygienic purposes.	Revenue	15 per cent <i>ad valorem</i> .				
	<i>Tariff value—</i>	Per ton Rs. a p 65 0 0					
	Mineral oil which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer, and is such as is not ordinarily used except as fuel or for some sanitary or hygienic purposes, if imported naked in bulk						
27(8)	LUBRICATING OIL, that is, oil such as is not ordinarily used for any other purpose than lubrication, excluding any mineral oil which has its flashing point below two hundred degrees of the Fahrenheit thermometer by Abel's close test.	Revenue	Two annas and six pies per Imperial gallon.			Free	
SECTION VI.							
CHEMICAL AND PHARMACEUTICAL PRODUCTS, COLOURS AND VARNISHES; PERFUMERY, SOAP, CANDLES AND THE LIKE, GLUES AND GELATINES, EXPLOSIVES; FERTILISERS.							
28	CHEMICALS, DRUGS AND MEDICINES, all sorts not otherwise specified. ‡ § ¶	Preferential revenue.	30 per cent <i>ad valorem</i> .	24 per cent. <i>ad valorem</i> .	24 per cent. <i>ad valorem</i> .	12 per cent. <i>ad valorem</i> .	
	<i>Tariff values—</i>	Per cwt Rs. a p 14 0 0					
	Alkali, Indian (saji khar)	32 0 0					
	Ammonium carbonate or bicarbonate.						
	Ammonium chloride—						
	Muriate of ammonia, crystalline, excluding rice grain crystals.	2 0 0					
	Salammoniac, sublimed	45 0 0					
	Other sorts, including compressed.	37 0 0					
	<i>Tariff values—</i>	Per lb. 0 8 0					
	Carbonic acid gas including compressed or liquefied gas.						
	Chlorine	0 8 0					

* The rate of excise duty on the 1st January, 1946, and until further notice, on all kerosene produced in a manufactory in British India is the rate at which customs duty is for the time being leviable under the Indian Tariff Act, 1934, read with any other enactment for the time being in force.

† The rate of excise duty on the 1st January, 1946, and until further notice, on all motor spirit produced in a manufactory in British India is 15 annas per Imperial gallon.

‡ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently calcium acetate, radium salts and cryolite are exempt from payment of import duty.

§ Under Government of India, Finance Department (Central Revenues), Notification No. 32, dated the 16th May, 1942, Ipecacuanha root, argot of rye and cascara sagrada are exempt from payment of import duty.

¶ Under Government of India, Finance Department (Central Revenues), Notification No. 11—Customs, dated the 8th May, 1943, aluminium fluoride is exempt from payment of import duty.

Under Government of India, Finance Department (Central Revenues), Notification No. 23—Customs, dated the 25th September, 1943, Mepacrine Hydrochloride is exempt from payment of import duty.

SCHEDULE 'Y'—IMPORT TARIFF—*contd.*

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony	Barma.	
SECTION VI—<i>contd.</i>							
	CHEMICAL AND PHARMACEUTICAL PRODUCTS, COLOURS AND VARNISHES, PERFUMERY, SOAP, CANDLES AND THE LIKE, GLUES AND GELATINES, EXPLOSIVES, FERTILISERS—<i>contd.</i>						
28(0)	Bluing-stone or bluing-powder	Revenue	Free	Free	Free	Free	
	Per cent. R. a. P.						
	Copper sulphate						
	Soda, caustic, flake, piled or powder						
	Sodium bicarbonate						
	Sodium hyposulphite						
	Sodium thiosulphate (Hypo)						
28(1)	N.B.—The tariff values apply to articles packed in containers of not less than 14 lbs.						
28(2)	Bluing-stone or bluing-powder	Revenue	Free	Free	Free	Free	
28(3)	Sulphur	Revenue	2 per cent. ad valorem	Free	Free	Free	
28(4)	Soda Ash, including calcined natural soda and manufactured sesqui-carbonate. <i>Tariff value.</i> — Soda ash in bags including calcined natural soda and mannitol-cured sesqui-carbonate.	Preferential revenue.	20 per cent. ad valorem.	16 per cent. ad valorem.	8 per cent. ad valorem.	6 per cent. ad valorem.	
	Per cent. R. a. P.						
	7 0 0						
28(5)	N.B.—The tariff value applies to articles packed in containers of not less than 14 lbs. Heavy Carborundum, the following, namely:— Magnesium carbide Magnesium sulphate or hydrated magnesium sulphate.	Protective	Twelve annas per cent. or 25 per cent. ad valorem, whichever is higher, plus one-fifth of the total duty	12 per cent. ad valorem	12 per cent. ad valorem	12 per cent. ad valorem	March 31st, 1947
28(6)	The following Carborundum, namely:— (a) Alum (aluminium silicate), potash alum and soda alum. (b) Magnesium sulphate or hydrated magnesium sulphate.	Revenue	25 per cent. ad valorem, or Rs. 1-8 per cent. whichever is higher plus one-fifth of the total duty	12 per cent. ad valorem.	12 per cent. ad valorem	12 per cent. ad valorem	Free
28(7)	The following Carborundum, namely, calcium sulphide, cobalt oxide, liquid gold for glass making, selenium, and uranium oxide.	Revenue	30 per cent. ad valorem.	12 per cent. ad valorem	12 per cent. ad valorem	Free	
28(8)	The following Carborundum, Davinc AND Borontrium, namely, acetic, carbolic, citric, hydrochloric, nitric, oxalic, sulphuric, tartaric and terephthalic, sulphurous anhydrous, sulphuric acid, potassium carbonate, potassium chlorate, potassium chromate, other potassium compounds, bicarbonate of soda, borax, silicic acid, arsenic, sodium carbonate, sodium lead, magnesium and zinc compounds not otherwise specified, alone, sesquioxide, oxide, sesquiperite and sterox.	Revenue	80 per cent. ad valorem.	12 per cent. ad valorem	12 per cent. ad valorem	Free	
	<i>Tariff values.</i> —						
	Acetic acid	Per lb.					
	Arsenic	Rs. a. p.					
	Including compressed or liquefied gas.	0 9 0					
	1 9 0						
	Borax, granular, powdered or crystalline	Per cent. 50 9 0					
	Boric acid	40 0 0					
	Sodium bicarbonate	10 9 0					
	Sodium silicate (in liquid form)	17 9 0					
	Arsenic, coarse (Doligrs)	36 0 0					
28(9)	N.B.—The tariff values apply to articles packed in containers of not less than 14 lbs. Recrystallizers (except in tubular) and such other accessories as the Central Government may by notification in the Official Gazette declare to be of a like nature or use to saccharins. Saccharins Tablets	Revenue	Rs. 7-8 per lb.	Free	Free	Free	
28(10)	Recrystallizers (except in tubular) and such other accessories as the Central Government may by notification in the Official Gazette declare to be of a like nature or use to saccharins.	Revenue	12½ per cent. ad valorem or Rs. 6-4 per pound of saccharins contents plus one-fifth of the total duty	Free	Free	Free	
28(11)	Recrystallizers or other and their derivatives	Revenue	Rs. 30 per saw of 80 coils or 12½ per cent. ad valorem, whichever is higher plus one-fifth of the total duty	Free	Free	Free	

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony	Burma.	
SECTION VI—<i>contd.</i>							
CHEMICAL AND PHARMACEUTICAL PRODUCTS, COLOURS AND VARNISHES; PERFUMERY; SOAP, CANDLES AND THE LIKE, GLUES AND GELATINES, EXPLOSIVES, FERTILISERS—<i>contd.</i>							
28(12)	ALKALOIDS EXTRACTED FROM CINCHONA BARK including Quinine and alkaloids derived from other sources which are chemically identical with alkaloids extracted from Cinchona Bark		Free				
28(18)	ANTI PLAGUE SERUM		Free				
28(14)	TOILET REQUISITES, not otherwise specified	Revenue	80 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i>	
29	CINEMATOGRAH FILMS, not exposed	Revenue	Three pies per linear foot			6 per cent. <i>ad valorem</i>	
29(1)	CINEMATOGRAH FILMS, exposed	Revenue	Four pies per linear foot			24 per cent <i>ad valorem</i>	
	<i>Tariff values—</i>						
	Exposed standard positive films, new or used—	Per foot					
	Feature films	Rs. & p.					
	Other films	0 7 0					
		0 3 0					
30	PAINTS, COLOURS AND PAINTERS' MATERIALS, all sorts not otherwise specified, including paints, solutions and compositions containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934	Preferential revenue.	86 per cent <i>ad valorem</i> .	24 per cent <i>ad valorem</i>		12 per cent. <i>ad valorem</i>	
	<i>Tariff value—</i>	Per cwt					
	Cuttle fish bone	Rs. & p.					
		15 0 0					
30(1)	DYES DERIVED FROM COAL-TAR, AND COAL-TAR DERIVATIVES, used in any dyeing process.	Revenue	12 per cent <i>ad valorem</i> .			Free	
	<i>Tariff values—</i>	Per cwt					
		Rs. & p.					
	Alizarine, moist—						
	(a) not exceeding 16 per cent	180 0 0					
	(b) Over 16 per cent not exceeding 20 per cent	200 0 0					
	(c) exceeding 20 per cent	890 0 0					
	Alizarine, dry—	Per lb					
	(a) not exceeding 40 per cent.	5 8 0					
	(b) exceeding 40 per cent.	9 8 0					
	Congo red	3 8 0					
	Coupling dyes of the naphthol group—						
	(a) Naphthols	12 0 0					
	(b) Rapid fast colours (rapid salts)	19 0 0					
	(c) Bases	11 0 0					
	(d) Other salts	6 0 0					
	Vats—						
	(a) Indigo (<i>s.d.</i> , pure indigo in its various concentrations)	4 0 0					
	(b) Indigo solubilised including Indigosol O and Soledon Indigo I.L.S.	16 0 0					
	(c) Carbazole blue	10 0 0					
	(d) Solubilized and stable Vat dyes such as Indigosols, Soledons and similar products, excluding those falling under group (b) above	48 0 0					
	(e) Other sorts—						
	(i) Paste	10 0 0					
	(ii) Powder	24 4 0					
	Sulphur black	2 4 0					
	Metanil yellow	3 0 0					
	Aniline oil	1 8 0					
	Aniline salts	2 0 0					
	All others	5 12 0					
30(2)	PAINTS, COLOURS AND PAINTERS' MATERIALS, the following, namely—						
	(a) Red lead, genuine dry, genuine moist and reduced moist	Preferential revenue.	30 per cent <i>ad valorem</i> , or Rs. 4-12 per cwt., whichever is higher plus one-fifth of the total duty	24 per cent. <i>ad valorem</i>		12 per cent. <i>ad valorem</i> .	
	(b) White lead, genuine dry	Preferential revenue.	30 per cent <i>ad valorem</i> , or Rs. 5-12 per cwt., whichever is higher plus one-fifth of the total duty	24 per cent. <i>ad valorem</i> .			
	(c) Zinc white, genuine dry	Preferential revenue.	30 per cent <i>ad valorem</i> , or Rs. 6 per cwt., whichever is higher plus one-fifth of the total duty	24 per cent. <i>ad valorem</i> .			

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION VI—<i>contd.</i>							
CHEMICAL AND PHARMACEUTICAL PRODUCTS; COLOURS AND VARNISHES; PERFUMERY; SOAP; CANDLES AND THE LIKE; GLUES AND GELATINES; EXPLOSIVES; FERTILISERS—<i>contd.</i>							
	(d) Paints, other sorts, coloured, moist— (i) in packing of 1 lb. or over ..	Preferential revenue.	30 per cent. <i>ad valorem</i> or Rs. 8-8 per cwt., whichever is higher plus one-fifth of the total duty.	24 per cent. <i>ad valorem.</i>	....	12 per cent. <i>ad valorem.</i>	....
	(ii) in packing of $\frac{1}{2}$ lb. and over but less than 1 lb.	Preferential revenue.	30 per cent. <i>ad valorem</i> or Rs. 11-4 per cwt., whichever is higher plus one-fifth of the total duty.	24 per cent. <i>ad valorem.</i>	....	....	....
	(iii) in packing of $\frac{1}{4}$ lb. and over but less than $\frac{1}{2}$ lb.	Preferential revenue.	30 per cent. <i>ad valorem</i> or Rs. 17 per cwt., whichever is higher plus one-fifth of the total duty.	24 per cent. <i>ad valorem.</i>	....	....	....
	(iv) in packing of less than $\frac{1}{4}$ lb. ..	Preferential revenue.	30 per cent. <i>ad valorem</i> or Rs. 24 per cwt., whichever is higher plus one-fifth of the total duty.	24 per cent. <i>ad valorem.</i>	....	....	....
30(8)	PAINTS, COLOURS AND PAINTERS' MATERIALS, the following, namely:—						
	(a) Red lead, reduced dry	Revenue ..	25 per cent. <i>ad valorem</i> or Rs. 4-12 per cwt., whichever is higher plus one-fifth of the total duty.	....	....	12 per cent. <i>ad valorem.</i>	....
	(b) White lead, genuine moist, and reduced dry or moist.	Revenue ..	25 per cent. <i>ad valorem</i> or Rs. 5-12 per cwt., whichever is higher plus one-fifth of the total duty.	....	....	....	....
	(c) Zinc white, genuine moist	Revenue ..	25 per cent. <i>ad valorem</i> or Rs. 6 per cwt., whichever is higher plus one-fifth of the total duty.	....	....	....	....
	(d) Zinc white, reduced dry or moist ..	Revenue ..	25 per cent. <i>ad valorem</i> or Rs. 4-4 per cwt., whichever is higher plus one-fifth of the total duty.	....	....	....	....
30(4)	THE FOLLOWING PAINTS, COLOURS AND PAINTERS' MATERIALS, namely, barytes, turpentine, turpentine substitute, and varnish not containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934.	Revenue ..	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
30(5)	PLUMBAGO AND GRAPHITE	Preferential revenue.	36 per cent. <i>ad valorem.</i>	....	24 per cent. <i>ad valorem.</i>	12 per cent. <i>ad valorem.</i>	....
30(6)	PRINTER'S INK	Revenue ..	12 per cent. <i>ad valorem.</i>	....	....	Free ..	....
30(7)	LEAD PENCILS	Revenue ..	25 per cent. <i>ad valorem</i> or one anna per dozen, whichever is higher plus one-fifth of the total duty.	....	....	12 per cent. <i>ad valorem.</i>	....
30(8)	SLATE PENCILS	Revenue ..	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
31	NATURAL ESSENTIAL OILS, all sorts not otherwise specified.	Revenue ..	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
31(1)	THE FOLLOWING NATURAL ESSENTIAL OILS, namely, citronella, cinnamon, and cinnamon leaf.	Preferential revenue.	36 per cent. <i>ad valorem.</i>	....	24 per cent. <i>ad valorem.</i>	12 per cent. <i>ad valorem.</i>	....
	<i>Tariff value—</i>						
			Per lb.				
	Citronella oil, natural, from the Far East.		Rs. a. p.				
			3 10 0				
	N.B.—The tariff value applies to articles packed in containers of not less than 14 lbs.						
31(2)	THE FOLLOWING NATURAL ESSENTIAL OILS, namely, almond, bergamot, gajupattil, camphor, cloves, eucalyptus, lavender, lemon, otto rose and peppermint.	Revenue ..	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
31(3)	ESSENTIAL OILS, synthetic	Revenue ..	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
31(4)	CAMPHOR	Revenue ..	60 per cent. <i>ad valorem.</i>	....	....	24 per cent. <i>ad valorem.</i>	....
1(5)	PERFUMERY not otherwise specified ..	Revenue ..	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
	<i>Tariff value—</i>		Per cwt.				
	Rose-flowers, dried		Rs. a. p.				
			50 0 0				
32	SOAP, not otherwise specified	Revenue ..	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
32(1)	SOAP, Toilet	Revenue ..	25 per cent. <i>ad valorem</i> or Rs. 20 per cwt., whichever is higher plus one-fifth of the total duty.	....	....	12 per cent. <i>ad valorem.</i>	....

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony	Burma.	
SECTION VI—<i>contd.</i>							
CHEMICAL AND PHARMACEUTICAL PRODUCTS, COLOURS AND VARNISHES, PERFUMERY, SOAP, CANDLES AND THE LIKE, GLUES AND GELATINES, EXPLOSIVES, FERTILISERS—<i>contd.</i>							
32(2)	SOAP, household and laundry— (a) in plain bars of not less than one pound in weight. (b) other sorts	Revenue Revenue	Rs. 4-12½ per cwt. Rs. 7-12½ per cwt.			Re. 1-12½ per cwt.	..
32(3)	POLISHES AND COMPOSITIONS	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	..
32(4)	CANDLES	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	..
33	GLUE, not otherwise specified.	Revenue	30 per cent. <i>ad valorem</i>			12 per cent <i>ad valorem</i>	..
33(1)	GLUE, clarified, liquid	Revenue	12 per cent. <i>ad valorem</i>			Free	..
34	GUNPOWDER FOR CANNONS, RIFLES, GUNS, PISTOLS AND SPORTING PURPOSES.	Revenue	60 per cent <i>ad valorem</i>			24 per cent <i>ad valorem</i>	..
34(1)	EXPLOSIVES, namely, blasting gunpowder, blasting gelatine, blasting dynamite, blasting roborite, blasting tonite, and all other sorts, including detonators and blasting fuze.*	Revenue	30 per cent <i>ad valorem</i> .			12 per cent. <i>ad valorem</i>	..
34(2)	FIREWORKS, specially prepared as danger or distress lights for the use of ships.	Revenue	30 per cent <i>ad valorem</i>			12 per cent. <i>ad valorem</i>	..
34(3)	FIREWORKS, not otherwise specified†	Revenue	60 per cent <i>ad valorem</i>			24 per cent <i>ad valorem</i>	..
34(4)	MATCHES, undipped splints and veneers— (a) Matches— (1) In boxes or booklets containing on an average not more than 40 matches. (2) In boxes or booklets containing on an average more than 40 but not more than 60 matches. (3) In boxes or booklets containing on an average more than 60 but not more than 80 matches. (4) All other matches (b) Undipped splints such as are ordinarily used for match-making (c) Veneers such as are ordinarily used for making boxes, including boxes and parts of boxes made of such veneers	Protective Protective Protective Protective Protective Protective	The rate at which excise duty is for the time being leviable on such matches manufactured in British India‡ plus ten annas per gross of boxes or booklets plus one-fifth of the total duty The rate at which excise duty is for the time being leviable on such matches manufactured in British India‡ plus fifteen annas per gross of boxes or booklets plus one-fifth of the total duty The rate at which excise duty is for the time being leviable on such matches manufactured in British India‡ plus Re. 1-4 per gross of boxes or booklets plus one-fifth of the total duty The rate at which excise duty is for the time being leviable on such matches manufactured in British India‡ plus one pie for every 48 matches or fraction thereof plus one-fifth of the total duty Six annas and nine pies per lb Nine annas per lb			The rate at which excise duty is for the time being leviable on such matches manufactured in British India.‡ The rate at which excise duty is for the time being leviable on such matches manufactured in British India.‡ The rate at which excise duty is for the time being leviable on such matches manufactured in British India.‡ The rate at which excise duty is for the time being leviable on such matches manufactured in British India.‡ 12 per cent. <i>ad valorem</i> 12 per cent <i>ad valorem</i>.	............
35	MANURES, all sorts, including animal bones and the following chemical manures—Basic slag, nitrate of ammonia, nitrate of soda, muriate of potash, sulphate of ammonia, sulphate of potash, kainit salts, carbolic lime, urea, nitrate of lime, calcium cyanamide, ammonium phosphates, mineral phosphates and mineral superphosphates.		Free				..

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, explosives specially adapted for use in coal mines and included in the list of "Permitted Explosives" issued by the Chief Inspector of Mines in India under the Indian Coal Mines Regulations, 1928, and in force for the time being are exempt from payment of import duty

† Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, fireworks specially designed for the use of aircraft are liable to duty at 30 per cent. *ad valorem*

‡ For the rates of excise duty on the 1st January, 1946, and until further notice, see page 156.

§ For the rate of excise duty on the 1st January, 1946, and until further notice, see page 156. But under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, matches in boxes or booklets containing on an average more than 40 but not more than 50 matches are liable to duty at the rate equivalent to the excise duty leviable on such matches plus 12 annas and 6 pies per gross of boxes or booklets, exclusive of the additional duty (leviable under the Indian Finance Act, 1944) of one-fifth of the total duty.

¶ The rate of excise duty on the 1st January, 1946, and until further notice is 8 annas for every 1,440 matches or fraction thereof.

SCHEDULE I—IMPORT TARIFF—contd.

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION VII.							
HIDES, SKINS, LEATHER, FUR SKINS, AND MANUFACTURES OF THESE MATERIALS							
36	HIDES AND SKINS not otherwise specified	Revenue	30 per cent <i>ad valorem</i>.	..	....	12 per cent <i>ad valorem</i>.	...
36(1)	HIDES AND SKINS, raw or salted		Free .. .. .	..	..	..	..
36(2)	SKINS (other than Fur Skins), tanned or dressed, and unwrought leather	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
37	THE FOLLOWING LEATHER MANUFACTURES, namely, saddlery, harness, trunks and bags.	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
37(1)	LEATHER CLOTH INCLUDING ARTIFICIAL LEATHER, and other manufactures of leather not otherwise specified.	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
38	FUR SKINS, dressed	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
SECTION VIII.							
RUBBER AND ARTICLES MADE OF RUBBER.							
39	RUBBER, raw		Free .. .. .	..	....	..	..
39(1)	RUBBER TYRES AND TUBES AND OTHER MANUFACTURES OF RUBBER, not otherwise specified, excluding apparel and boots and shoes.*	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
SECTION IX.							
WOOD AND CORK AND WARES OF THESE MATERIALS; GOODS MADE OF PLAITING MATERIALS							
40	WOOD AND TIMBER, all sorts, not otherwise specified, including all sorts of ornamental wood.	Revenue	30 per cent <i>ad valorem</i>.	..	..	Free	..
40(1)	FIREWOOD	Revenue	3 per cent <i>ad valorem</i>.	..	..	Free	..
40(2)	FURNITURE AND CABINETWARE, not otherwise specified, excluding mouldings.	Revenue	30 per cent <i>ad valorem</i>.	..	..	Free	..
40(3)	TEA CHESTS AND PARTS AND FITTINGS thereof	Revenue	30 per cent <i>ad valorem</i>.	..	..	Free	..
41	CORK MANUFACTURES not otherwise specified	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
42	FURNITURE OF WICKERWORK OR BAMBOO ..	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
SECTION X.							
PAPER AND ITS APPLICATIONS.							
43	WOOD PULP	Protective	25 per cent <i>ad valorem</i> or Rs. 50 per ton, whichever is higher plus one-fifth of the total duty	..	..	12 per cent <i>ad valorem</i> .	March 31st, 1947.
44	WRITING PAPER—						
	(a) Ruled or printed forms (including letter paper with printed headings) and envelopes made of writing paper and account and manuscript books and binding thereof	Protective	Nine pias per lb. or 25 per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty	..	..	12 per cent <i>ad valorem</i> .	March 31st, 1947.
	(b) All other sorts	Protective	Ten and four-fifths pias per lb.	..	..	12 per cent <i>ad valorem</i> .	March 31st, 1947.
44(1)	PRINTING PAPER, excluding poster and stereo and all coated papers, but including art paper; all sorts which contain no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 70 per cent of the fibre content.	Protective	Ten and four-fifths pias per lb.	..	..	12 per cent <i>ad valorem</i> .	March 31st, 1947.
44(2)	PRINTING PAPER, all sorts not otherwise specified which contain mechanical wood pulp amounting to not less than 70 per cent. of the fibre content.†	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
44(3)	PAPER, including poster and stereo and all coated papers except art paper, all sorts, not otherwise specified.	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
44(4)	PAPERBOARD, MILLBOARD, CARDBOARD AND STRAWBOARD, all sorts.	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..
44(5)	TRADE CATALOGUES AND ADVERTISING CIRCULARS imported by packet, book or parcel post		Free	..	..	..	..
44(6)	PAPER MONEY		Free .. .. .	..	..	..	..
44(7)	NEWSPAPERS, Old, in bales and bags	Revenue	30 per cent <i>ad valorem</i>.	..	..	12 per cent <i>ad valorem</i> .	..

* Under Government of India, Finance Department (Central Revenue), Notification No 36, dated the 27th June, 1942, rubber scrap including unserviceable rubber tyres is exempt from payment of import duty.

† Under Government of India, Finance Department (Central Revenue), Notification No 33 dated the 22nd June, 1938, as amended subsequently, the following classes of printing paper containing mechanical wood pulp amounting to not less than 70 per cent of the fibre content are exempt from payment of so much of the import duty as is in excess of the amount mentioned against each:—(i) newsprint in reels, unglazed—Rs. 112½ per cwt., (ii) newsprint in reels, other sorts—Rs. 2 1½ per cwt., and (iii) all sorts not in reels (excluding chrome, marble, tint, poster, stereo and art paper) white or grey—Rs. 2-6½ per cwt.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION X—<i>concid.</i>							
PAPER AND ITS APPLICATIONS—<i>concid.</i>							
46	ARTICLES MADE OF PAPER AND PAPER MACHE, Stationery including drawing and copy books, labels, advertising circulars, sheet or card almanacs and calendars, Christmas, Easter and other cards, including cards in booklet forms; including also waste paper but excluding paper and stationery other wise specified.*	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
46(1)	Books, printed, including covers for printed books, maps, charts and plans, proofs, music manuscripts, and illustrations specially made for binding in books.		Free				
46(3)	PRINTS, ENGRAVINGS AND PICTURES (including photographs and picture post cards) on paper or cardboard.†	Revenue	60 per cent <i>ad valorem</i>			24 per cent <i>ad valorem</i>	
SECTION XI.							
TEXTILE MATERIALS AND TEXTILE GOODS.							
46	SILK, RAW (excluding silk waste and noils), and silk cocoons.	Protective	25 per cent <i>ad valorem</i> plus 14 annas per lb plus one-fifth of the total duty			12 per cent <i>ad valorem</i>	March 31st, 1947
46(1)	SILK WASTE AND NOILS	Protective	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i>	March 31st, 1947
46(2)	WOOL, RAW, AND WOOLTOPS		Free				
46(3)	COTTON, RAW	Revenue	Two annas per lb			Free	
46(4)	TEXTILE MATERIALS, the following— Raw flax, hemp, jute and all other unmanufactured textile materials not otherwise specified.	Revenue	Raw hemp—22½ per cent <i>ad valorem</i> , all others—30 per cent <i>ad valorem</i> .			Raw hemp—free; all other 12 per cent <i>ad valorem</i>	
46(5)	SIRAL AND ALGAE FIBRE	Preferential revenue	36 per cent <i>ad valorem</i>		24 per cent <i>ad valorem</i>	12 per cent <i>ad valorem</i>	....
47	SILK YARN including thrown silk warps and yarn spun from silk waste or noils, but excluding sewing thread.‡	Protective	25 per cent <i>ad valorem</i> plus 14 annas per lb. plus one-fifth of the total duty			12 per cent <i>ad valorem</i> .	March 31st, 1947
47(1)	SILK SEWING THREAD	Protective	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i>	March 31st, 1947
47(2)	ARTIFICIAL SILK YARN AND THREAD	Revenue	25 per cent <i>ad valorem</i> or 5 annas per lb., whichever is higher plus one-fifth of the total duty			12 per cent <i>ad valorem</i>	
47(3)	WOOLLEN YARN, not otherwise specified	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
47(4)	WOOLLEN YARN for weaving and knitting wool.	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
47(5)	COTTON THREAD, other than sewing or darning thread.	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i> .	
47(6)	COTTON TWIST AND YARN, and cotton sewing or darning thread§— (a) of counts above 50's— (i) of British manufacture .. (ii) not of British manufacture .. (b) of counts 50's and below— (i) of British manufacture .. (ii) not of British manufacture	Protective	6 per cent <i>ad valorem</i>				March 31st, 1947
		Protective	7½ per cent <i>ad valorem</i>				March 31st, 1947
		Protective	5 per cent <i>ad valorem</i> or 1½ annas per lb., whichever is higher plus one-fifth of the total duty				March 31st, 1947
		Protective	6½ per cent <i>ad valorem</i> or 1½ annas per lb., whichever is higher plus one-fifth of the total duty				March 31st, 1947
47(7)	TWIST AND YARN OF FLAX OR JUTE	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
47(8)	YARN (excluding cotton yarn) such as is ordinarily used for the manufacture of belting for machinery	Revenue	7½ per cent <i>ad valorem</i> .			Free	

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, posters, pamphlets and other printed material intended for tourist propaganda purposes, provided they are issued by or under the auspices of the Governments of the countries, being countries outside India, within which travel is to be stimulated and are not primarily intended to advertise the services of any private tourist agency, are exempt from payment of import duty

† Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, wall pictures and diagrams such as are ordinarily used for instructional purposes are exempt from payment of import duty

‡ Under Government of India Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, noil yarn is exempt from so much of the duty as is in excess of 30 per cent *ad valorem*.

§ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, cotton sewing or darning thread wound on reels, balls, tubes, cards, bobbins, spools, cops, cheeses and cones is liable to duty at 6 per cent *ad valorem* when the thread is of British manufacture and at 7½ per cent *ad valorem* when it is of non British manufacture.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION XI—<i>contd.</i>							
TEXTILE MATERIALS AND TEXTILE GOODS—<i>contd.</i>							
48	FABRICS, not otherwise specified, containing more than 90 per cent. of silk, including such fabrics embroidered with artificial silk—					24 per cent. <i>ad valorem</i> .	
	(a) Ponges	Protective ..	50 per cent. <i>ad valorem</i> plus Re. 1 per lb. plus one-fifth of the total duty.				March 31st, 1947.
	(b) Fujl, Boseki and corded (excluding white cord).	Protective ..	50 per cent. <i>ad valorem</i> plus Re. 1-8 per lb. plus one-fifth of the total duty.				March 31st, 1947.
	(c) Other sorts* .. .	Protective ..	50 per cent. <i>ad valorem</i> plus Re. 2 per lb. plus one-fifth of the total duty.				March 31st, 1947.
48(1)	FABRICS, not otherwise specified, containing more than 90 per cent. of artificial silk—					18 per cent. <i>ad valorem</i> .	
	(a) of British manufacture .. .	Protective ..	30 per cent. <i>ad valorem</i> or 2½ annas per square yard, whichever is higher plus one-fifth of the total duty.				March 31st, 1947.
	(b) not of British manufacture† ..	Protective ..	50 per cent. <i>ad valorem</i> or 4 annas per square yard, whichever is higher plus one-fifth of the total duty.				March 31st, 1947.
48(2)	WOOLLEN FABRICS, not otherwise specified, containing more than 80 per cent. of wool, excluding felt and fabrics made of shoddy or waste wool.	Revenue ..	25 per cent. <i>ad valorem</i> or Re. 1-2 per lb., whichever is higher plus one-fifth of the total duty.			12 per cent. <i>ad valorem</i> .	
48(8)	COTTON FABRICS, not otherwise specified, containing more than 90 per cent. of cotton—					6 per cent. <i>ad valorem</i> .	
	(a) Grey piecegoods (excluding bordered grey chadars, dhutias, saris and scarves)—						
	(i) of British manufacture‡ ..	Protective ..	15 per cent. <i>ad valorem</i> or 2½ annas per lb., whichever is higher plus one-fifth of the total duty.				March 31st, 1947.
	(ii) not of British manufacture ..	Protective ..	50 per cent. <i>ad valorem</i> or 3½ annas per lb., whichever is higher plus one-fifth of the total duty.				March 31st, 1947.
	(b) Printed piecegoods and printed fabrics—						
	(i) of British manufacture§ ..	Protective ..	21 per cent. <i>ad valorem</i> .				March 31st, 1947.
	(ii) not of British manufacture ..	Protective ..	60 per cent. <i>ad valorem</i> .				March 31st, 1947.
	(c) Cotton piecegoods and fabrics, not otherwise specified—						
	(i) of British manufacture¶ ..	Protective ..	18 per cent. <i>ad valorem</i> .				March 31st, 1947.
	(ii) not of British manufacture ..	Protective ..	60 per cent. <i>ad valorem</i> .				March 31st, 1947.
48(4)	FABRICS, not otherwise specified, containing more than 10 per cent. and not more than 90 per cent. silk—					24 per cent. <i>ad valorem</i> .	
	(a) containing more than 50 per cent. of silk or artificial silk or of both.	Protective ..	50 per cent. <i>ad valorem</i> plus Re. 2 per lb. plus one-fifth of the total duty.				March 31st, 1947.
	(b) containing not more than 50 per cent. of silk or artificial silk or of both—						
	(i) containing more than 10 per cent. artificial silk.§§	Protective ..	50 per cent. <i>ad valorem</i> or Re. 1-8 per lb., whichever is higher plus one-fifth of the total duty.				March 31st, 1947.
	(ii) containing no artificial silk or not more than 10 per cent. artificial silk.§§	Protective ..	60 per cent. <i>ad valorem</i> .				March 31st, 1947.

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, (1) Chinese silk piecegoods, the following, namely, Ghat-Pote, plain and flower, and Gauze, plain and flower, are liable to duty at 50 per cent. *ad valorem* plus Re. 1 per lb. plus one-fifth of the total duty, and (2) Paj all sorts, are exempt from so much of the duty as is in excess of 90 per cent. *ad valorem*.

† Under Government of India, Commerce Department, Notification No. 341-T.(6)/41, dated the 21st July, 1941, the articles assessable under this sub-item are liable to duty at 50 per cent. *ad valorem* or 7 annas per square yard, whichever is higher plus one-fifth of the total duty.

‡ Under Government of India, Commerce Department, Notification No. 20-T.(17)/39, dated the 16th April, 1940, the articles assessable under this sub-item are liable to duty at 12½ per cent. *ad valorem* or 2½ annas per lb. whichever is higher plus one-fifth of the total duty.

§ Under Government of India, Commerce Department, Notification No. 20-T.(17)/39, dated the 16th April, 1940, the articles assessable under this sub-item are liable to duty at 18 per cent. *ad valorem*.

¶ Under Government of India, Commerce Department, Notification No. 20-T.(17)/39, dated the 16th April, 1940, the articles assessable under this sub-item are liable to duty at 15 per cent. *ad valorem*.

§§ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, woollen all-overs embroidered with artificial silk are exempt from so much of the duty as is in excess of 25 per cent. *ad valorem* or Re. 1-2 per lb., whichever is higher plus one-fifth of the total duty.

SCHEDULE I—IMPORT TARIFF—*contd*

Item No.	Name of article.	Nature of duty	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony	Burma.	
SECTION XI—<i>contd.</i>							
TEXTILE MATERIALS AND TEXTILE GOODS—<i>contd.</i>							
48(5)	FABRICS, not otherwise specified, containing not more than 10 per cent silk but more than 10 per cent and not more than 90 per cent artificial silk—					18 per cent <i>ad valorem</i>	
	(a) containing 50 per cent. or more cotton—	Protective	50 per cent <i>ad valorem</i> or 2 annas per square yard, whichever is higher plus one-fifth of the total duty				March 31st, 1947.
	(i) of British manufacture						
	(ii) not of British manufacture*	Protective	50 per cent <i>ad valorem</i> or 3½ annas per square yard, whichever is higher plus one-fifth of the total duty				March 31st, 1947
	(b) containing no cotton or containing less than 50 per cent cotton—	Protective	50 per cent <i>ad valorem</i> or 3½ annas per square yard, whichever is higher plus one-fifth of the total duty.				March 31st, 1947.
	(i) of British manufacture						
	(ii) not of British manufacture†	Protective	50 per cent. <i>ad valorem</i> or 4 annas per square yard, whichever is higher plus one-fifth of the total duty				March 31st, 1947.
48(6)	FABRICS, not otherwise specified, containing not more than 10 per cent. silk or 10 per cent. artificial silk, but containing more than 10 per cent but not more than 90 per cent wool.	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
48(7)	FABRICS, not otherwise specified, containing not more than 10 per cent silk or 10 per cent artificial silk or 10 per cent wool, but containing more than 50 per cent. cotton and not more than 90 per cent. cotton—					18 per cent. <i>ad valorem</i> .	
	(a) of British manufacture	Protective	60 per cent. <i>ad valorem</i>				March 31st, 1947.
	(b) not of British manufacture	Protective	60 per cent <i>ad valorem</i> ;				March 31st, 1947.
48(8)	FABRICS, not otherwise specified, containing not more than 10 per cent. silk or 10 per cent. artificial silk or 10 per cent wool or 50 per cent. cotton.	Revenue	30 per cent. <i>ad valorem</i> ;			12 per cent. <i>ad valorem</i> .	
48(9)	THE FOLLOWING COTTON FABRICS, namely, Satens including Italians of Saten weave, velvets and velvettes and embroidered all-overs—					6 per cent. <i>ad valorem</i> .	
	(a) Printed fabrics—						
	(i) of British manufacture‡	Protective	21 per cent. <i>ad valorem</i> .				March 31st, 1947.
	(ii) not of British manufacture	Protective	42 per cent <i>ad valorem</i>				March 31st, 1947
	(b) Other fabrics—						
	(i) of British manufacture‡	Protective	18 per cent <i>ad valorem</i> .				March 31st, 1947.
	(ii) not of British manufacture	Protective	42 per cent. <i>ad valorem</i> .				March 31st, 1947
48(10)	FABRICS containing gold or silver thread	Protective	60 per cent. <i>ad valorem</i> .			24 per cent. <i>ad valorem</i> .	March 31st, 1947.
49	TEXTILE MANUFACTURES, the following articles when made wholly or mainly of any of the fabrics specified in Item No 48, 48(1), 48(3), 48(4), 48(5), 48(7), 48(9) or 48(10) —	Protective	The <i>ad valorem</i> rates of duty applicable to the fabric of which the article is wholly or mainly made.			The <i>ad valorem</i> rates of duty applicable to the Burmese fabric of which the article is wholly or mainly made.	The duration applicable to the fabric of which the article is wholly or mainly made.
	Bed sheets.						
	Bedspreads.						
	Bolster cases.						
	Counterpanes.						
	Cloths, table.						
	Cloths, tray						
	Covers, bed.						
	Covers, table.						
	Dusters.						
	Glass-cloths.						
	Handkerchiefs.						
	Napkins.						
	Pillow cases.						
	Pillow slips.						
	Scarves.						
	Shirts.						
	Shawls.						
	Sacks (cotton)						
	Towels.						
	Umbrella Coverings.						

* Under Government of India, Commerce Department, Notification No 341 T (6)/41, dated the 21st July 1941, the articles assessable under this sub-item are liable to duty at 50 per cent. *ad valorem* or 5½ annas per square yard, whichever is higher plus one-fifth of the total duty.

† Under Government of India, Commerce Department, Notification No 341-T (6)/41, dated the 21st July, 1941, the articles assessable under this sub-item are liable to duty at 50 per cent. *ad valorem* or 7 annas per square yard, whichever is higher plus one-fifth of the total duty

‡ Under Government of India, Commerce Department, Notification No. 20-T. (17)/39, dated the 16th April, 1940, the articles assessable under this sub-item are liable to duty at 18 per cent. *ad valorem*.

§ Under Government of India, Commerce Department; Notification No. 20-T. (17)/39, dated the 16th April, 1940, the articles assessable under this sub-item are liable to duty at 15 per cent *ad valorem*.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION XI—<i>contd.</i>							
TEXTILE MATERIALS AND TEXTILE GOODS—<i>contd.</i>							
49(1)	FRENDS, being <i>bons fils</i> remnants of piecegoods or other fabrics—					24 per cent. <i>ad valorem</i> .	
	(a) of materials liable to duty under Item 49(3), not exceeding 4 yards in length.	Preferential revenue.	43 per cent. <i>ad valorem</i> .	30 per cent. <i>ad valorem</i>.	....	....	....
	(b) of materials liable to duty under Item 48, 43(1), 48(4), or 48(5), not exceeding 2½ yards in length.	Preferential revenue.	43 per cent. <i>ad valorem</i> .	30 per cent. <i>ad valorem</i>.	....	....	....
	(c) of other materials, not exceeding 4 yards in length.	Preferential revenue.	42 per cent. <i>ad valorem</i> .	30 per cent. <i>ad valorem</i>.	....	....	....
49(2)	RIBBONS	Revenue ..	60 per cent. <i>ad valorem</i>.	....	....	24 per cent. <i>ad valorem</i>.	....
49(3)	BLANKETS AND RUGS (other than floor rugs), excluding blankets and rugs made wholly or mainly from artificial silk.	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
49(4)	WOOLLEN CARPETS, FLOOR RUGS, SHAWLS AND OTHER MANUFACTURES OF WOOL, not otherwise specified, including felt.*	Preferential revenue.	42 per cent. <i>ad valorem</i> .	30 per cent. <i>ad valorem</i>.	....	18 per cent. <i>ad valorem</i>.	....
49(5)	COTTON BRAIDS OR CORDS, the following, namely:— Ghoosis and Muktakesis.	Protective ..	7½ annas per lb. ..	....	....	Free.	March 31st, 1947.
50	JUTE MANUFACTURES, not otherwise specified.	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
50(1)	SECOND HAND OR USED GUNNY BAGS OR CLOTH made of Jute.	....	Free .. .. .	....	....	....	....
50(2)	HEMP MANUFACTURES	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
50(3)	COTTON, HAIR AND CANVAS PLY belting for machinery.	Revenue ..	7½ per cent. <i>ad valorem</i>.	....	....	Free.	....
50(4)	ROPES, cotton .. .. .	....	Free .. .. .	....	....	....	....
50(5)	OIL CLOTH AND FLOOR CLOTH	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
50(6)	CORDAGE, ROPE AND TWINE OF VEGETABLE FIBRE other than jute and cotton, not otherwise specified.	Revenue ..	50 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
50(7)	MATS AND MATTINGS, not otherwise specified	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
50(8)	COIR FIBRE, COIR YARN AND COIR MATS AND MATTING.	Preferential revenue.	36 per cent. <i>ad valorem</i>.	....	24 per cent. <i>ad valorem</i> .	12 per cent. <i>ad valorem</i>.	....
	<i>Tariff value —</i>	<i>Per cwt.</i>					
	Coir fibre	Rd. a. p. 15 0 0					
51	SOCKS AND STOCKINGS made wholly or mainly from silk or artificial silk.	Revenue ..	60 per cent. <i>ad valorem</i>.	....	....	24 per cent. <i>ad valorem</i>.	....
51(1)	WOOLLEN HOSIERY AND WOOLLEN KNITTED APPAREL, that is to say, all hosiery and knitted apparel containing not less than 15 per cent. of wool by weight.	Revenue ..	25 per cent. <i>ad valorem</i> or Rs. 1-2 per lb., whichever is higher plus one-fifth of the total duty.	....	....	12 per cent. <i>ad valorem</i>.	....
51(2)	COTTON KNITTED APPAREL, including apparel made of cotton interlocking material, cotton undervests, knitted or woven, and cotton socks and stockings—					12 per cent. <i>ad valorem</i> .	
	(a) of a weight not exceeding 4 lbs. per dozen.	Protective ..	25 per cent. <i>ad valorem</i> or 12 annas per lb., whichever is higher plus one-fifth of the total duty.	....	....	....	March 31st, 1947.
	(b) of a weight exceeding 4 lbs. per dozen..	Protective ..	25 per cent. <i>ad valorem</i> or 10 annas per lb., whichever is higher plus one-fifth of the total duty.	....	....	....	March 31st, 1947.
51(3)	COTTON KNITTED FABRIC	Protective ..	50 per cent. <i>ad valorem</i> or 12 annas per lb., whichever is higher plus one-fifth of the total duty.	....	....	24 per cent. <i>ad valorem</i> .	March 31st, 1947.
52	APPAREL, HOSIERY, HABERDASHERY, MILLINERY AND DRAPERY, not otherwise specified.	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....
53(1)	SILK OR ARTIFICIAL SILK GOODS used or required for medical purposes, namely:— silk or artificial silk ligatures; elastic silk or artificial silk hosiery, elbow pieces, thigh pieces, knee caps, leggings, socks, anklets, stockings, suspensory bandages, silk or artificial silk abdominal belts, silk or artificial silk web catheter tubes, and oiled silk or artificial silk.	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	12 per cent. <i>ad valorem</i>.	....

* Under Government of India, Finance Department (Central Revenue), Notification No. 33, dated the 22nd June, 1935, woollen waste and rags are exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No	Name of article.	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony	Burma	
SECTION XI—<i>concl'd.</i>							
TEXTILE MATERIALS AND TEXTILE GOODS—<i>concl'd.</i>							
52(2)	UNIFORMS AND ACCOUTREMENTS APPERTAINING THEREON, imported by a public servant for his personal use.		Free				
52(8)	INSIGNIA AND BADGES of official British and Foreign Orders.		Free				
53	TEXTILE MANUFACTURES, not otherwise specified.	Revenue	30 per cent <i>ad valorem</i> .			12 per cent. <i>ad valorem</i> .	
56(1)	RAGS AND OTHER PAPER-MAKING MATERIALS excluding wood pulp.		Free				
SECTION XII.							
FOOTWEAR, HATS, UMBRELLAS AND PARASOLS; ARTICLES OF FASHION							
54	BOOTS AND SHOES	Revenue	25 per cent <i>ad valorem</i> or six annas per pair, whichever is higher plus one-fifth of the total duty.			12 per cent. <i>ad valorem</i> .	
54(1)*							
54(2)	UPPERS FOR BOOTS AND SHOES unless entirely made of leather	Revenue	25 per cent <i>ad valorem</i> or three annas per pair, whichever is higher plus one-fifth of the total duty			12 per cent <i>ad valorem</i>	
55	HATS, CAPS, BONNETS AND HATTERS' WARE, not otherwise specified.	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i> .	
56	PARASOLS AND SUNSHADES AND FITTINGS for umbrellas, parasols and sunshades.	Revenue	30 per cent <i>ad valorem</i> .			12 per cent. <i>ad valorem</i>	
56(1)	UMBRELLAS	Revenue	25 per cent <i>ad valorem</i> or eight annas each, whichever is higher plus one-fifth of the total duty			12 per cent. <i>ad valorem</i>	
57*							
SECTION XIII.							
WARES OF STONE AND OF OTHER MINERAL MATERIALS; CERAMIC PRODUCTS; GLASS AND GLASSWARE							
58	ARTICLES MADE OF STONE OR MARBLE	Revenue	30 per cent <i>ad valorem</i>			12 per cent. <i>ad valorem</i>	
58(1)	ASBESTOS MANUFACTURES, not otherwise specified	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i> .	
58(2)	PACKING—ENGINE AND BOILER—all sorts, not otherwise specified	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i>	
59	BUILDING AND ENGINEERING MATERIALS, all sorts not of iron, steel or wood, not otherwise specified, including tiles other than glass, earthenware or porcelain tiles, and firebricks not being component parts of any articles included in Item No 72 or No 74(2)†	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i>	
59(1)	BUILDING AND ENGINEERING BRICKS	Revenue	30 per cent <i>ad valorem</i>			12 per cent. <i>ad valorem</i> .	
59(2)	EARTHENWARE, CHINA AND PORCELAIN, all sorts not otherwise specified.	Revenue	30 per cent <i>ad valorem</i> .			12 per cent. <i>ad valorem</i>	
59(3)	EARTHENWARE PIPES AND SANITARY WARE	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i> .	
59(4)	TILES OF EARTHENWARE AND PORCELAIN	Revenue	25 per cent <i>ad valorem</i> or two annas per square foot, whichever is higher plus one-fifth of the total duty			12 per cent. <i>ad valorem</i> .	

* There are no entries bearing Item Nos. 54(1) and 57

† Under Government of India, Finance Department (Central Revenue), Notification No 38 dated the 22nd June, 1935, sand is exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
	SECTION XIII—<i>contd.</i>						
	WARES OF STONE AND OF OTHER MINERAL MATERIALS; CERAMIC PRODUCTS; GLASS AND GLASSWARE—<i>contd.</i>						
59(5)	DOMESTIC EARTHENWARE, china and porcelain, the following, namely:—						12 per cent. <i>ad valorem</i> .
	(a) Tea cups and coffee cups—						
	(i) having a capacity of more than 7½ ozs.	Revenue	25 per cent. <i>ad valorem</i> or ten annas per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(ii) having a capacity of not more than 7½ ozs.	Revenue	25 per cent. <i>ad valorem</i> or four annas per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(b) Saucers—						
	(i) for use with tea cups or coffee cups having a capacity of more than 7½ ozs.	Revenue	25 per cent. <i>ad valorem</i> or five annas per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(ii) for use with tea cups or coffee cups having a capacity of not more than 7½ ozs.	Revenue	25 per cent. <i>ad valorem</i> or two annas per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(c) Tea-pots—						
	(i) having a capacity of more than 20 ozs.	Revenue	25 per cent. <i>ad valorem</i> or Re. 3 per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(ii) having a capacity of more than 10 ozs. and not more than 20 ozs.	Revenue	25 per cent. <i>ad valorem</i> or Re. 1-8 per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(iii) having a capacity of not more than 10 ozs.	Revenue	25 per cent. <i>ad valorem</i> or twelve annas per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(d) Sugar-bowls	Revenue	25 per cent. <i>ad valorem</i> or Re. 1-8 per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(e) Jugs having a capacity of over 10 ozs.	Revenue	25 per cent. <i>ad valorem</i> or twelve annas per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(f) Plates over 5½ inches in diameter—						
	(i) over 8½ inches in diameter	Revenue	25 per cent. <i>ad valorem</i> or Re. 1 per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(ii) not over 8½ inches in diameter	Revenue	25 per cent. <i>ad valorem</i> or ten annas per dozen, whichever is higher plus one-fifth of the total duty.	....	....
59(6)	COVERED CRUCIBLES FOR GLASS-MAKING	Revenue	30 per cent. <i>ad valorem</i>.	....	....		12 per cent. <i>ad valorem</i> .
60	GLASS AND GLASSWARE, not otherwise specified, and lacquered ware.	Revenue	30 per cent. <i>ad valorem</i>	....	....		Lacquered-ware—free; all others 12 per cent. <i>ad valorem</i> .
60(1)	GLASS GLOBES AND CHIMNEYS for lamps and lanterns—						12 per cent. <i>ad valorem</i> .
	(a) Globes for hurricane lanterns	Revenue	25 per cent. <i>ad valorem</i> or four annas and six pies per dozen, whichever is higher plus one-fifth of the total duty.	....	....
	(b) Other globes and chimneys having an external base diameter of over one inch.	Revenue	25 per cent. <i>ad valorem</i> or three annas per dozen, whichever is higher plus one-fifth of the total duty.	....	....
60(2)	ELECTRIC LIGHTING BULBS	Revenue	60 per cent. <i>ad valorem</i>.	....	....		24 per cent. <i>ad valorem</i> .
60(3)	GLASS BANGLES, GLASS BEADS AND FALSE PEARLS.	Revenue	60 per cent. <i>ad valorem</i>.	....	....		24 per cent. <i>ad valorem</i> .

SCHEDULE I—IMPORT TARIFF—*contd*

Item No.	Name of article.	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A. British Colony	Burma.	
SECTION XIV.							
REAL PEARLS, PRECIOUS STONES, PRECIOUS METALS AND WARES OF THOSE MATERIALS, COIN (SPECIE).							
61	PRECIOUS STONES, unset and imported uncut, and Pearls, unset		Free				
61(1)	PRECIOUS STONES, unset and imported cut*	Revenue	30 per cent <i>ad valorem</i> .				
61(2)	SILVER BULLION AND SILVER SHEETS AND PLATES which have undergone no process of manufacture subsequent to rolling.†	Revenue	Four annas and seven and one-fifth pies per ounce.				
61(3)	GOLD BULLION AND GOLD SHEETS AND PLATES which have undergone no process of manufacture subsequent to rolling	Revenue	Rs. 12-8 per tola of 180 grains fine				
61(4)	SILVER PLATE AND SILVER MANUFACTURES, all sorts not otherwise specified.	Revenue	60 per cent <i>ad valorem</i> .			24 per cent. <i>ad valorem</i> .	
61(5)	SILVER THREAD AND WIRE (including so-called gold thread and wire mainly made of silver) and silver leaf including also imitation gold and silver thread and wire, lametta and metallic spangles and articles of a like nature, of whatever metal made.‡	Protective	75 per cent <i>ad valorem</i> .			24 per cent. <i>ad valorem</i>	March 31st, 1947
61(6)	GOLD PLATE, GOLD LEAF AND GOLD MANUFACTURES, all sorts not otherwise specified.	Revenue	60 per cent <i>ad valorem</i> .			24 per cent. <i>ad valorem</i>.	....
61(7)	GOLD OR GOLD-PLATED PEN NIBS	Revenue	60 per cent. <i>ad valorem</i>			24 per cent. <i>ad valorem</i>.	....
61(8)	ARTICLES, other than cutlery and surgical instruments, plated with gold or silver ‡	Revenue	60 per cent. <i>ad valorem</i> .			24 per cent. <i>ad valorem</i>	....
61(9)	CUTLERY, plated with gold or silver	Revenue	60 per cent. <i>ad valorem</i> .			24 per cent. <i>ad valorem</i>.	....
61(10)	JEWELLERY AND [JEWELS]§	Revenue	60 per cent <i>ad valorem</i>			24 per cent. <i>ad valorem</i>	....
62	CURRENT COIN OF THE GOVERNMENT OF INDIA.		Free				
62(1)	SILVER COIN, not otherwise specified	Revenue	Four annas and seven and one-fifth pies per ounce.				
62(2)	GOLD COIN	Revenue	Rs. 12-8 per tola of 180 grains fine.				
SECTION XV.							
BASE METALS AND ARTICLES MADE THEREFROM.							
63	IRON OR STEEL, old††	Revenue	18½ per cent <i>ad valorem</i>			Free	....
	<i>Tariff value—</i>						
	Per cwt.						
	Ra. a. p.						
	Iron or steel, old for remelting.						1 8 0
63(1)	IRON ALLOYS, viz., ferro-manganese, ferro-silicon, ferro-chrome, spiegeleisen and the like as commonly used for steel making	Revenue	18½ per cent <i>ad valorem</i> .			Free	....
63(2)	IRON OR STEEL ANGLES, CHANNELS, TEES, FLATS, BEAMS, ZEDS, TROUGHS AND PILING—					Free	
	(a) not fabricated—						
	(i) of British manufacture—						
	not coated with other metals.	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India, † or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st, 1947
	coated with other metals	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India, † or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.				March 31st, 1947
	(ii) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India, † plus Rs. 43 per ton plus one-fifth of the total duty				March 31st, 1947

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, precious stones imported cut and unset are liable to duty at 6 per cent *ad valorem*

† The rate of excise duty on the 1st January, 1946, and until further notice, on all silver produced in silver works in British India, is 3 annas and 7½ pies per ounce Troy

‡ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, all the articles included in this item are liable to duty at 60 per cent. *ad valorem*.

§ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, articles of imitation jewellery (including buttons and other fasteners) which consist of, or include, base metal plated with gold or silver or both and in which the proportion of gold or silver or both together to total metallic contents is less than 1.5 per cent., are liable to duty which would have been leviable had they contained no gold or silver

†† Under Government of India, Finance Department (Central Revenues), Notification No. 80-C, dated the 4th October, 1941, as amended subsequently, iron and steel, old, covered by this item when imported from Burma, are exempt from payment of import duty

‡ The rate of excise duty on the 1st January, 1946, and until further notice on all steel ingots produced in British India is Rs. 4 per ton.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION XV—<i>contd.</i>							
BASE METALS AND ARTICLES MADE THEREFROM—<i>contd.</i>							
	(b) fabricated—						
	(i) of British manufacture	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 40 per ton plus one-fifth of the total duty.	....	....	Free ..	March 31st, 1947.
	(ii) not of British manufacture	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 40 per ton plus one-fifth of the total duty.	....	....	Free ..	March 31st, 1947.
63(3)	IRON OR STEEL BAR AND ROD—						
	(i) of British manufacture	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 10 per ton; or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....	Free ..	March 31st, 1947.
	(ii) not of British manufacture	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 30 per ton; or 20 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....	Free ..	March 31st, 1947.
63(4)	IRON, pig	Revenue ..	18½ per cent. <i>ad valorem</i>.	....	....	Free ..	....
63(5)	IRON RICE BOWLS	Revenue ..	18½ per cent. <i>ad valorem</i>.	....	....	Free ..	....
63(6)	CAST IRON PIPES AND TUBES: also cast iron fittings therefor, that is to say, bends, boots, elbows, tees, sockets, flanges, plugs, valves, cocks and the like—						
	(i) of British manufacture†	Protective ..	12 per cent. <i>ad valorem</i>.	....	....	Free ..	March 31st, 1947.
	(ii) not of British manufacture	Protective ..	Rs. 60-0-0 per ton ..	....	....	Free ..	March 31st, 1947.
63(7)	CAST IRON PLATES	Revenue ..	18½ per cent. <i>ad valorem</i>.	....	....	Free ..	....
63(8)	STEEL INGOTS	Revenue ..	The excise duty leviable for the time being on steel ingots produced in British India* or 15½ per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....	Free ..	....
	Iron or steel blooms, billets and slabs, provided that no piece less than 1½ inches square or thick shall be included in this item.‡						
63(9)	IRON OR STEEL STRUCTURES, fabricated partially or wholly, not otherwise specified, if made mainly or wholly of iron or steel bars, sections, plates or sheets, for the construction of buildings, bridges, tanks, well curbs, trestles, towers and similar structures or for parts thereof, but not including builders' hardware or any of the articles specified in Item Nos. 72, 72(3), 74(1), 75(3), 75(4) or 76(1)—						
	(a) of British manufacture	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 40 per ton plus one-fifth of the total duty.	....	....	Free ..	March 31st, 1947.
	(b) not of British manufacture	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 40 per ton plus one-fifth of the total duty.	....	....	Free ..	March 31st, 1947.
63(10)	STEEL, TINPLATES AND TINNED SHEETS, including tin taggers, and cuttings of such plates, sheets or taggers—						
	(i) of British manufacture	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 38 per ton plus one-fifth of the total duty.	....	....	Free ..	March 31st, 1947.

* The rate of excise duty on the 1st January, 1946, and until further notice, on all steel ingots produced in British India is Rs. 4 per ton.

† Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, cast iron fittings for cast iron pipes and tubes, that is to say, bends, boots, elbows, tees, sockets, plugs, valves, cocks and the like of British manufacture are exempt from so much of the duty as is in excess of Rs. 60 per ton.

‡ Under Government of India, Finance Department (Central Revenues) Notification No. 33, dated the 22nd June, 1935, iron or steel billets are exempt from payment of the alternative *ad valorem* duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duty on produce when rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
	SECTION XV—<i>contd.</i> BASE METALS AND ARTICLES MADE THEREFROM—<i>contd.</i>						
	(4) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 59 per ton plus one-fifth of the total duty	..	..	Free	March 31st, 1947
69(11)	Iron on Steel, Arched and Curved	Revenue	12½ per cent. <i>ad valorem</i>.	..	..	Free	March 31st, 1947.
69(12)	A. Iron on Steel, Bars and Nuts, including hookbolts and nuts for roofing but excluding lag fish bolts and nuts— (1) of British manufacture†	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 14-0 per cent. <i>ad valorem</i> of the total duty	..	..	Free	March 31st, 1947.
	(4) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty	..	..	Free	March 31st, 1947
	B. Iron on Steel, Flat Bars and Nuts— (1) of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 4-5-0 per cent. <i>ad valorem</i> of the total duty	..	..	Free	March 31st, 1947.
	(4) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty	..	..	Free	March 31st, 1947
69(13)	Iron on Steel, Barbed Wire.	Revenue	12½ per cent. <i>ad valorem</i>.	..	..	Free	.. . . .
69(14)	Iron on Steel, Hoops and Straps	Preferential revenue.	24 per cent. <i>ad valorem</i> .	12 per cent. <i>ad valorem</i> .	..	Free	.. . . .
69(15)	Iron on Steel, Rivets— (1) of British manufacture‡	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty	..	..	Free	March 31st, 1947
	(4) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 1-14-0 per cent. <i>ad valorem</i> of the total duty	..	..	Free	March 31st, 1947
69(16)	Iron on Steel, Nails and Washers, all sorts not otherwise specified.	Revenue	12½ per cent. <i>ad valorem</i>.	..	..	Free	.. . . .
69(17)	Iron on Steel, Pipes and Tubes and Fittings thereon, if riveted or otherwise built up of plates or sheets— (1) of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 12 per ton; or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty	..	..	Free	March 31st, 1947
	(4) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 85 per ton plus one-fifth of the total duty	..	..	Free	March 31st, 1947.

* The rate of excise duty on the 1st January, 1946, and until further notice, on all steel ingots produced in British India is Rs. 4 per ton.

† Under Government of India, Finance Department (Central Revenue), Notification No. 53, dated the 22nd June, 1935, iron or steel bolts and nuts of British manufacture, including hook bolts and nuts for roofing but excluding fish bolts and nuts are exempt from so much of the duty as is in excess of Rs. 4-11½ per ton.

‡ Under Government of India, Finance Department (Central Revenue) Notification No. 53, dated the 22nd June, 1935, iron or steel rivets of British manufacture are exempt from so much of the duty as is in excess of Rs. 32-4 per ton.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
	SECTION XV—<i>contd.</i>						
	BASE METALS AND ARTICLES MADE THEREFROM—<i>contd.</i>						
68(18)	IRON OR STEEL PIPES AND TUBES; also fittings therefor, that is to say, bends, boots, elbows, tees, sockets, flanges, plugs, valves, cocks and the like, excluding pipes, tubes and fittings therefor otherwise specified.	Revenue	18½ per cent. <i>ad valorem</i>.	.....	.....	Free	.....
68(19)	IRON OR STEEL PLATES EXCLUDING CAST IRON PLATES—					Free	
	(a) not fabricated—						
	(i) of British manufacture*—						
	not coated with other metals ..	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India;† or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	.....	.....		March 31st, 1947.
	coated with other metals ..	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India;† or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	.....	.....		March 31st, 1947.
	(ii) not of British manufacture ..	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India‡ plus Rs. 25 per ton plus one-fifth of the total duty.	.....	.....		March 31st, 1947.
	(b) fabricated—						
	(i) of British manufacture ..	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India‡ plus Rs. 40 per ton plus one-fifth of the total duty.	.....	.....		March 31st, 1947.
	(ii) not of British manufacture ..	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India‡ plus Rs. 40 per ton plus one-fifth of the total duty.	.....	.....		March 31st, 1947.
68(20)	IRON OR STEEL SHEETS—					Free	
	(a) not fabricated—						
	(1) not galvanized—						
	(i) of British manufacture‡	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India‡ plus Rs. 11 per ton; or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	.....	.....		March 31st, 1947.
	(ii) not of British manufacture ..	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India‡ plus Rs. 32 per ton plus one-fifth of the total duty.	.....	.....		March 31st, 1947.
	(2) galvanized—						
	(i) of British manufacture‡	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India‡ plus Rs. 10 per ton; or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	.....	.....		March 31st, 1947.
	(ii) not of British manufacture ..	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India‡ plus Rs. 40 per ton plus one-fifth of the total duty.	.....	.....		March 31st, 1947.

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, iron or steel plates of British manufacture, assessable under this sub-item are exempt from so much of the duty as is in excess of Rs. 38-6 3/5 per ton

† The rate of excise duty on the 1st January, 1946, and until further notice, on all steel ingots produced in British India is Rs. 4 per ton.

‡ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently iron or steel sheets of British manufacture assessable under that sub-item are exempt from so much of the duty as is in excess of Rs. 44-12½ per ton.

§ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, iron or steel sheets of British manufacture assessable under this sub-item are exempt from so much of the duty as is in excess of Rs. 54-6 2/5 per ton

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony	Burma.	
SECTION XV—<i>contd.</i>							
BASE METALS AND ARTICLES MADE THEREFROM—<i>contd.</i>							
	(b) fabricated—						
	(1) not galvanized—						
	(i) of British manufacture*	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India† plus Rs. 12 per ton, or 10 per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty			Free	March 31st, 1947.
	(ii) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India† plus Rs. 35 per ton plus one-fifth of the total duty				March 31st, 1947.
	(2) galvanized—						
	(i) of British manufacture ‡	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India† plus Rs. 11 per ton, or 10 per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st, 1947.
	(ii) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India† plus Rs. 44 per ton plus one-fifth of the total duty.				March 31st, 1947
68(21)	IRON OR STEEL RAILWAY TRACK MATERIAL—						
	A. Rails (including tramway rails the heads of which are not grooved)—						
	(a) 30 lbs. per yard and over, and fish-plates therefor—						
	(i) of British manufacture§	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India; † or 10 per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st 1947.
	(ii) not of British manufacture§	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India; † or 20 per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st, 1947
	(b) under 30 lbs. per yard and fish-plates therefor—						
	(i) of British manufacture§	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India† plus Rs. 10 per ton, or 10 per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st, 1947.
	(ii) not of British manufacture§	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India† plus Rs. 39 per ton; plus one-fifth of the total duty				March 31st, 1947
	(B) Switches and crossings including stretcher bars and other component parts, and switches and crossings including stretcher bars and other component parts for tramway rails the heads of which are not grooved—						
	(a) for rails 30 lbs. per yard and over—						
	(i) of British manufacture§	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India; † or 10 per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st, 1947.

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, iron or steel sheets of British manufacture assessable under this sub-item are exempt from so much of the duty as is in excess of Rs. 49-3 1/5 per ton.

† The rate of excise duty on the 1st January, 1946, and until further notice, on all steel ingots produced in British India is Rs. 4 per ton.

‡ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, iron or steel sheets of British manufacture assessable under this sub-item are exempt from so much of the duty as is in excess of Rs. 60 per ton.

§ Under Government of India, Finance Department (Central Revenues), Notification No. 80-C, dated the 4th October, 1941, as amended subsequently, used iron or steel railway track material, covered by this item, when imported from Burma, are exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION XV—<i>contd.</i>							
BASE METALS AND ARTICLES MADE THEREFROM—<i>contd.</i>							
	(46) not of British manufacture† ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India,* or 20 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....	Free ..	March 31st, 1947.
	(b) for rails under 30 lbs. per yard—						
	(i) of British manufacture‡ ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 11 per ton; or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....		March 31st, 1947.
	(46) not of British manufacture† ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 43 per ton plus one-fifth of the total duty.	....	....		March 31st, 1947.
	C. Sleepers, and sleeper bars, other than cast iron—						
	(i) of British manufacture‡ ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India,* or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....		March 31st, 1947.
	(46) not of British manufacture† ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India,* or 20 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....		March 31st, 1947.
	D. Spikes (other than dog-spikes) and tie-bars—						
	(i) of British manufacture‡ ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 10 per ton; or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....		March 31st, 1947.
	(46) not of British manufacture† ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 32 per ton plus one-fifth of the total duty.	....	....		March 31st, 1947.
	E. Dog-spikes—						
	(i) of British manufacture‡ ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus 7 annas per cwt.; or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....		March 31st, 1947.
	(46) not of British manufacture‡ ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 2-15-0 per cwt. plus one-fifth of the total duty.	....	....		March 31st, 1947.
	F. Gibs, cotters, keys (including tapered key bars), distance pieces and other fastenings for use with iron or steel sleepers—						
	(i) of British manufacture‡ ..	Protective ..	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus 7 annas per cwt.; or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty.	....	....		March 31st, 1947.

* The rate of excise duty on the 1st January, 1946, and until further notice, on all steel ingots produced in British India is Rs. 4 per ton.

† Under Government of India, Finance Department (Central Revenues), Notification No. 80-C, dated the 4th October, 1941, as amended subsequently, used iron or steel railway track material, covered by this item, when imported from Burma, are exempt from payment of import duty.

‡ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, iron or steel sleeper bars other than cast iron are exempt from payment of the alternative *ad valorem* duty.

§ Under Government of India, Finance Department (Central Revenues), Notification No. 80-C, dated the 4th October, 1941, as amended subsequently used iron or steel railway or tramway track material covered by these items when imported from Burma, are exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony.	Burma	
	SECTION XV—<i>contd.</i>						
	BASE METALS AND ARTICLES MADE THEREFROM—<i>contd.</i>						
	(n) not of British manufacture†	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 2-15-0 per cwt. plus one-fifth of the total duty			Free	March 31st 1947.
63(22)	IRON OR STEEL RAILWAY TRACK MATERIALS,† not otherwise specified, including bearing plates, cast iron sleepers and lever boxes.	Revenue	18½ per cent. <i>ad valorem</i> .			Free	
63(23)	IRON OR STEEL TRAMWAY TRACK MATERIALS,† not otherwise specified, including rails, fish-plates, tie-bars, switches, crossings and the like materials of shapes and sizes specially adapted for tramway tracks.	Revenue	18½ per cent. <i>ad valorem</i> .			Free	
63(24)	IRON OR STEEL BARRED OR STRANDED WIRE AND WIRE ROPE.	Preferential revenues.	24 per cent. <i>ad valorem</i> .	12 per cent. <i>ad valorem</i>		Free	
63(25)	IRON OR STEEL WIRE, other than barbed or stranded wire, wire rope or wire netting, and iron or steel wire nails—					Free	
	(i) of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 25 per ton plus one-fifth of the total duty				March 31st 1947.
	(n) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 60 per ton plus one-fifth of the total duty				March 31st, 1947
63(26)	IRON OR STEEL (other than bar or rod) specially designed for the reinforcement of concrete.	Revenue	18½ per cent. <i>ad valorem</i> .			Free	
63(27)	IRON OR STEEL, the original material (but not including machinery) of any ship or other vessel intended for inland or harbour navigation which has been assembled abroad, taken to pieces and shipped for reassembly in India—					Free	
	(i) of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* or 10 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st, 1947.
	(n) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 27-8-0 per ton, or 20 per cent. <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st, 1947
	Provided that articles dutiable under this item shall not be deemed to be dutiable under any other item						
63(28)	ALL SORTS OF IRON AND STEEL AND MANUFACTURES THEREOF, not otherwise specified.	Revenue	20 per cent. <i>ad valorem</i> .			Free	
	<i>Tariff values—</i>						
	Iron and Steel cans or drums—	Per can.					
	When imported containing kerosene and motor spirit, namely—	Rs. a. p.					
	Cans, tinned, of four gallons capacity	1 2 0					
	Cans or drums, not tinned, of two gallons capacity—	Per can or drum.					
	(a) with facet caps	2 0 0					
	(b) ordinary	0 12 0					

* The rate of excise duty on the 1st January, 1946, and until further notice, on all steel ingots produced in British India is Rs. 4 per ton.

† Under Government of India, Finance Department (Central Revenues), Notification No. 80-C., dated the 4th October 1941, as amended subsequently, used iron or steel railway or tramway track material, covered by these items, when imported from Burma, are exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
	SECTION XV—<i>contd.</i>						
	BASE METALS AND ARTICLES MADE THEREFROM—<i>contd.</i>						
	Drums of four gallons capacity—	Per drum.					
	(a) with faucet caps	Rs. a. p. 2 12 0					
	(b) ordinary	1 8 0					
63(29)	ENAMELLED IRONWARE, the following, namely:—					Free	
	(a) Sign-boards	Revenue ..	25 per cent. <i>ad valorem</i> or four and a half annas per square foot, whichever is higher plus one-fifth of the total duty.	....	....
	(b) Domestic hollow-ware, the following, namely, basins, bowls, dishes, plates and thalys, including rice-cups, rice-bowls and rice-plates—						
	(i) having no diameter exceeding 19 centimetres.	Revenue ..	25 per cent. <i>ad valorem</i> or per dozen four annas plus one anna for every two centimetres or part thereof by which any diameter exceeds 11 centimetres, whichever is higher plus one-fifth of the total duty.	....	....
	(ii) having any diameter exceeding 19 centimetres.	Revenue ..	25 per cent. <i>ad valorem</i> or per dozen eight annas plus two annas for every two centimetres or part thereof by which any diameter exceeds 19 centimetres, whichever is higher plus one-fifth of the total duty.	....	....
64	COPPER, wrought, and manufactures of copper, all sorts, not otherwise specified.	Preferential revenue.	36 per cent. <i>ad valorem</i> .	24 per cent. <i>ad valorem</i>.	....	Free	....
64(1)	COPPER, scrap*	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	Free	.. ..
65	GERMAN SILVER including nickel silver* ..	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	Free	.. ..
66	ALUMINIUM—circles, sheets and other manufactures, not otherwise specified.*	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	Free	.. ..
66(1)	UNWROUGHT INGOTS, BLOCKS AND BARS OF ALUMINIUM.*	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	Free	.. ..
67	LEAD, wrought—the following articles, namely, pipes and tubes and sheets other than sheets for tea chests.*	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	Free	.. ..
67(1)	LEAD SHEETS FOR TEA CHESTS*	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	Free	.. ..
68	ZINC OR SPELTER, wrought or manufactured, not otherwise specified.*	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	Free	.. ..
68(1)	ZINC, unwrought, including cakes, ingots, tiles (other than boiler tiles), hard or soft slabs and plates, dust, dross and scales; and broken zinc.*	....	Free .. .. .	....	....	....	....
69	TIN, BLOCK*	Revenue ..	Rs. 375 per ton ..	....	....	Free	.. ..
70	BRASS, BRONZE AND SIMILAR ALLOYS, wrought, and manufactures thereof, not otherwise specified.*	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	Free	.. ..
70(1)	ALL SORTS OF METALS OTHER THAN IRON AND STEEL, AND MANUFACTURES THEREOF, not otherwise specified.*†	Revenue ..	30 per cent. <i>ad valorem</i>.	....	....	Free	.. ..

* Under Government of India, Finance Department (Central Revenues), Notification No. 80-C., dated the 4th October, 1941, waste and scrap of base metals when imported from Burma, are exempt from payment of import duty.

† Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, radium is exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony	Burma.	
	SECTION XV—<i>concl'd</i>						
	BASE METALS AND ARTICLES MADE THEREFROM—<i>concl'd</i>						
71	HARDWARE, IRONMONGERY AND TOOLS, all sorts not otherwise specified, including incandescent mantles but excluding machine tools and agricultural implements.	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i>	....
	<i>Tariff value—</i>	Per gross. Ra. a. p					
	Crown corks (except those bearing monogram or trade mark or name of an importer)	1 8 0					
71(1)	THE FOLLOWING HARDWARE, IRONMONGERY AND TOOLS, namely, agricultural implements not otherwise specified, buckets of tinned or galvanized iron, and pruning knives	Revenue	30 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i>.	....
71(2)	CUTLERY, all sorts not otherwise specified	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i>	....
71(3)	METAL FURNITURE AND CABINETWARE	Revenue	30 per cent <i>ad valorem</i>			12 per cent <i>ad valorem</i>	....
71(4)	PRINTING TYPE	Revenue	One anna and six ples per lb			Free	....
71(5)	THE FOLLOWING PRINTING MATERIALS, namely, leads, brass rules, wooden and metal quoins, shooting sticks and galleys and metal furniture	Revenue	3 per cent <i>ad valorem</i>			Free	....
71(6)	RACKS FOR THE WITHERING OF TEA LEAF*	Revenue	3 per cent <i>ad valorem</i>			Free	....
	SECTION XVI						
	MACHINERY AND APPARATUS, ELECTRICAL MATERIAL.						
72	MACHINERY, namely, such of the following articles as are not otherwise specified† —	Revenue	10 per cent <i>ad valorem</i> .			Free	....
	(a) prime-movers, boilers, locomotive engines and tenders for the same, portable engines (including power-driven road rollers, fire engines and tractors), and other machines in which the prime-mover is not separable from the operative parts,						
	(b) machines and sets of machines to be worked by electric, steam, water fire or other power, not being manual or animal labour, or which before being brought into use require to be fixed with reference to other moving parts;						
	(c) apparatus and appliances, not to be operated by manual or animal labour, which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose,						
	(d) control gear, self acting or otherwise, and transmission-gear designed for use with any machinery above specified, including belting of all materials (other than cotton, hair and canvas ply) and driving chains, but excluding driving ropes not made of cotton,						
	(e) bare hard-drawn electrolytic copper wires and cables and other electrical wires and cables, insulated or not, and poles, troughs, conduits and insulators, designed as parts of a transmission system, and the fittings thereof						
	<i>Note.</i> —The term 'industrial system' used in sub-item (c) means an installation designed to be employed directly in the performance of any process or series of processes necessary for the manufacture, production or extraction of any commodity						

* Under Government of India, Finance Department (Central Revenues), Notification No 33, dated the 22nd June, 1935, as amended subsequently, component parts of racks for the withering of tea leaf when proved to have been imported for use in racks for the withering of tea leaf are also liable to duty at 3 per cent. *ad valorem*

† Under Government of India, Finance Department (Central Revenues), Notification No 33, dated the 22nd June, 1935, as amended subsequently, coffee pulpers and component parts thereof are exempt from payment of import duty, provided that nothing shall be deemed to be a component part of a coffee pulper for the purpose of this exemption unless it is essential for the working of such machine and has been given for that purpose some special shape or quality that would not be essential for its use for any other purpose.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
	SECTION XVI—<i>contd.</i>						
	MACHINERY AND APPARATUS; ELECTRICAL MATERIAL—<i>contd.</i>						
72(1)	THE FOLLOWING TEXTILE MACHINERY AND APPARATUS by whatever power operated, namely, heads; heald cords and heald knitting needles; reeds and shuttles; warp and weft preparation machinery and looms; bobbins and pirns; dobbies; Jacquard machines; Jacquard harness linen cords; Jacquard cards; punching plates for Jacquard cards; warping mills; multiple box sleys; solid border sleys; tape sleys; swivel sleys; tape looms; wool carding machines; wool spinning machines; hosiery machinery; coir mat shearing machines; coir fibre willowing machines; heald knitting machines; dobbie cards; lattices and lags for dobbies; wooden winders; silk looms; silk throwing and reeling machines; cotton yarn reeling machines; sizing machines; doubling machines; silk twisting machines; cone winding machines; piano card cutting machines; harness building frames; card lecting frames; drawing and denting hooks; sewing thread balls making machines; comb finishing machinery; hank boilers; cotton carding and spinning machines; mail eyes, lingoes, comb boards and comb board frames; take-up motions, temples and pickers; picking bands; picking sticks; printing machines; roller cloth; cleaver cloth; sizing flannel; and roller skins.*	Revenue	10 per cent. <i>ad valorem</i>.	.....	.....	Free	.....
72(2)	PRINTING AND LITHOGRAPHIC MATERIAL, namely, presses, lithographic plates, composing sticks, chases, imposing tables, lithographic stones, stereo-blocks, wood blocks, half-tone blocks, electro-type blocks, process blocks and highly polished copper or zinc sheets specially prepared for making process blocks, roller moulds, roller frames and stocks, roller composition, lithographic nap rollers, standing screw and hot presses, perforating machines, gold blocking presses, galley presses, proof presses, arming presses, copper plate printing presses, rolling presses, ruling machines, ruling pen making machines, lead cutters, rule cutters, slug cutters, type casting machines, type setting and casting machines, paper in rolls with side perforations to be used after further perforation for type-casting, rule bending machines, rule mixing machines, bronzing machines, stereotyping apparatus, paper folding machines, paging machines but excluding ink and paper.†	Revenue	10 per cent. <i>ad valorem</i>.	.....	.....	Free	.....
72(3)	COMPONENT PARTS OF MACHINERY as defined in Items Nos. 72, 72(1) and 72(2), namely, such parts only as are essential for the working of the machine or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose: Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the machine to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.	Revenue	10 per cent. <i>ad valorem</i>.	.....	.....	Free	.....
72(4)	PASSENGER LIFTS AND COMPONENT PARTS AND ACCESSORIES THEREOF.	Revenue	30 per cent. <i>ad valorem</i>.	.....	.....	12 per cent. <i>ad valorem</i>.	.....
72(5)	DOMESTIC REFRIGERATORS	Preferential revenue.	36 per cent. <i>ad valorem</i> .	24 per cent. <i>ad valorem</i>.	.....	12 per cent. <i>ad valorem</i>.	.....
72(6)	MACHINERY AND COMPONENT PARTS THEREOF, meaning machines or parts of machines to be worked by manual or animal labour, not otherwise specified, and any machines (except such as are designed to be used exclusively in industrial processes) which require for their operation less than one-quarter of one-horse power.	Revenue	30 per cent. <i>ad valorem</i>.	.....	.....	12 per cent. <i>ad valorem</i>.	.....

* Under Government of India, Finance Department (Central Revenues), Notifications No. 33, dated the 22nd June 1935, as amended subsequently and No. 44, dated the 1st August 1942, the following textile machinery and apparatus and component parts thereof, namely, (1) ground stamping machines, (2) automatic hand repeating machines, (3) pattern cutting machines, (4) cloth analysis machines, (5) hand card punches and (6) automatic weaver knotters are also liable to duty at 10 per cent. *ad valorem*, provided that nothing shall be deemed to be a component part of textile machinery and apparatus for the purpose of this exemption unless it is essential for the working of such machinery and apparatus and has been given for that purpose some special shape or quality that would not be essential for its use for any other purpose. Under the same Notifications Jacquard harness linen cordage is liable to duty at 10 per cent. *ad valorem* or 4 annas per lb. whichever is higher and striking combs used in textile machinery at 10 per cent. *ad valorem*.

† Under Government of India, Finance Department (Central Revenues), Notifications No. 33, dated the 22nd June, 1935, as amended subsequently, and No. 44, dated the 1st August, 1942, the following printing machinery and apparatus, namely, composing racks and cases, composing cabinets, die-stamping machines, galley racks, embossing machines, graining machines, furniture cases and racks, line-up and register tables, book sewing machines and cloth stripping machines are liable to duty at 10 per cent. *ad valorem*.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The United Kingdom.	A British Colony.	Burma.	
	SECTION XVI—<i>contd.</i>						
	MACHINERY AND APPARATUS, ELECTRICAL MATERIAL—<i>contd.</i>						
72(7)	WATER-LIFTS, SUGAR MILLS, SUGAR CENTRIFUGES, SUGAR PUG-MILLS, OIL-PRESSERS, AND PARTS THEREOF, when constructed so that they can be worked by manual or animal power and pans for boiling sugar-cane juice.		Free				
72(8)	THE FOLLOWING AGRICULTURAL IMPLEMENTS, namely, winnowers, threshers, mowing and reaping machines, binding machines, elevators, seed and corn crushers, chaff-cutters, root-cutters, enamel-cutters, horse and bullock gear, ploughs, cultivators, scarifiers, harrows, clod-crushers, seed-drills, hay-tedders, hay presses, potato-diggers, latex spouts, spraying machines, powder blowers, white-ant exterminating machines, best pullers, broadcast seeders, corn pickers, corn shellers, multi-pickers, drag scrapers, stalk cutters, huskers and shredders, potato planters, lime sowers, manure spreaders, listers, soil graders, and rakes, also agricultural tractors, also component parts of these implements, machines or tractors, provided that they can be readily fitted into their proper places in the implements, machines or tractors for which they are imported, and that they cannot ordinarily be used for purposes unconnected with agriculture.*		Free				
72(9)	THE FOLLOWING DAIRY AND POULTRY FARMING APPLIANCES, namely, cream separators, milking machines, milk sterilizing or pasteurizing plant, milk straining and cooling apparatus, churns, butter dryers, butter workers, milk bottle fillers and cappers, apparatus specially designed for testing milk and other dairy produce, and incubators, also component parts of these appliances, provided that they can be readily fitted into their proper places in the appliances for which they are imported, and that they cannot ordinarily be used for other than dairy and poultry farming purposes.†		Free				
72(10)	SEWING AND KNITTING MACHINES (and parts thereof) to be worked by manual labour or which require for their operation less than one-quarter of one-horse-power	Preferential revenue.	36 per cent <i>ad valorem</i> .	24 per cent <i>ad valorem</i> .		12 per cent <i>ad valorem</i>.	....
73	ELECTRICAL INSTRUMENTS, APPARATUS AND APPLIANCES, not otherwise specified, excluding telegraphic and telephonic.	Preferential revenue.	36 per cent <i>ad valorem</i> .	24 per cent <i>ad valorem</i> .		12 per cent <i>ad valorem</i> .	
73(1)	THE FOLLOWING ELECTRICAL INSTRUMENTS, APPARATUS AND APPLIANCES, namely— Electrical Control Gear and Transmission Gear, namely, switches (excluding switch-boards), fuses and current breaking devices of all sorts and descriptions, designed for use in circuits of less than ten amperes and at a pressure not exceeding 250 volts, and regulators for use with motors designed to consume less than 187 watts; bare or insulated copper wires and cables, any one core of which, not being one specially designed as a pilot core, has a sectional area of less than one-eightieth part of a square inch, and wires and cables of other metals of not more than equivalent conductivity, and line insulators, including also cleats, connectors, leading-in tubes and the like, of types and sizes such as are ordinarily used in connection with the transmission of power for other than industrial purposes, and the fittings thereof but excluding electrical earthenware and porcelain otherwise specified.	Preferential revenue.	36 per cent <i>ad valorem</i> .	24 per cent <i>ad valorem</i> .		12 per cent <i>ad valorem</i> .	

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, the following agricultural machines and implements, namely, flame throwers for attachment to spraying machines designed for the extermination of locusts, and latex cups, are exempt from payment of import duty.

† Under Government of India Finance Department (Central Revenues), Notification No. 33 dated the 22nd June, 1935 as amended subsequently, (1) dairy appliances, excluding transport containers and articles included in this item, provided they are specially designed as dairy appliances and for use for milking the cow or for any subsequent process carried out in the dairy in connection with milk, cream butter or cheese and (2) component parts of such dairy appliances, provided they can be readily fitted into their proper places in the appliances for which they are imported and they cannot ordinarily be used for other than dairy purposes are exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
	SECTION XVI—<i>contd.</i>						
	MACHINERY AND APPARATUS; ELECTRICAL MATERIAL—<i>contd.</i>						
78(2)	THE FOLLOWING ELECTRICAL INSTRUMENTS, APPARATUS AND APPLIANCES, namely, telegraphic and telephonic instruments, apparatus and appliances not otherwise specified, flash lights, carbons, condensers, and bell apparatus, and switch-boards designed for use in circuits of less than ten amperes and at a pressure not exceeding 250 volts; also accumulators, batteries and electro-medical apparatus.* † ‡	Revenue	80 per cent. <i>ad valorem</i>.	.....	.....	12 per cent. <i>ad valorem</i>.	....
78(8)	TELEGRAPHIC INSTRUMENTS AND APPARATUS AND PARTS THEREOF, imported by, or under the orders of, a Railway Administration.	Revenue	18½ per cent. <i>ad valorem</i>.	.....	.....	Free	....
78(4)	WIRELESS RECEPTION INSTRUMENTS AND APPARATUS AND COMPONENT PARTS THEREOF, including all electric valves, amplifiers and loudspeakers which are not specially designed for purposes other than wireless reception or are not original parts of and imported along with instruments or apparatus so designed.*	Preferential revenue.	80 per cent. <i>ad valorem</i> .	48 per cent. <i>ad valorem</i>.	.....	24 per cent. <i>ad valorem</i>.	....
78(6)	ELECTRICAL EARTHENWARE AND PORCELAIN, the following, namely:— (a) Insulators, Shackle, Sinclair, Cordaux or Pin-type, not otherwise specified— (i) fitted (ii) not fitted (b) Two-way cleats (c) Spacing insulators (d) Ceiling roses— (i) fitted (ii) not fitted (e) Joint-box cut-outs— (i) fitted (ii) not fitted	Revenue	25 per cent. <i>ad valorem</i> or Re. 1-2 per dozen, whichever is higher plus one-fifth of the total duty.	.....	.....	12 per cent. <i>ad valorem</i>.	....
		Revenue	25 per cent. <i>ad valorem</i> or fourteen annas per dozen, whichever is higher plus one-fifth of the total duty.	.....	.....	.....	....
		Revenue	25 per cent. <i>ad valorem</i> or four annas per gross of pairs, whichever is higher plus one-fifth of the total duty.	.....	.....	.....	....
		Revenue	25 per cent. <i>ad valorem</i> or two annas per gross, whichever is higher plus one-fifth of the total duty.	.....	.....	.....	....
		Revenue	25 per cent. <i>ad valorem</i> or ten annas per dozen, whichever is higher plus one-fifth of the total duty.	.....	.....	.....	....
		Revenue	25 per cent. <i>ad valorem</i> or eight annas per dozen, whichever is higher plus one-fifth of the total duty.	.....	.....	.....	....
		Revenue	25 per cent. <i>ad valorem</i> or eight annas per dozen, whichever is higher plus one-fifth of the total duty.	.....	.....	.....	....
		Revenue	25 per cent. <i>ad valorem</i> or six annas per dozen, whichever is higher plus one-fifth of the total duty.	.....	.....	.....	....
78(6)	RUBBER-INSULATED COPPER WIRES AND CABLES, no core of which, other than one specially designed as a pilot core, has a sectional area of less than one eightieth part of a square inch, whether made with any additional insulating or covering material or not.	Revenue	7½ per cent. <i>ad valorem</i>.	.....	.....	Free	....

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently the following wireless apparatus is liable to duty at 3 per cent. *ad valorem*—

- (i) apparatus for wireless reception [excluding apparatus specially designed for the reception of broadcast wireless and apparatus of the description specified in clause (ii)] and component parts of such apparatus, when imported under cover of (a) a certificate issued by the Director-General of Posts and Telegraphs to the effect that he is satisfied that the apparatus will not be used for the reception of broadcast wireless or (b) a certificate to the same effect issued by the Director-General, All-India Radio, if the apparatus is imported for the All-India Radio, by the Officer Commanding, Aircraft Depot, Royal Air Force (India), if the apparatus is imported by the Royal Air Force, by the following officers, if the apparatus is imported by the Royal Indian Navy, namely—at Bombay, by the Naval Store Officer; at Karachi, by the Sea Transport Officer; and at Calcutta and Madras, by the Agent for Government Consignments concerned, and by the following officers, if imported for the Army, namely—at Karachi, by the Embarkation Supply and Stores Officer, Kiamari; at Bombay, by the Ordnance Officer, Bombay Depot; at Calcutta, by the Embarkation Supply and Stores Officer at that port, and at other ports, by the Agent for Government Consignments concerned
- (ii) apparatus for wireless reception incorporated in a single unit with transmitting apparatus;
- (iii) wireless transmission apparatus and component parts thereof;

Provided that nothing shall be deemed to be a component part of apparatus for wireless telegraphy or telephony for the purpose of this exemption unless it is essential for the working of such apparatus and has been given for that purpose some special shape or quality that would not be essential for its use for any other purpose.

† Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, telegraphic instruments and apparatus and parts thereof imported for supply from bond for use of a Railway Administration are liable to duty at 18½ per cent. *ad valorem*, provided that, (i) at the time of delivering the bill-of-entry for warehousing a declaration is made thereon by the importer to the effect that the goods have been imported for supply from bond for the use of a Railway Administration; and (ii) a certificate from an Officer of the Railway Administration, duly empowered in that behalf by the Agent, is produced along with the application for clearance out of bond that the goods in question are not merely guaranteed stock, but will be definitely appropriated for the use of such Railway on clearance from bond.

‡ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, carbon blocks such as are ordinarily used for the manufacture of carbon brushes for electrical motors and generators are liable to duty at 18 per cent. *ad valorem*.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony	Burma.	
SECTION XVII.							
TRANSPORT MATERIAL.							
74	COAL TUBS, TIPPING WAGONS AND THE LIKE CONVEYANCES, designed for use on light rail track, if adapted to be worked by manual or animal labour and if made mainly of iron or steel, and component parts thereof made of iron or steel—					Free	
	(a) of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* or 10 per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st, 1947
	(b) not of British manufacture	Protective	1½ times the excise duty leviable for the time being on steel ingots produced in British India* plus Rs. 40 per ton, or 20 per cent <i>ad valorem</i> , whichever is higher plus one-fifth of the total duty				March 31st, 1947.
74(1)	TRAMCARS AND COMPONENT PARTS AND ACCESSORIES THEREOF	Revenue	80 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i>	....
74(2)	RAILWAY MATERIALS FOR PERMANENT-WAY AND ROLLING-STOCK, namely, sleepers, other than iron and steel, and fastenings thereof, bearing plates, chairs, interlocking apparatus, brake-gear, shunting skids, couplings and springs, signals, turn-tables, weigh bridges, carriages, wagons, traversers, rail removers, scooters, trolleys, trucks, also cranes, water-cranes and water tanks when imported by or under the orders of a railway administration. Provided that for the purpose of this entry 'railway' means a line of railway subject to the provisions of the Indian Railways Act, 1890, and includes a railway constructed in a State in India and also such tramways as the Central Government may, by notification in the <i>Official Gazette</i> specifically include therein. Provided also that articles of machinery as defined in Item No 72 or No 72(3) shall not be deemed to be included hereunder	Revenue	18½ per cent. <i>ad valorem</i> .			Free	....
74(3)	COMPONENT PARTS OF RAILWAY MATERIALS, as defined in Item No 74(2), namely, such parts only as are essential for the working of railways and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose. Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the railway material to which they belong, if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.	Revenue	18½ per cent <i>ad valorem</i> .			Free	....
75	CONVEYANCES, not otherwise specified, and component parts and accessories thereof also motor vans and motor lorries imported complete.	Revenue	80 per cent <i>ad valorem</i> .			12 per cent <i>ad valorem</i>.	....
75(1)	MOTOR CARS INCLUDING TAXI CABS AND ARTICLES (other than rubber tyres and tubes) adapted for use as parts and accessories thereof, provided that such articles as are ordinarily also used for other purposes than as parts and accessories of motor vehicles included in this item or in Items Nos. 75(2) and 75(3) shall be dutiable at the rate of duty specified for such articles.	Preferential revenue.	45 per cent <i>ad valorem</i>	86 per cent <i>ad valorem</i> .		24 per cent <i>ad valorem</i>	....
75(2)	MOTOR CYCLES AND MOTOR SCOOTERS AND ARTICLES (other than rubber tyres and tubes) adapted for use as parts and accessories thereof except such articles as are also adapted for use as parts and accessories of motor cars.	Preferential revenue.	45 per cent <i>ad valorem</i> .	86 per cent <i>ad valorem</i> .		24 per cent <i>ad valorem</i>.	....
75(3)	MOTOR OMNIBUSES, chassis of motor omnibuses, motor vans and motor lorries, and parts of mechanically propelled vehicles and accessories not otherwise specified, excluding rubber tyres and tubes and such parts and accessories of motor vehicles included in this item as are also adapted for use as parts and accessories of motor cars.	Preferential revenue.	30 per cent <i>ad valorem</i> .	21 per cent <i>ad valorem</i> .		6 per cent <i>ad valorem</i>.	....
75(4)	CARRIAGES AND CARTS which are not mechanically propelled, not otherwise specified, and parts and accessories thereof, excluding rubber tyres and tubes.	Revenue	30 per cent. <i>ad valorem</i> .			12 per cent <i>ad valorem</i>	....

* The rate of excise duty on the 1st January 1948, and until further notice, on all steel ingots produced in British India is Rs. 4 per ton.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION XVII—<i>concl'd.</i>							
TRANSPORT MATERIAL—<i>concl'd.</i>							
75(5)	CYCLES (other than motor cycles) imported entire or in sections, and parts and accessories thereof; excluding rubber tyres and tubes.	Preferential revenue.	36 per cent. <i>ad valorem.</i>	24 per cent. <i>ad valorem.</i>	....	12 per cent. <i>ad valorem.</i>	....
76	AEROPLANES, aeroplane parts, aeroplane engines, aeroplane engine parts and rubber tyres and tubes used exclusively for aeroplanes.*	Revenue ..	3 per cent. <i>ad valorem.</i>	....	....	Free ..	....
76(1)	SHIPS AND OTHER VESSELS† FOR INLAND AND HARBOUR NAVIGATION, including steamers, launches, boats and barges imported entire or in sections: Provided that articles of machinery as defined in Item No. 72 or No. 72(3) shall, when separately imported, not be deemed to be included hereunder.	Revenue ..	18½ per cent. <i>ad valorem.</i>	....	....	Free ..	....
76(2)	LIGHT SHIPS .. . . . .	....	Free .. . . . .	....	....	....	....
76(3)	FURNITURE TACKLE AND APPAREL, not otherwise described, for steam-sailing, rowing and other vessels.	Revenue ..	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
SECTION XVIII.							
SCIENTIFIC AND PRECISION INSTRUMENTS AND APPARATUS; WATCH-MAKERS' AND CLOCKMAKERS' WARES; MUSICAL INSTRUMENTS.							
77	INSTRUMENTS, APPARATUS AND APPLIANCES, other than electrical, all sorts not otherwise specified, including photographic.‡	Preferential revenue.	36 per cent. <i>ad valorem.</i>	24 per cent. <i>ad valorem.</i>	....	12 per cent. <i>ad valorem.</i>	....
77(1)	INSTRUMENTS, APPARATUS AND APPLIANCES, imported by a passenger as part of his personal baggage and in actual use by him in the exercise of his profession or calling.	....	Free .. . . . .	....	....	....	....
77(2)	OPTICAL, SCIENTIFIC, PHILOSOPHICAL AND SURGICAL INSTRUMENTS, APPARATUS AND APPLIANCES.	Revenue ..	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
77(3)	ARTIFICIAL TEETH	Preferential revenue.	30 per cent. <i>ad valorem.</i>	....	18 per cent. <i>ad valorem.</i>	6 per cent. <i>ad valorem.</i>	....
78	CLOCKS AND WATCHES AND PARTS THEREOF ..	Revenue ..	60 per cent. <i>ad valorem.</i>	....	....	24 per cent. <i>ad valorem.</i>	....
79	MUSICAL INSTRUMENTS AND PARTS THEREOF, all sorts and records for talking machines.	Revenue ..	60 per cent. <i>ad valorem.</i>	....	....	24 per cent. <i>ad valorem.</i>	....
SECTION XIX.							
ARMS AND AMMUNITION.							
80	SAVE WHERE OTHERWISE SPECIFIED, all articles which are arms or parts of arms within the meaning of the Indian Arms Act, 1878 (excluding springs used for air guns), all tools used for cleaning or putting together the same, all machines for making, loading, closing or capping cartridges for arms other than rifled arms and all other sorts of ammunition and military stores, and any articles which the Central Government may, by notification in the <i>Official Gazette</i> , declare to be ammunition or military stores for the purposes of this Act.§	Revenue ..	60 per cent. <i>ad valorem.</i>	....	....	24 per cent. <i>ad valorem.</i>	....
80(1)	SUBJECT TO THE EXEMPTIONS specified in Item No. 80(3)—Firearms, including gas and air guns, gas and air rifles and gas and air pistols not otherwise specified, but excluding parts and accessories thereof.‡	Revenue ..	Rs. 18-12 each or 37½ per cent. <i>ad valorem</i> , whichever is higher, plus 12½ per cent. <i>ad valorem</i> plus one-fifth of the total duty.	....	....	24 per cent. <i>ad valorem.</i>	....

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, (1) aircraft (other than aeroplanes) such as autogyros, airships, and the like; their parts, their engines, and parts of such engines and (2) aircraft materials, such as dope, 3-ply wood, duralumin sheets and fabric which have been given for use as aircraft materials some special shape or quality which would not be essential for their use for any other purpose are liable to duty at 3 per cent. *ad valorem*.

† Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, (a) ocean-going vessels, imported to be broken up, and (b) parts of vessels under repair removed for replacement are liable to duty at 18½ per cent. *ad valorem*, provided that articles contained in any such vessel not forming part of her necessary tackle, apparel or furniture (e.g., pianos, crockery, cutlery) shall be assessed to duty separately under the appropriate items of the Tariff.

‡ Under Government of India, Finance Department (Central Revenues), Notifications No. 33, dated the 22nd June, 1935, and No. 44, dated the 1st August, 1942, photo-litho films are liable to duty at 10 per cent. *ad valorem*.

§ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, arms forming part of military equipment of officers and non-commissioned officers of foreign armies detailed for training at Army Schools of Instruction in India are exempt from payment of import duty.

SCHEDULE I—IMPORT TARIFF—*contd.*

Item No.	Name of article.	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom	A British Colony	Burma.	
SECTION XIX—<i>concl.</i>							
ARMS AND AMMUNITION—<i>concl.</i>							
80(2)	SUBJECT TO THE EXEMPTIONS SPECIFIED IN ITEM NO. 80(3)—					24 per cent. <i>ad valorem</i> .	
	(a) Barrels, whether single or double, for firearms, including gas and air guns, gas and air rifles, and gas and air pistols, not otherwise specified.	Revenue	Rs. 18-12 each.	or 87½ per cent. <i>ad valorem</i> , whichever is higher, plus 12½ per cent. <i>ad valorem</i> , plus one-fourth of the total duty			
	(b) Main springs and magazine springs for firearms, including gas guns, gas rifles and gas pistols.	Revenue	Rs. 6-4 each.				
	(c) Gun stocks and breech blocks	Revenue	Rs. 9-12 each.				
	(d) Revolver cylinders, for each cartridge they will carry	Revenue	Rs. 2-8 each.				
	(e) Actions (including skeleton and wasters), breech bolts and their heads, cocking pieces, and locks for muzzle loading arms.	Revenue	Rs. 1-4 each				
	(f) Machines for making, loading, or closing cartridges for rifled arms.	Revenue	60 per cent. <i>ad valorem</i> .				
	(g) Machines for capping cartridges for rifled arms.	Revenue	60 per cent. <i>ad valorem</i> .				
80(3)	THE FOLLOWING ARMS, AMMUNITIONS AND MILITARY STORES:—		Free				
	(a) Arms forming part of the regular equipment of a commissioned or gazetted officer in His Majesty's Service entitled to wear diplomatic, military, naval, Royal Air Force or police uniform						
	(b) A revolver and an automatic pistol and ammunition for such revolver and pistol up to a maximum of 100 rounds per revolver or pistol, (i) when accompanying a commissioned officer of His Majesty's regular forces, or of the Indian Auxiliary Force or the Indian Territorial Force or a gazetted police officer, or (ii) certified by the commandant of the corps to which such officer belongs, or, in the case of an officer not attached to any corps, by the officer commanding the station or district in which such officer is serving or, in the case of a police officer, by an Inspector-General or Commissioner of Police, to be imported by the officer for the purpose of his equipment						
	(c) Swords for presentation as army or volunteer prizes.						
	(d) Arms, ammunition and military stores imported with the sanction of the Central Government for the use of any portion of the military forces of a State in India being a unit notified in pursuance of the First Schedule to the Indian Extradition Act, 1903.						
	(e) Morris tubes and patent ammunition imported by officers commanding British and Indian regiments or volunteer corps for the instruction of their men.						
80(4)	ORNAMENTAL ARMS OF AN OBSOLETE PATTERN possessing only an antiquarian value; masonic and theatrical and fancy dress swords, provided they are virtually useless for offensive or defensive purposes; and dabs intended exclusively for domestic, agricultural and industrial purposes.	Revenue	80 per cent. <i>ad valorem</i> .			12 per cent. <i>ad valorem</i> .	
81	CARTRIDGE CASES, filled and empty	Revenue	60 per cent. <i>ad valorem</i> .			24 per cent. <i>ad valorem</i> .	
SECTION XX.							
MISCELLANEOUS GOODS AND PRODUCTS NOT ELSEWHERE INCLUDED							
82	CORAL, prepared.	Revenue	30 per cent. <i>ad valorem</i> .			12 per cent. <i>ad valorem</i> .	
82(1)	IVORY, manufactured, not otherwise specified.	Revenue	60 per cent. <i>ad valorem</i> .			24 per cent. <i>ad valorem</i> .	
82(2)	BANGLES AND BEADS, not otherwise specified.	Revenue	60 per cent. <i>ad valorem</i> .			24 per cent. <i>ad valorem</i> .	

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, 12 inch Adapters, aim teachers and aperture sights for service rifles imported by officers commanding a unit of the Army in India for the instruction of their men are also exempt from payment of import duty

SCHEDULE I—IMPORT TARIFF—*concl'd.*

Item No.	Name of article.	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty.
				The United Kingdom.	A British Colony.	Burma.	
SECTION XX—<i>concl'd.</i>							
MISCELLANEOUS GOODS AND PRODUCTS NOT ELSEWHERE INCLUDED—<i>concl'd.</i>							
83	BRUSHES, all sorts	Revenue	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
84	Toys, games, playing cards and requisites for games and sports, bird shot, toy cannons, air guns and air pistols for the time being excluded in any part of British India from the operation of all the prohibitions and directions contained in the Indian Arms Act, 1878, and bows and arrows.	Revenue	60 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
85	BUTTONS, metal	Revenue	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
85(1)	SMOKERS' REQUISITES, excluding tobacco and matches: Provided that mechanical lighters as defined in the Mechanical Lighters (Excise Duty) Act, 1934, shall be liable in addition to a duty equal to the amount of the excise duty imposed by that Act, on mechanical lighters manufactured in British India.*	Revenue	60 per cent. <i>ad valorem.</i>	....	....	Mechanical lighters— 20 per cent. <i>ad valorem</i> plus the amount of the excise duty on mechanical lighters manufactured in British India* plus one-fifth of the total duty on all others— 24 per cent. <i>ad valorem.</i>	..
SECTION XXI.							
WORKS OF ART AND ARTICLES FOR COLLECTIONS.							
86	PRINTS, ENGRAVINGS AND PICTURES (including photographs and picture post cards), not otherwise specified.†	Revenue	60 per cent. <i>ad valorem.</i>	....	....	....	....
86(1)	ART, works of, not otherwise specified	Revenue	80 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....
86(2)	ART, the following works of:—(1) statuary and pictures intended to be put up for the public benefit in a public place, and (2) memorials of a public character intended to be put up in a public place, including the materials used, or to be used in their construction, whether worked or not.	....	Free	....	....	....	....
86(3)	SPECIMENS, MODELS AND WALL DIAGRAMS, illustrative of natural science, and medals and antique coins.†	....	Free	....	....	....	....
86(4)	POSTAGE STAMPS, whether used or unused	....	Free	....	....	....	....
SECTION XXII.							
ARTICLES NOT OTHERWISE SPECIFIED.							
87	ALL OTHER ARTICLES not otherwise specified, including articles imported by post.‡	Revenue	30 per cent. <i>ad valorem.</i>	....	....	12 per cent. <i>ad valorem.</i>	....

* The reference to the Mechanical Lighters (Excise Duty) Act, 1934, must, by virtue of section 8 of the General Clauses Act, 1897, be read as a reference to the corresponding provision of the Central Excises and Salt Act, 1944. The rate of excise duty under the latter Act is Rs. 3 per lighter. By virtue of section 6 of the Indian Finance Act, 1942, the amount of duty (*viz.*, 50 per cent. *ad valorem* as standard rate plus Rs. 3 per lighter under the above proviso) is to be increased by one-fifth and thus stands at 60 per cent. *ad valorem* as standard rate (as shown) plus Rs. 3½ per lighter under the proviso.

† Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, wall pictures and diagrams such as are ordinarily used for instructional purposes are exempt from payment of import duty.

‡ Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, unmanufactured mica and wreaths imported for being placed on graves are exempt from payment of import duty and stereo-song is liable to duty at 10 per cent. *ad valorem.*

§ Under Government of India, Finance Department (Central Revenues), Notification No. 2-Customs, dated the 24th February, 1945, holite and cellulose acetate sheets are exempt from so much of the duty as is in excess of the duty leviable on printing and lithographic material.

SCHEDULE II--EXPORT TARIFF

No.	Names of articles.	Per- unit	Rate of duty in Rs. a.
	JUTE, OTHER THAN BIMLIPATAM JUTE.		
1	RAW JUTE--		
	(1) Cuttings	Bale of 400 lbs.	1 4
	(2) All other descriptions	Bale of 400 lbs.	4 8
2	JUTE MANUFACTURES, when not in actual use as coverings, receptacles or bindings, for other goods--		
	(1) Sacking (cloth, bags, twist, yarn, rope and twine)*	Ton of 2,240 lbs.	20 0
	(2) Hessians and all other descriptions of Jute Manufactures not otherwise specified.†	Ton of 2,240 lbs.	32 0
3	RICE		
4	RICE, HUSKED OR UNHUSKED, including rice flour but excluding rice bran and rice dust, which are free.	Indian maund of 82-2/7 lbs. avoirdupois weight.	Two annas and three pies.

* Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as amended subsequently, bagging for raw cotton made from gads rove or from rove containing, in addition to gads or other material not subject to export duty, not more than 15 per cent. jute weighing not less than 1½ lbs. per square yard and having a total of not more than 140 single or double warp and weft threads per square yard, is exempt from payment of export duty and bagging for raw cotton made from jute rove (excluding bagging specified above as exempt from payment of export duty), weighing not less than .75 lbs. per square yard, and having not more than 360 warp and weft threads per square yard, is liable to export duty at Rs. 5-8 per ton.

† Under Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, jute rags such as are used for paper making are exempt from payment of export duty provided that the Customs Collector is satisfied that they are useless for any purpose to which cloth or rope is ordinarily put.

‡ There is no entry bearing Item No. 3.

EXCISE DUTIES LEVIABLE ON CERTAIN ARTICLES PRODUCED OR MANUFACTURED IN BRITISH INDIA.

Item No.	Description of Goods.	Rate of Duty.
1	KEROSENE — "Kerosene" means any inflammable hydrocarbon (including any mixture of hydrocarbons or any liquid containing hydrocarbons but excluding motor spirit) which— (i) is made from petroleum as defined in section 2 of the Indian Petroleum Act, 1899 (VIII of 1899), and (ii) is intended to be or is ordinarily used in liquid form for purposes of illumination.	The rate at which Customs duty is for the time being leviable under the Indian Tariff Act, 1934 (XXXII of 1934), read with any other enactment for the time being in force.
2	MATCHES — "Match" includes a firework in the form of a match; and where a match-stick has more heads than one capable of being ignited by striking, each such head shall be deemed to be a match. (1) Matches manufactured in a factory whose daily output exceeds one hundred gross of containers— (i) if in containers containing on an average fifty matches. (ii) if not in containers as aforesaid (2) Matches manufactured in a factory whose daily output does not exceed one hundred gross of containers— (i) if in containers containing on an average fifty matches. (ii) if not in containers as aforesaid (3) Matches in boxes containing on an average not more than 12 matches of the type known as "Bengal Lights." (4) All other matches	Rs. 1-12-0 per gross of containers. Re. 0-8-0 for every 1440 matches or part thereof. Rs. 1-11-3 per gross of containers. Re. 0-7-9 for every 1440 matches or part thereof. 10 annas per gross of boxes. 8 annas for every 1,440 matches or fraction thereof.
3	MECHANICAL LIGHTERS — "Mechanical Lighter" means any mechanical or chemical contrivance for causing ignition which is portable and which operates by producing a spark or flame whether by itself or when brought into contact with gas, and includes a mechanical lighter issued from a factory in an incomplete state or requiring for its completion the addition of a flint.	Rs. 3-0-0 per lighter.
4	MOTOR SPIRIT — "Motor Spirit" means— (a) any inflammable hydrocarbon (including any mixture of hydrocarbons or any liquid containing hydrocarbons) which is capable of being used for providing reasonably efficient motive power for any form of motor vehicle; and (b) power alcohol, that is, ethyl alcohol of any grade (including such alcohol when denatured or otherwise treated), which either by itself or in admixture with any such hydrocarbon, is capable of being used as aforesaid.	12 annas per Imperial gallon.
5	SALT — "Salt" includes swamp salt, spontaneous salt, and salt or saline solutions made or produced from any saline substance or from salt earth.	Rs. 1-9-0 per standard maund.
6	SILVER	3 annas and 7½ pies per ounce Troy.
7	STEEL INGOTS	Rs. 4-0-0 per ton.
8	SUGAR PRODUCED IN A FACTORY ORDINARILY USING POWER IN THE COURSE OF PRODUCTION OF SUGAR — "Sugar" means any form of sugar containing more than ninety per cent. of sucrose— (1) Sugar other than Khandasari or Palmyra (2) Khandasari sugar— that is to say, sugar in the manufacture of which neither a vacuum pan nor a vacuum evaporator is employed. (3) Palmyra sugar— that is to say, sugar manufactured from jaggery obtained by boiling the juice of the palmyra palm.	Rs. 3-0-0 per cwt. 8 annas per cwt. Nil.
9	TOBACCO †‡ §— "Tobacco" means any form of tobacco, whether cured or uncured, and whether manufactured or not, and includes the leaf, stalks and stems of the tobacco plant but does not include any part of a tobacco plant while still attached to the earth. I. Unmanufactured tobacco— (1) if fire-cured and intended for— (a) manufacture into cigarettes containing— (i) more than 80 per cent. weight of imported tobacco. (ii) more than 40 per cent. but not more than 60 per cent. weight of imported tobacco. (iii) more than 20 per cent. but not more than 40 per cent. weight of imported tobacco. (iv) 20 per cent. or less than 20 per cent. weight of imported tobacco. (v) no imported tobacco (b) any purpose other than the manufacture of cigarettes or of the products enumerated in (3) (a) and (3) (b).	Rs. 7-8-0 per lb. Rs. 5-0-0 per lb. Rs. 3-8-0 per lb. Rs. 2-8-0 per lb. Re. 1-0-0 per lb. Rs. 7-8-0 per lb.

* Under Government of India, Finance Department (Central Revenues), Notification No. 6-Camp-Central Excise, dated the 7th April, 1945, matches of the type known as "Bengal Lights" when manufactured in a factory whose daily output does not exceed 100 gross of boxes are exempt from duty payable on them to the extent of 10 pies per gross of boxes.

† Under Government of India, Finance Department (Central Revenues), Notification No. 7-Camp-Central Excise, dated the 7th April, 1945, fire-cured *gulla* tobacco and the stems of fire-cured tobacco are exempt from so much of the duty leviable thereon as is in excess of the duty leviable on tobacco other than fire-cured tobacco which is intended for manufacture into cigarettes provided that the Collector is satisfied that such fire-cured *gulla* tobacco or such stems of fire-cured tobacco are intended for manufacture into cigarettes containing no other fire-cured tobacco.

‡ Under the Government of India, Finance Department (Central Revenues), Notification No. 3-Central Excises, dated the 17th June, 1944, tobacco powder prepared from stalks and stems and other refuse is exempt from the excise duty leviable under the Central Excises and Salt Act, 1944, provided that the Collector is satisfied that such tobacco powder is intended for use as an insecticide.

§ Under the Government of India, Finance Department (Central Revenues), Notification No. 4-Central Excises, dated the 1st July, 1944, tobacco which is proved to the satisfaction of the Collector, to be intended for the manufacture of Nicotine Sulphate is exempt from duty.

EXCISE DUTIES LEVIABLE ON CERTAIN ARTICLES PRODUCED OR MANUFACTURED IN BRITISH INDIA—concl'd.

Item No.	Description of Goods.	Rate of Duty.
	(2) if other than fire-cured and intended for— (a) manufactured into cigarettes (b) any purpose other than the manufacture of cigarettes or of the products enumerated in (3) (a) and (3) (b)	9 annas per lb 9 annas per lb.
	(3) whether fire-cured or not, if intended for— (a) manufacture into— (i) birta (ii) snuff (iii) cigars and cheroots (iv) hookah tobacco (b) sale as chewing tobacco, whether manufactured or merely cured (c) agricultural purposes	9 annas per lb 9 annas per lb 3 annas per lb 3 annas per lb 3 annas per lb Nil
	(4) Stalks and other refuse of tobacco intended for use in the preparation of any form of manufactured tobacco	1 anna per lb.
	II Manufactured tobacco— Cigars and cheroots of which the value— (i) exceeds Rs. 30 a hundred (ii) exceeds Rs. 25 a hundred but does not exceed Rs. 30 a hundred (iii) exceeds Rs. 20 a hundred but does not exceed Rs. 25 a hundred (iv) exceeds Rs. 15 a hundred but does not exceed Rs. 20 a hundred (v) exceeds Rs. 10 a hundred but does not exceed Rs. 15 a hundred (vi) exceeds Rs. 5 a hundred but does not exceed Rs. 10 a hundred (vii) exceeds Rs. 2-8 a hundred but does not exceed Rs. 5 a hundred (viii) exceeds Rs. 1-4 a hundred but does not exceed Rs. 2-8 a hundred (ix) exceeds annas 12 a hundred but does not exceed Rs. 1 4 a hundred	Ra. 12 0-0 per hundred Ra. 10 0 0 per hundred Ra. 8 0-0 per hundred Ra. 6 0-0 per hundred, Ra. 4 0-0 per hundred Ra. 2 0-0 per hundred Ra. 1 0-0 per hundred 8 annas per hundred 4 annas per hundred
10	TYRES* — "Tyre" means a pneumatic tyre in the manufacture of which rubber is used and includes the inner tube and the outer cover of such a tyre	10 per cent <i>ad valorem</i>
11	VEGETABLE PRODUCT† — "Vegetable Product" means any vegetable oil or fat which, whether by itself or in admixture with any other substance, has by hydrogenation or by any other process been hardened for human consumption	Ra. 5-0-0 per cwt
12	BETEL-NUTS, CURED‡ — "Betel nut" means the fruit of the areca palm (<i>areca catechu</i>), whether with or without husk, whether cured or uncured, but does not include the fruit while still attached to the tree.	1 anna per lb
13	COFFEE, CURED§ — "Coffee" means the seed of the coffee tree (<i>coffee</i>), whether with or without husk, whether cured or uncured, but does not include the seed while still attached to the tree. N.B. —In addition a duty of excise at the rate of one rupee per cwt. is leviable under the Coffee Market Expansion Act, 1942, on all coffee (except coffee sold and delivered before the estate became subject to the provisions of the Act)— (i) which a registered estate is permitted by the internal sale quota allotted to it, to sell in the Indian market, whether such coffee is actually sold or not, and (ii) which is released for sale in India by the Indian Coffee Board from the surplus pool. (The Coffee Market Expansion Act, 1942, shall cease to be in force at the end of the twelve months commencing on the first day of July subsequent to the termination of the present hostilities.)	2 annas per lb
14	TEA ¶ — "Tea" means the commodity known as tea made from the leaves of the plant <i>Camellia Thea</i> (Linn) and includes green tea.	2 annas per lb
15	COAL AND COKE— (i) Coal and Soft Coke (ii) Hard Coke N.B. —In addition with effect from the 1st October, 1944, and the 1st December, 1944, an excise duty at the rate of one rupee and four annas per ton and another at the rate of four annas per ton are leviable under the Coal Production Fund Ordinance, 1944, and the Coal Mines Labour Welfare Fund Ordinance, 1944 respectively, on all coal and coke despatched from collieries in British India. But all coal and coke despatched from collieries otherwise than by rail are, however, exempt from liability to these duties.	2 annas per ton 3 annas per ton
16	COPRA ¶¶	4 annas per cwt. avoird
17	Goods specified in item 40 of List 11 of the 7th Schedule to the Government of India Act, 1935, viz.— (a) Alcoholic liquors for human consumption, (b) Opium, Indian hemp and other narcotic drugs and narcotics, non narcotic drugs, (c) Medicinal and toilet preparations containing alcohol or any substances included in (b) above.	Rates vary in different provinces.

* Under the Government of India, Finance Department (Central Revenues), Notification No. 16-Central Excises, dated the 1st April, 1941, tyres specially designed for use on animal drawn vehicles are exempt from payment of this duty

† Under the Government of India, Finance Department (Central Revenues), Notification No. 4 Central Excises, dated the 1st April, 1943, vegetable product known as "Margarine" is exempt from payment of this duty

‡ Under the Government of India, Finance Department (Central Revenues), Notification No. 13-Central Excises, dated the 7th October, 1944, betel nuts which are proved to the satisfaction of the Collector of Central Excise to be intended for being used as seeds are exempt from the payment of this duty

§ Under the Government of India, Finance Department (Central Revenues), Notification No. 2-Central Excises, dated the 3rd June, 1944, Coffee seeds which are proved to the satisfaction of the Collector of Central Excise to be intended for the purpose of sowing are exempt from the payment of this duty

¶ Under the Government of India, Finance Department (Central Revenues), Notification No. 7 Central Excises, dated the 19th August, 1944, tea waste which is proved to the satisfaction of the Collector to be intended for the manufacture of caffeine, is exempt from duty

¶¶ Under Government of India, Department of Education, Health and Lands (Agriculture), Notification No. F43-4/45-A dated the 25th May, 1945, and in exercise of the powers conferred by section 3 of the Indian Coconut Committee Act, 1944 (X of 1944), the duty is levied with effect from the 1st June, 1945, on all copra consumed in any mill in British India, when produced in British India

CESSES LEVIABLE ON CERTAIN ARTICLES ON EXPORT OR OTHERWISE.

No.	Name of Article.	Cess leviable.
*1	TEA	Rs. 1-4 per 100 lbs.
†2	JUTE—	
	(a) Raw including Jute cuttings and rejections	Two annas per bale of 400 lbs.
	(b) Manufactured Jute	Twelve annas per ton of 2,240 lbs.
‡3	COTTON (ginned)—	
	(a) Baled	Two annas per standard bale of 400 lbs.
	(b) Unbaled	Six pies per 100 lbs.
§4	LAC—	
	(a) Any form of manufactured or unmanufactured lac	Seven annas per maund.
	(b) Refuse lac	Five annas per maund.
||5	COFFEE	Rs. 1 per cwt.
¶6	(i) BONES**	
	Tariff value—	Per cwt.
	Bones, broken or crushed (including bone grist).	Rs. a. p. 4 4 0
	(ii) BRISTLES	
	(iii) BUTTER	
	Tariff value—	Per lb.
	Butter	Rs. a. p. 1 12 0
	(iv) CEREALS, other than rice and wheat	
	Tariff values—	Per cwt.
	Bajri	Rs. a. p. 11 0 0
	Barley	10 0 0
	Jowar	10 8 0
	Maize	10 8 0
	(v) DRUGS††	
	(vi) FIBRE FOR BRUSHES	
	Tariff value—	Per cwt.
	Fibre for brushes, all kinds	Rs. a. p. 23 0 0
	(vii) FISH	
	(viii) FRUITS	
	Tariff values—	Per cwt.
	Almonds in the shell	Rs. a. p. 80 0 0
	Almonds without shell	210 0 0
	Cashew kernels	100 0 0
	Coconuts	Per thousand. 90 0 0
	Raisins, all kinds	Per cwt. 70 0 0
	Tamarind	17 0 0
	Walnut in the shell	50 0 0
	Walnut kernel	75 0 0
	(ix) GHEE	
	Tariff values—	Per Indian maund.
	Ghee	Rs. a. p. 170 0 0
	Ghee substitute including vegetable ghee and hydrogenated edible oil and fat mixture.	Per cwt. 63 0 0

‡ per cent. *ad valorem*.

* The cess is levied on all tea exported from any Customs port to any port beyond the limits of British India. Under the Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as subsequently amended, tea exported to any place in the Janjira State or exported from any Customs port to any port in Kathiawar and tea exported by post is exempt from payment of this duty.

† The cess is levied on all jute exported by sea from the port of Calcutta to any other port whether beyond or within India and from the port of Chittagong to any other port beyond or within India (except raw jute exported to Calcutta).

‡ The cess is levied on all cotton produced in India and (a) consumed in any mill in British India, or (b) exported from any Customs port to any port outside British India, or (c) exported by land to the French and Portuguese territories of Pondicherry, Karikal, Goa and Daman. The cess is not, however, leviable on cotton waste, kapok and cotton fly. Under the Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as subsequently amended, cotton exported from any Customs port to any port in Kathiawar and linters are exempt from payment of this duty.

§ The cess is levied on all lac and refuse lac produced in India and exported from any Customs port to any port beyond the limits of British India. Under the Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as subsequently amended, lac and refuse lac exported from any Customs port to any port in Kathiawar are exempt from payment of these duties.

|| The cess is levied on all coffee taken by sea or by land to any place beyond the limits of British India. Under the Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as subsequently amended, coffee taken by sea or by land to any place in the Travancore State or Cochin State or by land to any place in the Mysore State, or exported from any Customs port to any port in Kathiawar is exempt from payment of this duty.

¶ Under the Government of India, Finance Department (Central Revenues), Notification No. 33, dated the 22nd June, 1935, as subsequently amended, articles included under item No. 6, exported (a) by sea as passengers' baggage, (b) by post, (c) to any place in the Janjira State, and (d) from any Customs port to any port in Kathiawar are exempt from payment of this duty.

** Under the Government of India, Department of Education, Health and Lands, Notification No. F. 8/40, dated the 11th September 1940, Bones, human, exported as anatomical specimens are not subject to this duty.

†† Under the Government of India, Department of Education, Health and Lands, Notification No. F. 8/40, dated the 11th September 1940 Drugs, manufactured, are not subject to this duty.

CESSES LEVIABLE ON CERTAIN ARTICLES ON EXPORT OR OTHERWISE—*contd.*

No.	Name of Article.	Cess leviable.
	(s) HIDES, raw	
	<i>Tariff values—</i> Per lb.	
	Rs. a p	
	Buffalo hides (excluding calf skins)—	
	(i) Arsenicated	0 8 8
	(ii) Salted	0 7 0
	Cow hides (excluding calf skins)—	
	(i) Arsenicated	0 10 0
	(ii) Salted	0 8 0
	(sv) MANURES	
	<i>Tariff value—</i> Per cwt.	
	Rs. a p	
	Manures of animal origin, all kinds ..	4 8 0
	(svi) OILCAKES	
	<i>Tariff values—</i> Per ton.	
	Rs. a p	
	Groundnut oilcakes	65 0 0
	Groundnut oilcake meal	70 0 0
	Linseed oilcakes	65 0 0
	Oilcakes, other kinds	65 0 0
	(svii) PULSES	
	<i>Tariff values—</i> Per cwt.	
	Rs. a p	
	Dal, all kinds	20 8 0
	Pulses, all kinds	18 0 0
	(sviii) SEEDS	
	<i>Tariff values—</i> Per cwt.	
	Rs. a p	
	Ajwan	20 0 0
	Aniseed	25 0 0
	Castor seed	15 0 0
	Celery seed	52 0 0
	Coriander seed	25 0 0
	Cotton seed	7 0 0
	Groundnuts, decorticated	15 0 0
	Linseed	14 8 0
	Mustard and rape seeds	18 0 0
	Niger seed	18 0 0
	Til (Sesamum)	25 0 0
	(svix) SKINS, raw	
	<i>Tariff values—</i> Per piece.	
	Rs. a p	
	Goat skins (excluding kid skins) ..	1 7 0
	Sheep skins (excluding lamb skins) ..	1 8 0
	(svx) SPICES	
	<i>Tariff values—</i> Per cwt.	
	Rs. a p	
	Chillies, dry	40 0 0
	Ginger, dry	50 0 0
	Pepper, black	60 0 0
	Turmeric	23 0 0
	(svxi) TOBACCO, unmanufactured	
	<i>Tariff values—</i> Per lb.	
	Rs. a p	
	Fine cured	1 0 0
	Non-fine cured	0 8 0
	Chewing, bidis, cheroot and cigar tobacco	0 8 0
	(svxii) VEGETABLES	
	<i>Tariff values—</i> Per cwt.	
	Rs. a p	
	Garh	20 0 0
	Onions	7 0 0
	Potatoes	16 0 0
	(svxiii) WHEAT	
	<i>Tariff value—</i> Per cwt.	
	Rs. a p	
	Wheat, all kinds	12 8 0
	(svxiv) WHEAT FLOUR	
	<i>Tariff values—</i> Per cwt.	
	Rs. a p	
	Wheat atba	14 8 0
	Wheat flour and suji	18 0 0
	(svxv) WOOL, RAW	
7	Cloth and yarn of any description manufactured either wholly from cotton, or partly from cotton and partly from any other substance, and containing not less than 10 per cent. of cotton by weight.*	3 per cent. of the maximum ex-factory price for the time being fixed for the particular description of cloth or yarn or where no maximum ex-factory price has been so fixed at the rate of 3 per cent. of the value of the cloth or yarn as declared in the shipping bill.

* This duty was imposed from the 1st October, 1944, under the Cotton Textiles Fund Ordinance, 1944 (Central Ordinance No. LXXIV of 1944), dated the 8th July, 1944

Under the Government of India, Finance Department (Central Revenues), Notification No. 29—Customs, dated the 18th November 1944, Cloth and Yarn manufactured in India and exported from British India to an Indian State are exempt from the payment of the duty leviable thereon.

Report for the Year 1945.

Section IV.

**SPEECH OF THE FINANCE MEMBER
ON
INTRODUCTION OF BUDGET FOR 1946-47.**

SPEECH BY THE HONOURABLE THE FINANCE MEMBER ON INTRODUCING
THE BUDGET PROPOSALS FOR 1946-47.

Although I have not undertaken any intensive research to establish the fact, I imagine that I am the first Finance Member to deliver his first Budget Speech in the knowledge that it will almost certainly be his last.

2. In the interval since my distinguished predecessor presented his sixth and final Budget, the international and domestic scene has been transformed. The monstrous ambitions of the Fascist dictatorships have been utterly destroyed and the peace-loving and democratic nations can look forward to the building of a new world in the confidence that for many years to come their plans will not be frustrated and set at naught by the threat of external aggression.

But though our external foes have been overthrown, the world, and particularly India, is still confronted by a whole array of dangerous and enduring enemies—poverty, squalor, ill-health, illiteracy, under-nourishment and underemployment, and of these the most formidable is poverty. If we can expel this adversary from our midst, we shall find no great difficulty in dealing with the allies who revolve round his axis.

3. Let us not deceive ourselves, however, into thinking that we can triumph over the forces thus drawn up against us without a supreme and combined endeavour. Victory will not be achieved without sustained effort, without sweat and tears, without money or without leadership. Almost the greatest of these is leadership, and at this point I shall refer to the only political issue which I propose to raise in the course of my speech. No army has encompassed the defeat of its enemies on the battlefield without faith and confidence in its leaders. With all the earnestness at my command I add one more plea to the leaders on the benches opposite to co-operate with those on this side and with H.M.G. in finding an early solution to the political problem. I am conscious of the difficulties and am not insensible of the width of the gulf which has to be bridged, but it is my firm conviction that with toleration, restraint and goodwill a solution can be found. What is certain is that for every day the solution is deferred, for so long will be postponed the attainment of India's destiny which is hers by right.

What I have said so far is merely to indicate in broadest outline what I conceive to be the aims of India's national long-term policy. Fiscal policy is merely one of the means to achieve national policy and in the proposals which I am about to submit to the House I have kept these long-term aims in mind. But necessarily and inevitably my proposals have been coloured and qualified by the conditions which have been created by the war and by its merciful termination earlier than any of us had dared to hope.

4. Let us pass these conditions under a brief review. While India has been spared the material destruction that has befallen many other countries, she has suffered in full measure, and in some directions in greater measure than others, the economic consequences of war. Her industrial equipment has been worked to the very edge of a breakdown and there is a large backlog of maintenance and replacement to be made good; more than that, the development of her economy and even her reconstruction are being delayed through her inability to obtain the necessary capital equipment owing to destruction and unsatisfied demands in the supplying countries. Civilian building has been almost entirely neglected for over five years, and this presses heavily on a country where the large annual increase in population and where growing industrial development require a continually expanding building programme. In India, as elsewhere, there have occurred large shortages of consumer goods, caused on the one hand, by the failure of supplies from overseas and on the other by the diversion of a large part of her productive capacity to war purposes. Outstanding examples are textiles and foodgrains, though there are many other examples. I do not propose to dilate on the foodgrains situation, since that is only too well known to the House. Finally, as elsewhere, the purchasing power in the hands of the public has enormously increased and here, too, the consuming public is anxious to make effective use of its spending capacity. In other words, there are still pockets of inflationary forces which require to be closely watched and controlled.

5. In one important respect, however, the situation in India resulting from the cessation of hostilities differs from that in other important belligerent countries such as the United Kingdom and the United States of America. In largely agricultural countries such as India and the Middle Eastern States, war expenditure, though in absolute amounts much less than in the industrialised states of the West, has had a proportionately greater effect in stimulating the growth of the national income. It follows that, with the fall in war expenditure which is now inevitable, a greater proportionate effort will have to be made if the national income is not to fall too far below its war-level. In other words, deflationary tendencies will, in the absence of countervailing measures begin to manifest themselves before very long. When I mention that the drop in defence expenditure on account of His Majesty's Government and the Government of India combined will be of the order of Rs 600 crores next year as compared with the budget this year, the House will realise how strong these tendencies will be. It must, therefore, be the object of the Government, in the coming year, with the help of the public and of the business community, to avoid the Scylla of increasing inflation and the Charybdis of too precipitate a deflation.

FINANCIAL YEAR, 1945-46.

Revenue.

6. It is against this background that I now proceed to review the financial position for the current and the following years.

Total revenue receipts are now expected to reach Rs. 360 66 crores, a decrease of Rs. 1.68 crores on the budget estimates

Customs receipts are likely to improve by Rs. 9½ crores as a result of larger imports. Under Central Excises, however, we expect a short-fall of approximately Rs 2 crores from the Rs. 48 59 crores provided in the Budget.

Under Taxes on Income, we estimated a collection of Rs 190.5 crores, Rs. 90 crores under excess profits tax and Rs 100.5 crores under other taxes on income. We now place the revenue at Rs 189 crores, the short-fall of Rs. 1½ crores occurring under ordinary income-tax. The divisible pool of income-tax is likely to amount to Rs. 55 94 crores and the share of the provinces together with the carry over of Rs 5 28 crores from the previous year, to Rs. 28.75 crores.

The revenue of the Posts and Telegraphs Department is now estimated at Rs. 32 84 crores, Rs. 96 lakhs more than the budget figure. Expenditure is placed at Rs 22.17 crores, an increase of Rs 2 14 crores, due mainly to post-budget decisions regarding war and dearness allowances. The anticipated surplus of Rs. 10.67 crores will accrue to general revenues.

The contribution from Railways to General Revenues has been taken at Rs 32 crores as envisaged in the Budget Estimates.

Expenditure

7. *Defence Services*—It has been customary during the war years for the Finance Member to give in this section of his speech a general review of the progress of the war and the activities of the Indian Defence Services both in India and abroad. Partly in order to reduce the length of my speech and partly because I feel that such a review would come more appropriately from the War Department I shall, on this occasion, confine myself to only such broad matters of policy as directly affect India's defence expenditure, leaving it to my Hon'ble friend, the War Secretary in the course of the budget debates, to give the House fuller and more detailed information on the administrative measures and other activities with which his Department is primarily concerned. I am circulating with the Budget papers an Explanatory Memorandum prepared by the War Secretary setting out in more detail the main administrative measures in the field of defence and giving details of the amounts provided in the defence Budget Estimates.

8. The outstanding events of the year were, of course, the unconditional surrender of Germany on the 7th May, followed, about four months later, by a similar surrender on

the part of Japan. Though the latter event came about six months earlier than was generally expected, plans for the demobilisation of personnel of the Indian armed forces had been under active preparation for a considerable time before V-J Day and it was found possible to put these into operation at the beginning of October last. The number of personnel to be demobilised in India is well over a million and a half and no effort is being spared to speed up the rate of releases. It is a formidable task, which is complicated by transport difficulties and the uncertainties that must necessarily exist for some time regarding the ultimate size and composition of India's defence forces, but we expect it to be largely completed by the end of the coming financial year.

9. The actual discharge of personnel from the Indian armed forces represents, however, only one aspect of the process of demobilisation—using that term in its wider sense of the unwinding of war activities and the diversion of India's economic resources, both human and physical, from winning the war to the tasks of rehabilitation and development. Thus the defence authorities, besides dealing with the problem of the orderly release and repatriation of over one million and a half men from the fighting services, which includes the making of arrangements for the welfare of soldiers awaiting discharge and their education and preparation for civilian life, are directly concerned with the cancellation or reduction of their demands for stores of all kinds, the closing or slowing down of munitions manufacture, the stoppage of building activity and the declaration of surplus stocks and the disposal of fixed assets no longer required for defence purposes. The complementary schemes and measures to ensure that the personnel and industrial resources thus set free are utilised as fully and speedily as possible for the recuperation and expansion of India's civil economy, are primarily the concern of the civil authorities both at the Centre and in the Provinces, though naturally, in view of the strong interest that the defence authorities have in the resettlement of defence personnel, they are constantly brought into consultation regarding these matters.

10. In view of the fact that by the middle of the year the war had ended, it may come as a surprise and disappointment to some that the revised estimate for the current year does not indicate a more substantial fall in the expenditure chargeable to India's defence estimates, as compared with the budget for that year. The budget estimate was Rs. 394.23 crores and the revised estimate is Rs. 376.42 crores. The explanation for this is to be found very largely in the heavy costs of war gratuities, special leave and other terminal benefits granted to personnel on discharge in addition to their pay and allowances and other maintenance expenses while awaiting discharge in India.

11. With effect from V-J Day (2nd September 1945) the supply of goods and services from the United States of America to the United Kingdom and other countries under Lend-Lease arrangements came to an end and from the same date those nations, including India, ceased to provide services and supplies for the U.S. Forces on Reciprocal Aid terms. It was agreed, however, as a matter of administrative convenience, that supplies and services through mutual aid channels should continue for a short time to be rendered on both sides, but on a cash repayment basis. A number of claims and counterclaims are arising between India and the United States of America on this account.

12. Another matter outstanding between India and the United States of America is the settlement of Lend-Lease and Reciprocal Aid, and the transfer to the Government of India *en bloc* of stocks and installations accumulated by the United States of America authorities in India during the war and now surplus to their requirements.

It is clearly necessary to arrive at an early understanding with the United States of America on these matters and the Government of India therefore welcomed a suggestion from the U.S.A. Government of their discussion at Washington. Two senior officers will accordingly be deputed to America for this purpose.

Civil Estimates.

13. The revised civil estimates for the current year stand at Rs. 129.19 crores, an increase of Rs. 5½ crores over the Budget figure. Civil expenditure connected with the war shows a fall of Rs. 7 crores, but this is more than offset by the provision under "Grants-in-aid" of a further subvention of Rs. 8 crores to Bengal. This further assistance is calculated to bring the total Central grant to Bengal to a figure representing roughly half the cost to the

Province of the disastrous 1943 famine, and does no more than enable the Government of Bengal to break even on their revenue account to the end of 1945-46, when most other provinces have been in a position to tuck something away for purposes of their post-war development. It is accompanied by a withdrawal of the Central Government's offer to meet half the losses involved in the rapid turnover of food stocks which was found to be necessary to prevent wholesale deterioration, and represents the last measure of special assistance which Bengal will require from the Centre as a result of the major calamity which was peculiar to that Province alone. For the rest, the increase in the Revised Estimates is due mainly to the strengthening of the Central revenue organisation and to expansion in a number of Departments, mostly those which are popularly called "nation building". I do not propose to refer here to individual variations since they are explained in the Explanatory Memorandum which accompanies the printed Budget Statement, and developmental expenditure will be dealt with separately later on in this speech. There are, however, one or two matters of general interest which I should like to mention in view of their bearing on Central expenditure.

14. The House will appreciate that the sudden termination of active hostilities did not end the difficulties and abnormalities of the country's economy which the war brought into being. In discharge of its responsibility for the economic health of the country, the Government has of necessity had to maintain the system of controls, both economic and financial, which was developed during the war, but although some of the controls have come to stay, since you cannot have a planned economy without some controls, the remainder are being, and will continue to be, withdrawn as soon as they have ceased to serve the purpose for which they were designed. Indeed, some 150 control measures have already been so withdrawn.

15. The work of the Supply Department now that war-time procurement operations have ceased to be of primary importance, is being directed towards restoring the civil economy of the country. The department has been amalgamated with that of the Industries and Civil Supplies and the new department will deal mainly with the development of industries in accordance with the approved plans. During the first seven months of the current year the value of orders placed by the Supply Department was Rs. 107 crores compared with Rs. 162 during 1943-44. Latterly one of the main tasks of the department, however, has been to terminate war contracts already entered into and arrange for the disposal of surplus stores. By December 1945, existing contracts to the value of approximately Rs. 20 crores had been cancelled, while in other cases contractors were permitted to utilise the materials acquired by them for Government contracts for the production of goods required by the public. As a result of this policy, the amount of compensation paid has been very small and amounted to only Rs. 8 lakhs to the end of January, representing the final settlement of claims for contracts totalling over Rs. 13 crores. Some Rs. 8½ crores have also been received by the direct sale of surpluses. I have already referred to the negotiations which are taking place with the American authorities in connection with the disposal of U.S.A. surpluses in this country.

The future policy in regard to Ordnance factories has been laid down, and, as a purely short-term measure, the available spare capacity is being utilised for the production of civilian goods in short supply.

A Co-ordination Committee of Council has been appointed to ensure that the many complicated problems connected with the transition of India's economy from a war footing to a peace footing are effectively integrated and speedily dealt with. The Defence Department was wound up last month.

16. To summarise the whole budgetary position in 1945-46, the figures are these:

Original Budget.—Expenditure Rs. 517.63 crores, Revenue Rs. 362.34 crores, giving a revenue deficit of Rs. 155.29 crores.

Revised Budget.—Expenditure Rs. 505.61 crores, Revenue Rs. 360.66 crores, yielding a revenue deficit of Rs. 144.95 crores. The revenue deficit position has, therefore, improved to the extent of Rs. 10.34 crores.

FINANCIAL YEAR, 1946-47.

Revenue.

17 I turn now to the financial year 1946-47. Before taking into account fresh taxation proposals and an adjustment to which I shall refer later, our total revenue estimates amount to Rs. 307 crores compared with Rs. 362.34 for the current year.

Customs receipts have been placed at the conservative figure of Rs. 55 crores net, which is the same as in the revised estimates for the current year; but with an improvement in the shipping position and with the increasing availability of supplies from exporting countries receipts may well exceed this figure. Under Central Excise Duties, the estimates provide for Rs. 47.20 crores.

Now that war activities have ceased, we are allowing for a total revenue of Rs. 158 crores only under Corporation and Income-taxes. This includes an expected yield of Rs. 75 crores from excess profits tax. The divisible pool of income-tax has been taken at Rs. 46.79 crores and the share available to Provinces at Rs. 19.64 crores.

The revenue of the Posts and Telegraphs Department is expected to be Rs. 32.25 crores and expenditure Rs. 22.25 crores, inclusive of an extra contribution of Rs. 50 lakhs to the Renewals Reserve Fund. The surplus is estimated to be Rs. 10 crores.

In modification of the policy pursued during the war years, of taking the entire surplus of the Posts and Telegraphs Department to general revenues, it is proposed, for the coming year, that the contribution should be three-quarters of the surplus instead of the whole. The share which accrues to the Posts and Telegraphs Department will strengthen the resources available for expenditure on post-war schemes.

As regards the contribution from Railways, we are providing for Rs. 7.36 crores. This represents a drop in receipts by Central Revenues of nearly Rs. 25 crores. The House is already aware of the basis of this estimate from the Railway Budget recently presented.

Expenditure

18. *Defence Estimates*—As already mentioned, general demobilisation will be in progress throughout the year 1946-47 and for this reason the defence estimates for that year are inflated by the abnormal expenditure arising out of that process. Provision has been made for the maintenance of an Indian contingent consisting of one Indian brigade, one R I A.F. squadron and two R I N. sloops, with ancillary and administrative units and formations, to be stationed in Japan during the year as part of the forces of occupation, furnished by the United Nations. Apart from the great part played by her armed forces in the subjugation of the Japanese, India's representation amongst the forces of occupation is an appropriate and inevitable recognition of her international importance.

Some reduction in the estimate has resulted from the decisions to withdraw Japanese campaign pay, the further accrual of war service increments, and other war-time concessions, with effect from various dates in 1946-47.

19 It has been decided after consultation with His Majesty's Government, that the Financial Settlement will remain in force until the 1st of April, 1947. In spite of much discussion on the subject both in this House and elsewhere some confusion of thought and misunderstanding still persist about the nature and intent of this Settlement. Three separate, though interconnected issues, are involved.

First, there is the principle in accordance with which expenditure on the armed forces of India is borne by the revenues of India and of the U.K. respectively. The principle is simple and is not new. It has been in force for many years. It is this: expenditure incurred for the purposes of India's own defence falls on India; the remainder falls on His Majesty's Government.

Secondly, there is the so-called Financial Settlement. This is merely a set of accounting rules for allocating to the respective exchequers the total war expenditure in accordance

with the principle to which I have just referred. Experience gained in the last war showed that the normal peace-time methods of determining the shares to be borne by India and the U.K. in accordance with this principle are quite impracticable under war conditions and the Settlement was, therefore, devised as a rough and ready means of arriving at India's share of defence expenditure, which, while broadly conforming to the accepted principles of incidence, would not impose an intolerable strain on the administrative and accounting machines. Shortly after the conclusion of hostilities with Japan, His Majesty's Government asked us to consider a suggestion that the Financial Settlement might be terminated on the 31st March, 1946. It was pointed out to them, however, that the great virtue of the Settlement lies in its saving of man-power and that, in view of the heavy calls that general demobilisation and other transitional activities would make on India's administrative and accounting staffs, the reversion during that year to the normal accounting methods of allocating expenditure would be impracticable. It was therefore urged by us that the retention of the Settlement until the end of that year (by which time these disturbing factors would have largely disappeared) was essential, and His Majesty's Government has accepted this view. I want to emphasise that it was Whitehall and not Delhi that wanted to drop the Financial Settlement at the end of the current financial year.

Thirdly, there is the method of financing the expenditure for which His Majesty's Government is responsible. This is not affected in the slightest degree by the terms of the Financial Settlement itself, it follows that the continuation of the Settlement for another year in no way prejudices the question of an alteration in the financing procedure hitherto followed, which, as the House knows, has resulted in heavy accumulation of sterling balances. The question of alternative methods of financing His Majesty's Government's expenditure is engaging the closest attention of Government, although, as will be seen in a second, the amount involved next year is insignificant in comparison with the total of our sterling assets to date.

20. The estimate of defence expenditure recoverable from His Majesty's Government for the year 1946-47 is only Rs. 42 crores, against Rs. 489 crores in the Budget for the year 1945-46. The very marked decrease in next year's claim reflects partly the success of the Hydari Mission's efforts to secure a reduction of the demands for war purposes on India's productive capacity, partly the decision to discontinue, except in respect of certain agreed categories of stores with effect from 1st April, 1946, the use of India as a source of supply of the S.E.A. Command's requirements, partly the fact that, to a large extent, the requirements of both the India and S.E.A. Commands during 1946-47 will be met from stocks in India paid for by His Majesty's Government in previous years; and finally the large reduction in the numbers of Indian troops employed overseas. The recoverable expenditure for 1946-47 will thus represent for the most part the pay and allowances of Indian forces employed on occupational duties overseas (elsewhere than in Japan) and connected transportation charges incurred in India.

21. While the war lasted, the budget estimates of the defence services ceased for the most part to serve as instruments for restricting and generally controlling expenditure. This was inevitable in view of the impossibility of foreseeing the course of the war and, therefore, the measures that would have to be taken to meet the threats to India's security as they arose from time to time. Clearly, if a measure could be shown to be essential for the prosecution of the war, its introduction could not be opposed merely on the ground of the absence of budget provision. Now that the war has ended this state of affairs can no longer be allowed to continue and it has been decided to reintroduce, as far as possible, the normal procedure for budgetary control over defence expenditure during 1946-47. Owing to the existence of numerous abnormal factors it will not be possible to introduce the normal peacetime accounting and budgetary procedure in its entirety, but I contemplate that such control will be substantially secured.

22. The budget estimates of defence expenditure for 1946-47 amount to Rs. 243.77 crores and Rs. 1.57 crores for the Revenue and Capital heads respectively, as compared with Rs. 376.42 crores and Rs. 14.93 crores in the revised estimates 1945-46. His Majesty's Government's expenditure is now Rs. 3.47 crores in the revised estimates for 1945-46 and, as already stated, Rs. 42 crores in 1946-47.

23. *Civil estimates* —I shall not, at this stage, detain the House with details of the civil estimates. Suffice it to say that expenditure debitable to Revenue amounts to Rs. 111.94 crores.

The position for the coming year is thus as follows. The expenditure detailed in the civil estimates comes to Rs. 111.94 crores and provision for the defence service has been placed at Rs. 243.77 crores, the combined total being Rs. 355.71. The total revenue at the existing level of taxation is estimated at Rs. 307 crores. We are thus left, before making adjustments resulting from taxation proposals, with a prospective revenue deficit of Rs. 48.71 crores, as compared with Rs. 155.29 crores in the original and Rs. 144.95 crores in the revised budgets for 1945-46.

WAYS AND MEANS.

24. In the context of war finance our ways and means operations have assumed a position of special importance and my predecessor took occasion to explain the changed significance which they have come to occupy in the broader field of Government's financial and economic policy as a whole.

During the period of hostilities, due to the situation created by our own war expenditure and that of the Allied Governments, a major pre-occupation was the problem of trying to absorb by taxation and borrowing, the purchasing power in the hands of the public so as to bridge, or to reduce to a manageable size, the inflationary gap. Today the problem in its broadest aspects has, as I have indicated earlier in my speech, two facets, first, of securing stability in the immediate future by keeping in check an inflationary potential that undoubtedly still exists, and secondly, of preventing any material decline in business and economic activity as a result of the cessation of war-time expenditure.

In so far as the immediate problem still remains that of an excess of purchasing power competing for a limited volume of consumer goods, a main objective of our policy in the financial sphere must be to ensure that, through the issue of various loans and through other forms of borrowing, as well as by measures of taxation, surplus funds in the hands of private citizens are diverted to the public fisc to the extent that they are not devoted to new productive enterprises. Investment in Government loans and the consequent withdrawal of redundant purchasing power from the public has the two-fold advantage of mitigating the pressure of such surplus funds on the prices of consumable goods, and, at the same time, of building up reserves in the hands of Government for development purposes.

25. With this purpose in view, we have continued our efforts to popularise investment in Government loans. While the support accorded by the various sections of the public to the borrowing programme of Government has been satisfactory, a great deal remains to be done to bring home to the population in the rural areas the desirability of investing in Government loans, in furtherance of the common good. With the object of turning the savings movement from a wartime measure to combat inflation, to a peacetime organisation which can serve a great social end, the Small Savings Scheme has been reorientated with the primary purpose of encouraging consistent savings among the less well-to-do section of the community. Particular emphasis has been directed towards ensuring that no pressure is brought to bear, but that the people should be persuaded, by reasoned explanation of the advantages, to save regularly whenever possible and however small the amount. The propaganda which has recently been launched with the co-operation of gentlemen eminent in the public life of the country has been directed towards these ends and I should like to take the opportunity of acknowledging the support which they have given in laying the foundations of a scheme which, I believe sincerely, is not only in the interests of the individual saver but also to the advantage of the community as a whole. I greatly hope that the day is not far off when the people will cease to keep the bulk of their savings in the form of hoarded currency, or bullion or superfluous ornaments, and will put their savings to work to create new wealth. It has always seemed stupid to me that man should expend so much effort in digging out treasure from mineral deposits only to bury the bulk of it in safe deposits.

26. During the last financial year Rs. 40½ crores were invested in Small Savings and, during the first nine months of 1945-46, Rs. 43½ crores have been accumulated. The total amount invested by the public in the various public loans offered during the period

February 1945 to January 1946 aggregated Rs. 346 crores, compared with Rs. 286 crores during the corresponding period last year

The progressive total of public loans issued since the beginning of the war up to the end of January 1946 reached the figure of Rs. 1,178 crores. Impressive as this total is, the House will agree that there is no room for complacency when we regard the development expenditure in prospect. It is true that it has been possible to float the loans required for the prosecution of the war cheaply, but it is necessary at the same time that funds required for India's development should be obtained at equally and even more favourable rates. If large developmental expenditure is to be undertaken, whether from the public fisc or from the private sector, one of the pre-requisites will be the ability to borrow what is needed at cheap rates of interest. On the other hand, the capacity of the country to lend to the State will depend, to an appreciable extent at any rate in the years immediately ahead, on the volume of expenditure by the Government of the day, coupled with other recognised important factors such as Government's taxation policy, the retention of selected controls and the public's liquidity preference. Borrowing and spending must, therefore, go hand in hand.

27. As a result of the gradual funding of our floating debt, there is a reduction in the outstandings of Treasury Bills. Thus, against a figure of Rs. 104.81 crores at the end of December 1944, the corresponding figure at the end of December 1945 was Rs. 66.01 crores. It is true that our comfortable ways and means position does not compel the continuance of this form of borrowing, but this class of investment plays an important role in the money market. In the coming years it may be necessary, and even possible, for Government to exercise greater discrimination in the finding of development expenditure and to meet some of it by short-term borrowing. I am satisfied that we can without risk carry a floating debt substantially in excess of the present figure.

Excluding the contributions for quotas under the Bretton Woods Agreements, in regard to which special arrangements will be made with the Reserve Bank of India at the appropriate time, the total borrowings which I hope to raise during the coming year amount to approximately Rs. 300 crores. This compares with Rs. 346 crores raised during the last twelve months.

28. As regards sterling, during the first nine months of the current financial year, £228 million were added to the Reserve Bank's holding and it is estimated, allowing for the receipts during the last three months of the year, that the total holding on the 31st March 1946 will be of the order of £1,330 million.

As I have already indicated, additions to this total on account of His Majesty's Government's defence expenditure will be quite small next year even if no change is made in the method of financing this expenditure. Indeed, it is possible that in the course of 1946-47 the United Kingdom may succeed in increasing her exports to India to such an extent as to avoid any further additions to our sterling credits and, perhaps, even to reduce them. And this, of course, is quite apart from the amount of sterling which will be convertible into free exchange as a result of the negotiations which will take place in the course of the year between His Majesty's Government and ourselves. I have made it clear on previous occasions that the arrangements to be made for the transfer of these balances are a matter for bilateral settlement between India and the United Kingdom and I take this opportunity of reiterating what I have said before, namely, that should negotiations take place while the present Government is in office, I would hope to associate representatives of the leading political parties in the country and other non-officials with the delegation appointed to undertake the discussion with His Majesty's Government. I would also repeat what I have told the House previously, that India will be entirely free to take any line that she may see fit to pursue at these negotiations and any idea that she is committed in advance to a scaling down of the balances or to a continuance of arrangements under which such balances will continue to accrue is entirely without foundation. When these negotiations will take place, however, it is not yet possible to say, but it is highly unlikely that they will be held until the United States Congress has ratified the U.S.A.-U.K. Loan Agreement.

In my opinion, no grounds exist for the fears which have been expressed that India's ability to obtain, in the immediate future, capital equipment from abroad will be prejudiced by the fact that a large portion of her foreign exchange reserves are in the form of sterling

Indeed, I would go so far as to say that, for a number of years to come, the main consideration will not be the availability of exchange but the physical capacity of the two main exporting countries to meet the demands of a war shattered world. At the same time, the absorptive capacity of India herself and the rate at which the necessary technical personnel can be made available, may well be limiting factors of considerable importance.

29 Another question which is closely connected in the public mind with sterling balances is that of the so-called Empire Dollar Pool. There is a widespread belief that the arrangement which goes by this name has been grossly unfair to India, that this country has contributed enormous net amounts of hard currency to the Pool and that it would be to our advantage to withdraw from it without further delay.

There is, I am afraid, a great deal of misconception about the whole subject. Nobody is to blame for this misconception. It is mainly due to the fact that, for security reasons, it was not possible, while the war was on, to disclose the volume and details of the transactions which took place through the Dollar Pool.

I should like to examine the question very briefly under four heads: First, what is the nature of the Empire Dollar Pool? Secondly, how has its operation affected India? Thirdly, would it be to our advantage to withdraw from the Dollar Pool immediately? Fourthly, and lastly, to what extent has India contributed to the Pool assets in excess of assets drawn by her from the Pool?

To take these points in turn. First, what exactly is the Dollar Pool? The Dollar Pool is, in effect, the modification, imposed by war conditions, of the sterling area arrangement which has existed for a century. Under this sterling area arrangement, Empire countries, and other countries as well, found it convenient and economical to settle their transactions on international account through sterling, through London. Before the war, sterling was freely convertible into any other currency. When war broke out, the ability of the Commonwealth to earn foreign exchange was severely reduced owing to the fact that productive capacity previously devoted to exports had to be diverted to armaments, munitions and other warlike stores. At the same time imports necessary for the prosecution of the war remained high. The different countries in the Commonwealth were, however, affected in this respect in varying degrees and an arrangement was therefore entered into among them whereby earnings of dollars and other hard currencies would be pooled and the essential requirements of the several countries, in terms of these currencies, would be met from the Pool.

Secondly, how did the pooling arrangement affect India? The answer is that India had free access to the pool to finance her essential current imports from hard currency countries, which included the U.S.A., Canada, Switzerland, Sweden and Portugal. Moreover, a sum of 20 million dollars was specially earmarked to pay for capital equipment required by India from non-sterling countries for her post-war development.

Thirdly, would it be in India's interest to withdraw from the Pool forthwith? In my view, it would be premature and unprofitable to do so, since the balance of trade with the U.S.A. has been unfavourable to India for many months. In other words, India is receiving from the Pool more dollars than she is currently earning, and she is far from having exhausted the sum of 20 million dollars to which I have just referred. Moreover, under Article 7 of the Anglo-American Loan Agreement, the U.K. are committed to making arrangements which will involve the dissolution of the Dollar Pool within one year of the effective date of that Agreement.

Lastly, what is the excess of India's contribution to the Pool over her drawings from it? The wildest and most fantastic guesses have been made and the lowest non-official guess has put the figure at several hundred crores. I have been at considerable pains to establish what the true position is. Owing to the number and complexity of the transactions, it is very difficult to arrive at completely accurate figures, but with the help of the Reserve Bank I can give figures which are approximately correct. Here they are: Between September 1939 and March 1945 India earned hard currency assets to the amount of Rs. 364.33 crores. Excluding the 20 million dollar special fund which I have already mentioned, India has utilized hard currency assets to the amount of Rs. 265.02 crores. To this latter figure should be added the net import of gold from the United Kingdom during the same period,

since gold is equivalent to hard currency Computed at the world (not the Indian) price, the value of this gold is Rs 50 08 crores The balance in India's favour is, therefore, Rs 49 23 crores as at March of last year

It is contended that India should claim this amount from what remains of the Dollar Pool. Having regard to the essential character of the Dollar Pool, it seems to me difficult to establish a claim on this basis. The most that could be claimed would be a *pro rata* share of the existing Pool assets. But even if the full amount could be established, it is much less than I hope and expect that we shall obtain by way of free exchange from the pending negotiations between India and the United Kingdom on the subject of sterling balances

POST-WAR PLANNING

30. I shall now turn to the important subject of development planning, in which great strides have been made during the past twelve months, both at the Centre and in the Provinces. My predecessor last year referred to the steps which had been taken at the Centre for dealing with post-war planning and development, and mentioned a number of important preparatory measures which had been put in hand, such as the establishment of a Central Electrical Power Board, an Irrigation and Waterways Board, the Resettlement and Re-employment Directorate and the training of students overseas. Preparatory work of various kinds has expanded and intensified throughout the year, particularly in connection with the "Grow more food" campaign, essential training both in India and overseas, preparations for the re-settlement and re-employment of ex-soldiers and discharged war workers, and various research activities. In addition, all-India policies in respect of a number of subjects such as education, agriculture, food, health, labour, transport and civil aviation have been announced. The Central Government Departments have not confined their activities to advancing their own plans but have also been able to assist the Provinces in the preparation of theirs. Some, indeed most, of the subjects which I have just mentioned are, of course, primarily the responsibility of the Provincial Governments, but we hope that the general policies suggested, for example, in the Report on Education and in the Report of the Committee on Public Health will afford valuable guidance to Provincial Governments. All Provincial Governments have formulated their 5-year plans, and they are now under review by the Centre so as to ensure that they are properly co-ordinated *inter-se*, are generally in broad accord with all-India policies and objectives, and are individually and collectively feasible. I anticipate that, after due examination and discussion with Provincial Governments, the Provincial 5-year plans will be finalised in the course of the next few months. They involve expenditure of the order of Rs. 900 crores, part of which, however, will extend well into the second five-year period. In addition to this, the plans of the Centre in respect of railways, roads, civil aviation, tele-communications, Central institutions, etc., will also add up to a considerable figure. Our approach to the problem of planning has been of the severely practical kind, for which the main justification is that we now have within a minimum of time a very large programme of practical and desirable schemes in an advanced stage of preparation.

31. I have already mentioned the very heavy drop in war expenditure and the deflationary tendencies which this drop will set in motion with a consequent threat of widespread unemployment and depression. The House will doubtless wish to know what is being done to meet the situation. Industrial development cannot be relied upon to fill the immediate gap, if only because of the difficulties and delays in securing large-scale imports of capital goods. No Government, whether Central or Provincial, can afford to contemplate with complacency the onset of deflation or allow purely financial considerations to stand in the way of maintaining the economic health of the country. Public expenditure of a useful kind is the obvious remedy, and in May last Provincial Governments were asked to select from their 5-year plans schemes which would create employment and could be started at short notice; they were promised a substantial contribution towards the cost of such measures. When the war with Japan came to an unexpectedly early end, the position was further reviewed and our offer of financial assistance extended. Provincial Governments have been urged to embark forthwith on all schemes which provide a high proportion of employment relative to the cost, or are productive or of economic importance calculated to increase the national income. Such schemes will include roads, buildings, minor irrigation works, anti-erosion measures, agricultural and forestry development, and public health measures such as anti

malaria, water supply and drainages schemes. As an incentive to urgent action we have undertaken to provide Provincial Governments with all the funds that they may require for approved schemes of this nature up to the end of March 1947. In the case of self-financing schemes, this assistance will take the form of loans, while for others we are prepared to make advance grants to cover the full costs, which will not be recoverable but will be adjusted against whatever scheme of Central grant is eventually decided upon. Lists of schemes proposed to be taken up during this interim period have been received from most of the Provincial Governments, and approval is being freely and quickly accorded. A lump sum provision of Rs 35 crores has been made in the budget estimates for such advance payments, and of Rs 15 crores for loans to Provinces for productive development works.

32 For Central Government development schemes, excluding some Rs. 22 crores on Railway items, a total provision of about Rs 27 crores has been made in the Budget. This covers development expenditure in the Centrally Administered Areas, expenditure on the post-war plans of the Posts and Telegraphs and the Civil Aviation Departments, special loans to Port Trust to assist them in carrying out works which will create employment, and a lump-sum provision for various schemes of the Central Departments which are not sufficiently advanced for inclusion under the ordinary departmental budgets. One of these latter items, to which I would like to invite attention, is the Labour Department's subsidised housing scheme. Building is one of the most useful and desirable forms of investment, in regard to which there is, as I have already said, a tremendous leeway to be made good. The scheme, which is intended to benefit not only employees of Governments and Local Authorities but also industrial workers, provides for a subsidy up to 12½ per cent. by the Centre to local bodies and industrial employers, provided the Provincial Government concerned is also prepared to make a grant equivalent to 12½ per cent. of the cost to enable suitable houses to be constructed for the poorer classes of workers who are not in a position to pay a full economic rent. The scheme will apply mainly to urban employees, but we have not overlooked the importance of improving rural housing conditions also; and we are considering the possibility of setting up model housing schemes in selected villages in Delhi Province or other Centrally Administered Areas. In order to assist and stimulate private building activity special steps are being taken to increase allocations of coal for the burning of bricks and releases of timber, cement and steel, to relax controls over these materials and to expand production capacity. I think it is true to say, in regard to all the various schemes to which I have referred, whether Central, Provincial or private, that any delay which may arise is far more likely to be due to lack of qualified personnel than to lack of funds.

33 In the matter of the general financing of governmental plans there is little that can usefully be added to what has been stated in the last two Budget speeches; The scope for development is greatest in the Provincial sphere, but planned development on a national scale must be a joint and co-ordinated effort by both the Central and Provincial Governments, with a large measure of pooling of resources notwithstanding constitutional limitations. The Centre and the Provinces alike will need to develop their taxation resources to the full. If this is done, and effort during the early years is concentrated on economic measures designed to increase material prosperity and national income so as to build up revenue on which expansion of the social services must depend, there is good reason to believe that funds will be available to the extent that they can be usefully spent. It seems likely that Provincial Governments between them will have, by the end of the current year, balances of the order of Rs 70 crores; and will acquire during the next 6 years revenue surpluses totalling some Rs 100 crores. They have based their plans on the broad assumption that, apart from borrowings either from the Centre or from the market, they will receive Central grants during the quinquennium amounting to approximately Rs 250 crores which will be distributed roughly on a population basis. I do not myself regard population as an altogether appropriate basis of distribution and would prefer a scheme more on the lines of the Australian grants system, under which grants to States are made on the recommendation of an independent and impartial body such as the Australian Federal Grants Commission. As I understand it, the Australian system aims at achieving a reasonably equal standard of social and cognate services in all the States of the Commonwealth. In making their recommendations, the Commission takes into account such factors as the natural resources of each State, its stage of industrial development, its taxable capacity, the extent to which this taxable capacity is exploited, and so on. The Commonwealth Government have very kindly agreed to receive one of my senior officers to study on

the spot the working of the Australian system and the possibility of its adaptation to Indian conditions. Pending his report I am not in a position to make any more definite statement on the subject.

34. It is not on the activities of the Government alone, however, that the rapid development of India will depend, but also, and to a very large extent, on the efforts of private enterprise, particularly in the industrial field. I do not propose to go into the details of the various measures which the Planning and Development Department, in co-operation with the other Departments of Government and the industries concerned, have in hand for the rapid progress of industrialisation of this country. Reference to those measures will take place during the course of the budget debates. For my part I need only mention some of the more important measures which I have taken in hand. One of them is the establishment of an Industrial Finance Corporation in order to ensure the availability of medium and long-term credit to industrial enterprise in India where the more normal methods of industrial finance are inadequate. Detailed proposals for the establishment of such a Corporation have reached an advanced stage of preparation. Legislation will be required, and I shall endeavour to introduce the necessary measures in the course of this session.

35. Another matter which is under the consideration of my Department is that of the planning of investment, both public and private, with a view to securing the fullest and most advantageous utilisation of the economic resources of the country in the interests of planned capital development. Investigation is required to determine whether a National Investment Board should be set up for this purpose, and, if so, how it should be constituted and on what lines it should work. Meanwhile, the existing control over capital issues must necessarily be continued. Some measure of relaxation has been rendered possible by the steady reduction of pressure on goods and services in short supply which the end of the war has brought about, but that control is necessary to prevent excessive flow of capital into less important or less desirable directions which would lead to unregulated and lopsided development will, I think, hardly be disputed. Whatever final decision is taken will require the backing of new legislation, until which time the course must be kept clear by retaining the existing Defence of India Rule in operation.

36. If control over investment is to be made effective, the Government of India's statistical and economic organisation will have to be so strengthened as to enable us to prepare, and to present with the Annual Budget, a National Investment budget. We are not at present in a position to introduce this desirable reform, but I have this year taken the first step by presenting a Central Capital budget along with the Central Revenue budget. It is but a modest step towards the ultimate objective, but it seems to me to be an innovation in the right direction. Even if it serves no other purpose, it will at least permit of a proper presentation of our transactions of a capital nature and focus attention on the productive and dead-weight indebtedness of Government, and on the expenditure of loan monies on productive and unproductive schemes. The changes made are explained at length in the Explanatory Memorandum, and I trust that the departure made from past practice will meet with the approval of the House.

37. Before I explain the taxation proposals for next year, there is one further matter to which I would like to refer. A widespread desire has been expressed for the appointment of a Committee to examine and report on the present tax structure and taxation incidence with special reference to their effect on trade, industry, employment, standard of living, savings and capital formation. The Government appreciate that more than 20 years have elapsed since the last general enquiry into taxation in India was held, and that the situation has in many ways changed materially since then, particularly during the six years of war. Not least of the changes has been the re-orientation of economic thought in the interval. With the cessation of hostilities and an era of intensive development begun, which will require constructive planning of taxation with a view of ensuring the most effective use of the taxable resources of the country, the present may reasonably be regarded as ripe for a fresh comprehensive taxation review. I propose, therefore, to set up a Taxation Enquiry Committee in the near future. Since one important object of the proposed enquiry would be to secure, as between the various classes of taxpayers, an equitable distribution of the burdens of taxation, it would seem to be essential that, as in the case of the Taxation Enquiry Committee

of 1924, the scope of the enquiry should extend to the whole field of taxation—Central, Provincial and local. While it would not be appropriate for the Committee to concern itself with the question of the distribution of taxable resources between the Centre and Provinces, it should cover the harmonisation of Central and Provincial taxation where experience has shown conflict or overlap to exist in their respective spheres, as defined in the Constitution Act. The present lack of uniformity in the incidence of taxation as between Provinces, illustrated by the varying rates of sales tax, octroi, property tax, motor taxation, etc., could be dealt with by the Committee. The main purpose of the enquiry would, however, be to ascertain what adjustments or modifications of the taxation system of the country as a whole would be required and could, from the practical administrative point of view, be introduced in order to produce a properly balanced and scientific tax structure, fair in its incidence and adequate to the needs of a forward development policy, without deterrent effect on initiative and private enterprise, and with due regard to the administrative requirements for the prevention of tax evasion. The Provinces are in favour of an enquiry of this nature. My provisional view is that the Committee should be predominantly non-official in character and that it should be an expert rather than a representative body, although care should be taken to obtain the views of all the interests affected—industry, commerce, agriculture, labour, the consumer, the ordinary taxpayer and lastly, the Administration, both Central and Provincial. Above all, it should not be unwieldy. There appears to me to be in India a tendency to set up not only too many committees but also committees which are quite unmanageable from the point of view of size. I shall greatly welcome the views of Hon'ble Members as to the scope and composition of the Committee.

I now pass to my taxation proposals for next year.

NEW PROPOSALS.

38 I said early on that fiscal policy was not an end in itself. It must subserve the ends of national policy. Its purpose should be not merely to raise a given revenue but to raise it in such a way as to obtain the maximum social and economic advantage and to distribute the burden as justly and as fairly as possible between the various classes of taxpayers. This is, of course, an ideal which it is difficult to achieve in this imperfect world, where psychological and political factors operate to modify and qualify economic theory and doctrine, but the pattern and design of my proposals attempt to conform as near as possible to this ideal.

39 The lines of this pattern are made plain in the opening paragraphs of my speech. Let me recall briefly the gist of those paragraphs. I pointed out, first that a great deal of money would be required to combat the evils of poverty, ill-health, squalor, illiteracy and unemployment, and secondly, that during the next year or two Government must do all it can to offset the fall in economic activity which will otherwise result from the heavy drop in military expenditure.

The largest single source of revenue in the years immediately ahead will have to continue to be the profits of industry. I am conscious of the depressing effect on industrial enterprise of a high level of taxation on profits, and that it is the expansion of industry which holds out the earliest promise of increasing the national income and raising the standard of living in the country, although India will not achieve the maximum of economic health and wealth until agriculture as well as industry have multiplied their productivity many times.

The fiscal problem, so far as industry is concerned, is how to lay it under a heavy contribution and, at the same time, to encourage it to expand. This is the problem which I have attempted to solve, but its successful solution will require the whole-hearted co-operation of industry itself. If it be the aim of India's industrial leaders, as I am sure it is, not so much to make millions for themselves as to raise the standard of life of India's toiling and poverty-stricken millions, then the problem can be solved.

40 Here is my own contribution to its solution. First, I propose to discontinue the Excess Profits Tax on earnings arising after the 31st March, 1946. The only justification for E P T as a tax is the emergency which called it into being. By all the canons of taxation doctrine it is a thoroughly bad tax. It is rough and ready in its operation; it is unfair

in its incidence and, beyond a certain point, it is a direct inducement to inefficiency. Except that I, as tax gatherer-in-chief, cannot refrain from casting a longing, lingering look behind at its high yield, none of us will, I think, mourn the passing of the Excess Profits Tax.

It will, of course, be realised that the discontinuance of the tax will not, of itself, affect the revenue of the coming year nor give any immediate relief to the class of tax payer to whom it applies, since the tax will still be payable in respect of all excess profits earned up to the 31st March, 1946. The scheme of compulsory deposits will also remain in force to the end of the E P T period.

As regards the refunds of E P T deposits, they will be sanctioned in advance of the date for which the law provides, on condition that they are not distributed as dividends to shareholders but are required for the provision or replacement of buildings, plant or machinery.

When I remind the House that E P T. will yield Rs. 90 crores in the current year and is estimated to produce Rs. 75 crores in the coming year, Honourable Members will be able to measure the loss to revenue and the benefit to industry which the abandonment of E.P.T. implies.

One last word about E.P.T. Concern has been expressed about losses and expenditure which may arise in the period of transition from war-time to peace-time conditions and which may involve hardship if they are not allowed against the profits of the final E.P.T. chargeable accounting period. This question is under consideration and, when it is known what is the actual extent and nature of these hardships, then will be the time to consider appropriate legislation.

41 The next relief to industry which I propose is to revive the proposals which were dropped last year to grant special initial depreciation allowances of 10 per cent on new buildings and of 20 per cent on new plant and machinery and to allow for income-tax purposes expenditure on scientific research. In addition, I propose to widen the scope of what is called the obsolescence allowance, so as to make it include the loss of the asset by destruction or demolition and also to extend it to buildings. These proposals will cost Rs. 2 crores.

In order to complete the picture of the easements which I propose for industry, I shall now move to the field of indirect taxation. I shall return later to other direct taxation proposals which will affect industry.

42 I am anxious at the earliest possible moment to meet the demand so often made in the past for the relief from Customs duty of raw materials imported for industry, and also, to the extent that this may be practicable without injury to Indian manufacturers of similar goods, to reduce the rates on such imported plant and machinery as are now dutiable. The former proposal is estimated to cost approximately Rs. 70 lakhs. As regards the latter, it is difficult to estimate the cost of relief till a careful review of the position is made. So no allowance has been made in the revenue estimates on this account at this stage. It is proposed to give effect to the decisions separately by a notification under the Sea Customs Act.

43 I now revert to the direct taxation field but, before dealing with it as it specially affects industry, I should like to mention a proposal which will affect not only all classes of taxpayers but also Central and Provincial Revenues, namely, the amalgamation of the surcharges on income-tax and super-tax with the basic rates. This amalgamation is estimated to benefit the Provinces to the extent of Rs. 12½ crores at the expense of the Centre.

44 Coming back to industry, the total of the present rates of income-tax and super-tax on a company is 7½ annas. I propose to reduce this total of 7½ annas by 1½ annas to 6 annas, by a reduction of 2 annas in the super-tax and an addition of ½ anna to the income-tax. This is estimated to cost Rs. 7 crores. For the past two years the Finance Act has contained a provision giving a rebate of super-tax to companies at the rate of one anna on all sums not distributed as dividends. This, in effect, imposed an extra tax at the rate of one anna on all sums distributed as dividends. I think that circumstances now warrant the introduction of a new method for discouraging the distribution of dividends. In my view, a reasonable distribution is something which the shareholder has a right to expect and which

should not attract a penal rate of tax. I am, therefore, proposing that, excluding dividends payable at a fixed rate, sums equal to 5 per cent. on the capital of the company, including reserves, and equal to 30 per cent. of the total income, may be distributed without attracting more than the 1 anna rate of super-tax. Dividends above that datum line will become liable to additional super-tax at steepening rates. I hope that this provision will keep the distribution of dividends within reasonable bounds and encourage the ploughing back of profits into the business. This is estimated to yield about Rs. 1½ crores.

45. Before turning to the non-company direct taxpayer, it will be appropriate to mention at this stage another and somewhat novel proposal which affects both classes. I have referred more than once to the possible emergence of deflationary tendencies consequent upon the very heavy fall in military expenditure, and I reminded the House that, owing to the difficulty experienced by our industries in obtaining adequate quantities of capital equipment from abroad, they would not be able to do a great deal next year to replace the economic activity engendered by the vast military expenditure of recent years. There is, however, one direction in which the private sector of the national economy can do much to help. I mean, of course, building, which has been almost at a standstill, except for war purposes, for the past five or six years. The great advantage of a large building programme is that the ratio of labour costs to total costs is high and so, therefore, is the employment factor. Apart from the offer of subsidies for working-class dwellings which I have already mentioned, Government are doing all they can to assist by increasing the free availability (but by this expression I do not, of course, mean free of cost) of bricks, timber, cement and steel. But so important do I regard private building as an anti-deflationary activity that I have felt justified in going further and in making a contribution in the fiscal field. I am, therefore, proposing some income-tax relief where new buildings are begun and completed within the next two years. For residential buildings, I propose a two years' income-tax exemption and for buildings used for the purposes of the business, profession or vocation I propose that the initial depreciation allowance should be 15 per cent. instead of 10 per cent. These proposals are contained in a Bill to amend the Income-tax Act which is being put before the House. As next year's estimates are not likely to be affected, no provision has been made on this account.

46. And now I turn to greet the ordinary direct tax-payer, and I hope that, on reading tomorrow morning what I have to say, he will think the greeting cordial, or at any rate, as cordial as any greeting between an Income-tax Officer and an assessee can reasonably be expected to be. In my judgment, the steep rise in direct taxation inseparable from the war has borne more heavily on the man of moderate means and particularly on the man with a moderate fixed income than on almost any other class of tax-payer. I think the time has come to give him some relief. I propose to do this in two ways. First, by reducing the rate of tax in the lower ranges and secondly by increasing the earned income allowance. As to the first, I propose to reduce the rate on the second income slab of Rs. 3,500 from 15 pias to 12 pias, and the rate on the third slab of Rs. 5,000 from 2 annas 1 pie to 2 annas. These two changes will cost about Rs. 1½ crores. As to the second, I propose to raise the earned income allowance from one-tenth of the earned income, subject to a maximum of Rs. 2,000 (in terms of income), to one-fifth, subject to a maximum (in terms of income), of Rs. 4,000. This relief will cost about Rs. 3¼ crores.

47. I propose to take a further and, as I think, a logical step in carrying over the differentiation of treatment between earned and unearned income into the super-tax range. At the same time, I propose to increase the number of slabs in incomes subject to super-tax, the result being a more gradual steepening of the rates, although the rates will be more severe on the largest incomes than at present. The differentiation in favour of earned income is one anna in the rupee between Rs. 25,000 and up to Rs. 2 lakhs and half an anna between Rs. 2 lakhs and Rs. 5 lakhs. On the balance above Rs. 5 lakhs there is no differentiation. This proposal is estimated to yield about Rs. 75 lakhs. On merits, and as a partial offset to the loss of revenue involved in the three changes which I have just described, I propose to increase the rate of income-tax on the balance of income above Rs. 15,000 from 4 annas 9 pias to 5 annas. This will yield about Rs. 3¼ crores.

48. With two other and relatively minor changes I shall be done with my proposals relating to direct taxation. The first is a reduction of the rate on life insurance companies from 5 annas 3 pias to 5 annas. The second relates to the discontinuance of the provision for

funding a portion of the tax in the case of incomes up to Rs. 6,000. The reductions in the rates on the lower slabs and the increased earned income allowance now proposed take away the justification for this provision. Salaried assesses, however, have to be given the benefit of the provision in the coming year, since they came under the scheme one year later than other assesses. These two proposals are estimated to cost Rs. 25 lakhs.

49. I have now dealt with relief to industry and to the man of moderate means, and some of my Hon'ble Friends opposite will be wondering whether I propose to do anything for the poor man. In the field of direct taxation, I can obviously do nothing since he does not pay direct taxes. At least he does not pay them directly. The extent to which an increase or a decrease in direct taxation is passed on to him through the price of the articles he has to buy is one of the things which I hope that the proposed Taxation Enquiry Committee will examine and ascertain.

Nor is it easy to do very much for the poor man in the field of indirect taxation. The main advantage which he will derive from my proposals will be through the schemes, economic and social, which will be financed by the yield of the taxes contributed by the wealthier sections of the community.

But there are two other things which I am doing for the poor man, one negative and the other positive. As to the first, I do not think that any of my proposals will add to the cost of his essential purchases—indeed the contrary should be the case—and secondly, I propose to reduce the duty on kerosene, which plays so important a part in the economy of the poorer class households, from 4 annas 6 pies to 3 annas 9 pies an imperial gallon. This will cost about Rs. 65 lakhs, of which Customs will bear Rs. 60 lakhs.

50. And this brings me to my other indirect taxation proposals. I propose to continue (subject to some modifications) the general surcharge for one more year. In the customs tariff a small change is proposed in respect of "Wines". The rate of surcharge on "Wines", which is now one-fifth, will be raised to one-half, thereby bringing it on a par with "Spirits". I expect an increase of revenue by about Rs. 5 lakhs on this account. The duty on cinematograph films, both exposed and not exposed, is at present assessed on *ad valorem* rates. It will be an improvement to convert this into a specific duty charged on footage, and this change, besides yielding an increased revenue of Rs. 45 lakhs, will make for administrative convenience.

51. In the interests both of the revenue and of the indigenous grower, I consider it desirable to raise substantially the duty on imported betelnuts. I propose to fix the duty (without any surcharge) at the standard rate of $5\frac{1}{2}$ annas a pound, with a preference of 6 pies a pound for British colonies. British colonies even now enjoy a preferential rate of 45 per cent. *ad valorem* against the standard duty of 54 per cent. *ad valorem*. The yield is estimated at Rs. 155 lakhs. I have considered very carefully whether, concurrently with an increase in the customs duty on imported betelnut, I should not reduce the excise on indigenous nuts in view of the fact that the wholesale trade, instead of passing the whole tax on to the consumer, has tended to reduce the price paid to the grower, thereby diminishing the benefit which the latter has derived from the high prices resulting from the cessation of foreign imports during the war. Any such reduction would, however, I am convinced, be absorbed by the wholesale trade and would bring little, if any, benefit to the grower. I am satisfied, moreover, that the increase now proposed in the customs duty on betelnuts renders reduction of the excise less necessary, since wholesale prices ought thereby to remain hereafter at a level which will permit the payment of a reasonable price to the grower. I have, however, been very impressed by the grower's difficulties, which I believe to be rooted in the weakness of his bargaining position *vis a vis* the wholesaler and I think that the grower's interests will be best served by organising the marketing of his products in such a way as to strengthen his position *vis a vis* the wholesale dealer; by improving cultivation methods and, if possible, finding further uses for the nuts; and I propose accordingly to make an annual grant of Rs. 3 lakhs for the purpose of financing measures designed to improve the production and marketing of this crop.

52. I propose a change in the levy of duty on cotton. At present the customs duty on raw cotton is 1 anna a pound and a further duty of the same amount is levied under the Cotton Fund Ordinance of 1942. The Fund has a sufficient balance to its credit to carry out the purpose for which it was created and it is no longer necessary to aid the Fund by proceeds

of the special duty. At the same time, general revenues cannot afford to give up the amount yielded by the duty and I propose to amalgamate the two charges into a consolidated duty of 2 annas a pound (without any surcharge) which will be leviable wholly under the Indian Tariff Act, the Ordinance being repealed

53. I shall bring my indirect taxation proposals to a close with two important changes. The first relates to motor spirit and the second to bullion. It admits of no doubt that, if India is to advance economically and socially, a great improvement in her road communications will be necessary. Village must be joined with village, town with town and producing centres with markets. Although the supply of motor spirit is at present severely restricted, it is not too much to hope that before the next financial year is out both vehicles and petrol will be available in much greater abundance. I propose to encourage the use of road transport by reducing the rate of duty on motor spirit from 15 annas to 12 annas an imperial gallon. This will cost Rs. 165 lakhs of which the share of Customs will be Rs. 120 lakhs.

54. My last proposal under Customs is in respect of bullion. As the House is aware, the Indian prices of gold and silver bear no sort of parity with world prices. The paucity of imports has, in a large measure, contributed to the present high and artificial prices. With the end of the war, and with the general restoration of normal trade in sight, we may expect the resumption of bullion imports, but we must be prepared to have ready a suitable machinery which will render it unattractive on the part of anyone to indulge in speculation and to hope to reap profits at present levels. I propose, therefore, to provide for the imposition of a specific duty on gold bullion and coin at the rate of Rs. 25 a tola of 180 grains fine. This rate will be varied from time to time by a notification under the Sea Customs Act, in order to attain in an orderly manner a reasonable measure of approximation to world prices. The House will appreciate the difficulties that lie in the way of framing any estimate of the likely imports during next year and the revenue that may result. I am, however, allowing for a revenue of Rs. 1 crore on this account, but the figure is no more than a shot in the dark.

55. As regards silver, the existing duty is 3 annas an ounce, with a surcharge of $7 \frac{1}{5}$ pies. As it is proposed to have a specific duty (without surcharge) on gold, it is appropriate that the rate on silver should be brought reasonably in line, with gold. I accordingly propose to alter the existing rate to 8 annas an ounce, without any surcharge. At this stage I am making no revenue provision on account of this change in the tariff, but this must not be taken as meaning that I am satisfied that there will be no increase in supplies available to the market next year.

All these changes, except that in regard to raw cotton, are being put into immediate effect.

56. I shall now summarise the financial effect of the above proposals. In the field of direct taxation, my income-tax proposals will cost Central Revenues Rs. 21.50 crores, while the changes under customs and excise are expected to yield a net Rs. 5 lakhs. The estimated gap between revenue and expenditure will thus be increased from Rs. 48.71 crores to Rs. 70.16 crores. To bridge a part of this gap, I propose to transfer to revenue Rs. 26.10 crores, being the estimated balances in the two War Risk Insurance Funds, which sums are transferable to revenue in pursuance of the provisions of the relevant Acts. On the basis of these proposals, next year's deficit comes to Rs. 44.06 crores.

I have come to the end of my story. I have aimed at keeping the revenue at the level necessary to sustain and advance India's economy and I have tried to do this by distributing the burdens and the reliefs evenly and fairly over the various classes of taxpayers. Is it too much to hope that the last budget presented by a British Finance Member will be judged on its merits and will not be rejected on purely political grounds? I humbly believe that my proposals will do something to help my Indian successor, who will shortly be taking over from me and to whom I wish the best of good fortune, to lead India farther along the road to prosperity, happiness and greatness. However that may be, I can assure him of one thing, namely, that he can search the world in vain for a more able, a more loyal or a more devoted body of public servants than those who serve in India's Finance Department and who are predominantly Indian. Brief though my association with them has been, it will always be a source of pride to me that it was my privilege to be their leader, even if for so short a time.

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Section V.

DOCUMENTS AND STATISTICS.

TABLE No. I.

SPINDLES AND LOOMS SET UP IN INDIA, THE UNITED STATES OF AMERICA, GREAT BRITAIN, GERMANY, JAPAN AND CHINA.

The following figures have been obtained from various sources and may be taken as being approximately correct. In order, however, to make the record as complete as possible, the Committee of the Association will be obliged, if members and others who have any additional particulars available will kindly forward them to the Secretary for inclusion in any future statements that may be published:—

SPINDLES.

Year	India.	United States of America.	Great Britain.	Germany	Japan.	China.
1893	3,575,917	15,700,000	45,270,000	....	381,781	....
1894	3,649,736	16,100,000	45,190,000	....	530,074	....
1895	3,809,929	16,650,000	45,400,000	6,571,332	580,945	....
1896	3,932,946	17,333,396	44,900,000	....	692,384	....
1897	4,065,618	18,228,991	44,500,000	....	768,328	....
1898	4,259,720	18,434,244	44,900,000	7,115,500	1,027,617	....
1899	4,728,333	19,329,092	45,600,000	....	1,170,337	....
1900	4,945,783	19,472,232	45,600,000	8,031,400	1,274,000	550,000
1901	5,006,936	20,196,835	46,100,000	8,434,601	1,234,976	....
1902	5,006,965	20,907,212	49,727,107	....	1,230,697	....
1903	5,043,297	21,212,827	49,700,000	....	1,381,308	....
1904	5,118,121	22,197,522	49,500,000	....	1,345,585	....
1905	5,163,486	22,861,043	50,964,874	8,832,016	1,426,594	....
1906	5,278,595	24,628,379	52,796,230	9,121,259	1,472,253	....
1907	5,333,275	25,681,509	52,685,362	9,730,209	1,540,452	750,000
1908	5,756,020	26,133,442	55,218,024	9,850,209	1,795,879	....
1909	6,053,231	27,914,085	57,026,422	10,162,872	1,954,892	....
1910	6,195,671	28,299,482	57,731,829	10,200,000	2,099,764	....
1911	6,357,460	29,064,492	58,002,435	10,480,090	2,170,796	831,000
1912	6,463,929	29,962,713	58,140,220	10,725,732	2,176,748	839,112
1913	6,596,862	30,579,000	58,481,000	10,920,426	2,414,499	947,406
1914	6,778,895	32,227,840	59,317,197	10,162,872	2,657,174	1,000,000
1915	6,848,744	32,400,793	59,905,009	10,163,000	2,807,514	....
1916	6,839,877	32,653,164	59,811,222	....	2,875,904	1,029,216
1917	6,736,697	33,535,000	60,973,000	....	3,060,478	1,126,569
1918	6,653,871	34,219,166	57,985,841	....	3,227,678	....
1919	6,689,680	34,648,928	59,182,683	....	3,488,262	1,416,556
1920	6,763,076	34,946,721	60,079,394	8,262,872	3,813,680	1,585,300
1921	6,870,804	35,632,193	60,053,246	8,693,221	4,161,126	1,650,000
1922	7,331,219	36,584,487	58,712,303	9,400,000	4,517,612	1,888,348
1923	7,927,938	37,397,000	59,819,000	9,605,000	4,436,798	3,581,214
1924	8,313,273	37,924,000	59,511,000	10,060,000	5,125,696	3,569,440
1925	8,510,633	37,833,000	59,903,000	10,060,000	5,447,184	3,414,062
1926	8,714,168	37,650,000	60,285,000	10,300,000	5,879,852	3,461,152
1927	8,702,760	37,483,000	60,466,000	10,900,000	6,116,266	3,588,483
1928	8,704,172	36,824,000	60,042,000	11,020,000	6,467,174	3,688,483
1929	8,907,064	36,216,000	59,124,000	11,155,000	6,836,516	3,638,098
1930	9,124,768	35,663,000	57,712,000	11,260,000	7,214,001	3,664,120
1931	9,311,953	33,325,000	57,575,522	10,838,000	7,535,146	3,969,552
1932	9,506,083	32,109,000	53,443,684	10,233,000	7,964,850	4,497,902
1933	9,580,659	30,685,000	51,525,314	9,846,000	8,643,928	4,498,000
1934	9,613,174	30,329,000	47,182,560	9,900,000	9,630,574	4,904,788
1935	9,685,175	29,717,000	45,056,787	9,900,000	10,649,048	5,171,600
1936	9,856,658	28,598,538	42,641,685	9,900,000	12,139,408	5,172,000
1937	9,730,798	27,123,413	41,102,514	10,200,000	12,567,296	5,526,847
1938	10,020,275	25,934,590	38,807,925	11,065,000	12,776,220	5,635,068
1939	10,059,370	25,727,330	36,949,088	13,000,000	12,278,223	5,635,068
1940	10,005,785	25,060,879	35,836,860	....	....	....
1941	9,961,178	Not available	Not available	Not available	Not available	Not available
1942	10,026,425	Do.	Do.	do	do	do
1943	10,130,568	Do.	Do.	do	do	do
1944	10,222,107	Do.	Do.	do	do	do
1945	10,238,131	Do.	Do.	do	do	do

Note.—The figures for India are taken from the Association's Mill Statement

The figures for Japan are taken from the Half-yearly publication of the Japan Cotton Spinners Association

The rest of the figures are taken from the Compteluro Year Book

† Includes Austria and Sudetenland.

TABLE No. 2.
LOOMS

Year.	India.	United States of America.	Great Britain.	Germany	Japan.	China.
1894	31,154	362,067	606,585	245,000	5,000	...
1895	35,338					...
1896	37,270	354,358	..	....	2,852	...
1897	37,584	379,341	..	....		...
1898	38,013	384,745	..	240,000	2,798	....
1899	39,089	392,690	..	....	2,757	....
1900	40,124	439,465	648,820	211,818	5,045	....
1901	41,180	411,108	..	211,818	....	....
1902	42,584	477,072	..	....	5,045	....
1903	44,092	488,780	684,000	....		....
1904	45,337	503,027	..	....	5,085	....
1905	50,139	515,006	704,357	230,200	8,140	....
1906	52,668	525,630	704,357	230,200	9,601	..
1907	58,436	536,816	725,221	..	9,462	....
1908	67,920	546,160	736,325	..	11,146	....
1909	76,898	555,898	739,382	..	13,813	....
1910	82,725	625,719	741,197	230,200	17,702	....
1911	85,352	633,909	741,260	..	20,431	....
1912	88,951	671,872	758,712	..	21,698	3,728
1913	94,136	709,255	786,205	..	24,224	4,755
1914	104,179	696,387	805,452	230,200	25,443	....
1915	108,009	689,640	808,145	..	30,058	....
1916	110,269	719,358	808,796	..	31,295	4,755
1917	114,621	725,366	807,543	..	36,181	5,833
1918	116,484	712,426	787,679	..	40,391	..
1919	118,221	700,620	790,936	..	44,401	7,193
1920	119,012	708,079	798,082	190,200	50,583	7,660
1921	123,783	719,120	790,399	190,200	54,994	....
1922	134,620	707,469	799,000	190,200	60,893	10,814
1923	144,794	744,686	795,244	240,700	64,460	22,477
1924	151,485	760,625	791,674	240,700	68,579	21,644
1925	164,292	762,808	786,197	240,700	73,381	25,924
1926	159,464	780,132	786,309	240,700	77,043	22,924
1927	161,952	745,520	787,524	250,000	78,352	24,047
1928	166,522	747,379	754,940	250,000	81,209	25,950
1929	174,992	736,379	739,887	250,000	77,898	29,768
1930	179,250	720,177	703,878	250,000	79,466	29,582
1931	182,429	653,604	657,864	230,000	77,782	29,582
1932	186,341	646,764	624,629	230,000	79,277	33,560
1933	189,040	625,445	601,750	267,000	86,343	33,580
1934	194,388	608,815	560,153	225,000	91,146	42,596
1935	198,867	600,637	517,460	225,000	95,982	42,824
1936	200,062	575,266	499,703	225,000	100,543	42,824
1937	197,810	540,223	471,258	225,000	*322,564	52,009
1938	200,286	501,415	461,209	226,000	*222,564	58,429
1939	202,464	504,286	452,296	†270,000	*252,587	58,429
1940	200,076	505,609	441,065	..	..	..
1941	198,574	Not av	available	Not	available	available
1942	200,170	Do	Do	..	do	..
1943	200,890	Do	Do	..	do	..
1944	201,761	Do	Do	..	do	..
1945	202,368	Do	Do	..	do	..

(Please see footnote to previous table)
† Includes Austria and Sudetaland.

* Includes narrow width looms.

TABLE No. 3
PROGRESS OF COTTON MILL INDUSTRY IN INDIA.

Year	BOMBAY CITY AND ISLAND						ALL-INDIA					
	Average Working Daily		Cotton Consumed Bales of 392 lbs	Yarn Spun Bales of 400 lbs	Cloth Woven (in yds.)	Average Number of hands employed daily	Average Working Daily		Cotton Consumed Bales of 392 lbs.	Yarn Spun Bales of 400 lbs	Cloth Woven (in yds.)	Average Number of hands employed daily
	Spindles	Looms					Spindles	Looms				
	1	2	3	4	5	6	1	2	3	4	5	6
Year ending 31st August	Year ending 31st August	Year ending 31st August	Year ending 31st March	Year ending 31st August	Year ending 31st August	Year ending 31st August	Year ending 31st August	Year ending 31st August	Year ending 31st March	Year ending 31st August	Year ending 31st August	
1917	2,736,014	52,421	1,134,814	889,748	830,185,157	125,713	6,067,770	100,824	2,198,164	1,702,768	1,578,132,789	276,771
1918	2,671,450	52,887	1,068,492	893,221	933,137,872	124,199	5,987,685	101,141	2,085,678	1,651,429	1,614,126,458	282,227
1919	2,652,115	52,320	999,756	765,475	767,903,744	126,368	6,046,323	102,977	2,044,230	1,537,601	1,450,726,160	293,277
1920	2,814,718	54,664	957,150	794,297	863,292,197	140,208	6,238,771	105,169	1,952,318	1,589,400	1,639,779,227	311,078
1921	2,896,926	57,159	1,060,598	856,141	836,506,933	147,740	6,407,037	111,708	2,120,230	1,650,006	1,680,849,746	332,179
1922	2,952,183	58,848	1,074,198	871,736	921,926,856	149,224	6,549,112	117,318	2,203,540	1,733,929	1,731,573,296	343,723
1923	3,013,593	60,808	1,059,630	870,248	870,284,518	148,771	6,760,218	120,806	2,151,698	1,764,733	1,725,284,187	347,390
1924	2,929,786	62,087	821,466	673,966	855,883,055	148,414	6,962,553	128,320	1,917,748	1,521,569	1,701,574,355	356,887
1925	3,181,654	66,329	994,732	818,857	818,857	153,009	7,454,161	135,516	2,226,310	1,798,475	1,970,446,852	367,877
1926	2,860,076	63,403	777,970	654,906	871,840,734	149,099	7,264,234	136,033	2,113,384	1,716,068	1,954,462,650	373,509
1927	2,951,513	69,684	994,500	862,147	1,135,020,515	154,698	7,521,636	146,200	2,417,412	2,017,790	2,258,716,065	384,623
1928	1,828,026	45,464	568,848	796,867	1,131,520,832	129,275	6,605,175	126,235	2,009,782	2,022,351	2,356,564,805	360,921
1929	2,108,747	47,668	630,978	384,382	537,402,790	106,710	6,957,389	133,882	2,161,166	1,620,740	1,893,268,655	346,925
1930	2,803,936	64,397	877,492	658,042	888,944,315	136,774	7,979,454	156,662	2,573,714	2,083,899	2,418,981,049	384,022
1931	2,702,848	62,748	839,388	677,266	967,586,025	129,057	8,093,714	157,609	2,633,176	2,168,196	2,561,133,035	395,475
1932	2,715,889	61,883	920,730	803,974	1,216,886,366	129,534	8,323,082	161,340	2,911,264	2,416,016	2,989,891,101	403,226
1933	2,430,854	58,870	797,976	782,304	1,210,597,547	119,943	8,202,149	162,818	2,837,158	2,541,046	3,169,898,499	400,005
1934	2,043,506	48,764	613,014	606,619	923,057,741	95,007	7,845,077	158,802	2,703,990	2,302,652	2,945,051,727	384,938
1935	2,393,324	57,208	885,252	663,469	1,025,360,827	111,147	8,441,464	174,114	3,123,414	2,501,889	3,397,456,046	414,184
1936	2,305,970	57,783	836,460	763,092	1,236,204,871	109,670	8,504,406	177,935	3,109,618	2,645,742	3,571,370,903	417,803
1937	2,322,151	58,978	828,184	691,490	1,156,084,569	109,479	8,441,001	177,810	3,146,752	2,635,292	3,571,987,099	417,276
1938	2,564,583	62,812	1,036,992	826,503	1,376,127,887	118,993	8,901,635	183,368	3,662,648	2,898,781	4,084,276,363	437,690
1939	2,484,022	61,452	986,542	918,076	1,439,161,075	113,338	8,986,371	183,332	3,810,734	3,258,115	4,269,269,499	441,949
1940	2,350,164	59,568	813,450	725,966	1,241,854,984	104,890	8,847,326	178,842	3,679,874	3,064,216	4,012,529,025	430,165
1941	2,465,515	62,688	1,147,968	885,585	1,308,777,815	115,903	9,083,046	184,258	4,251,022	3,372,597	4,269,475,002	459,509
1942	2,457,782	61,141	1,310,034	1,171,791	1,498,640,911	122,025	9,165,812	184,665	4,740,722	3,942,944	4,493,613,208	480,447
1943	2,578,875	63,171	1,484,462	1,162,553	1,392,440,050	129,655	9,402,397	186,992	4,890,218	3,834,340	4,109,336,790	502,650
1944	2,633,694	63,863	1,451,980	1,275,728	1,656,839,777	129,642	9,493,784	189,241	4,843,112	4,201,150	4,870,686,903	504,401
1945	2,586,850	66,390	1,493,240	1,281,977	1,649,701,235	129,510	9,466,098	190,601	4,909,314	4,127,313	4,726,472,273	509,778

NOTE.—Columns 1, 2 and 3—Figures taken from the Association's Mill Statement
 Columns 4 and 5.—Are taken from "Monthly Statistics of Spinning and Weaving" published by the Government of India
 Column 6.—Same as columns 1, 2 and 3
 Production was at a standstill in all the mills in the Bombay City and Island for about 2 months in 1924 (end of January to March) and for a further period of 2½ months in 1925-26 (Sept. 15th to 1st Dec.) and again for out 6 months in 1925 (April 15th to first week of October) and for about 4½ months in 1929 (26th April to the middle of September).

TABLE NO. 4.
 THE WORLD'S COTTON CROPS, 1914-15 to 1944-45 (TODD'S).
 (Bales approximately 500 lbs.)
 (000's omitted.)

Years.	America (Linters included).	India.*	Egypt.	Russia.	China.	Others.	Total	Percentage on 1914-15
1914-15	16,992	5,209	1,298	1,244	2,333	1,154	28,212	100
1915-16	12,123	3,738	961	1,407	2,057	984	21,270	76
1916-17	12,781	4,489	1,022	1,110	1,714	1,027	22,143	79
1917-18	12,428	4,000	1,262	603	1,863	1,086	21,242	76
1918-19	12,970	3,972	964	420	2,203	1,298	21,827	78
1919-20	12,029	5,796	1,114	374	1,914	1,485	22,612	81
1920-21	13,880	3,600	1,206	66	1,829	1,326	21,907	78
1921-22	8,351	4,485	973	42	1,488	1,263	16,601	59
1922-23	10,370	5,073	1,343	52	2,249	1,380	20,367	73
1923-24	10,808	5,161	1,306	214	1,931	1,600	21,020	74
1924-25	14,525	6,088	1,455	458	2,104	1,904	26,534	94
1925-26	17,319	6,215	1,593	741	2,044	1,991	29,803	106
1926-27	19,135	5,024	1,530	785	1,691	1,988	30,153	107
1927-28	13,972	5,963	1,219	1,025	1,833	1,803	25,815	92
1928-29	15,760	5,783	1,602	1,174	2,394	2,105	28,817	103
1929-30	16,066	5,243	1,706	1,279	2,055	2,118	28,467	101
1930-31	14,918	5,226	1,655	1,589	2,386	1,900	27,674	98
1931-32	8,163	4,007	1,271	1,846	1,733	2,081	20,101	72
1932-33	13,914	4,656	991	1,776	195	1,813	25,345	90
1933-34	14,029	5,108	1,715	1,844	2,673	2,005	28,374	100
1934-35	10,638	4,857	1,511	1,772	2,078	2,753	23,511	83
1935-36	11,727	5,972	1,707	2,313	2,410	4,447	28,576	101
1936-37	13,806	6,247	1,821	2,550	2,741	4,523	31,648	112
1937-38	20,765	(a) 5,779	2,203	2,782	2,083	5,266	40,877	145
1938-39	13,321	(a) 5,081	1,668	2,870	2,300	5,120	31,300	111
1939-40	13,147	(a) 4,909	1,738	4,060	1,900	5,155	30,899	109
1940-41†	13,966	(a) 6,080	1,896	4,300	2,300	4,442	32,884	116
1941-42	11,844	(a) 6,223	1,650	4,000	2,400	5,060	30,773	109
1942-43	..	(a) 4,703	..	..	..	..	..	..
1943-44	..	(a) 5,259	..	..	..	..	..	..
1944-45	..	(a) 2,498	..	..	..	..	..	..

† 400-lb. bales.

(a) Excludes Burma.

Estimates.

NOTE.—Figures taken from the "Bombay Cotton Annual" issued by the East India Cotton Association.

TABLE No. 5.

PRODUCTION AND CONSUMPTION OF RAW COTTON IN INDIA.

The following statement compares the estimates of the total outturn of cotton in India for the last two years with the sum of exports and internal consumption. The figures are those compiled by the Indian Central Cotton Committee and refer in the case of mills in British provinces to Indian cotton alone. The estimate of mill consumption in Indian States refers to all cotton, but it has been ascertained from the Indian Central Cotton Committee that the amount of foreign cotton consumed in Indian States is negligible. Import figures have not therefore been taken into consideration for the purposes of the comparison set forth below. A conventional estimate has as usual been made for extra factory or local consumption. It should be borne in mind that estimates of the "Carry-over" from one year to another have not been taken into account owing to complete information not being available regarding stocks.

	- YEAR ENDING 31ST AUGUST	
	1944. Thousand bales (400 lbs.)	1945. Thousand bales (400 lbs.)
Exports to United Kingdom	243	188
.. to United States of America	76	142
.. to Australia	29	18
.. to Other Countries	33	61
Total ..	381	409
Home Consumption—		
Mills†	4,119	4,159
Extra—factory or local‡	450	450
Total ..	4,569	4,609
Approximate crop	4,950	5,018
Estimated in forecast	5,259	3,498
Excess (+) or deficit (—) neglecting carry-over	—309	+1,520

† The figure of mill consumption is that compiled by the Indian Central Cotton Committee, Bombay, mainly on the basis of returns made under the Indian Cotton Cess Act

‡ Conventional estimate

TABLE No. 6.

STATEMENT SHOWING THE STOCKS OF COTTON HELD BY INDIAN MILLS ON 1ST AUGUST 1945 AND ON 1ST FEBRUARY 1946.

(In bales regardless of weight.)

	Bombay City and Island.		-All-India.	
	1-8-45.	1-2-46.	1-8-45.	1-2-46.
COTTON MILL STOCKS. (In actual bales regardless of weight.)				
(a) American (Linters and waste not included)	Nil	480	6,766	16,258
(b) Indian	392,971	360,315	1,753,110	1,469,687
(c) Egyptian	22,003	15,446	105,929	69,909
(d) Sundries	42,876	04,373	98,491	202,408
Total ..	457,850	470,614	1,964,296	1,758,262

Figures from the Cotton Census collected at the request of the International Federation of Master Cotton Spinners' and Manufacturers' Associations.

(Figures are approximations.)

TABLE No. 7.

The following Table gives details of cotton arrivals into Bombay during the 1944-45 season compared with the total of the nine previous years.
 (Actual weight converted into bales of 3½ cwt. each.) (Season ending 31st August in each case)
 Note.—The following figures are extracted from the daily returns issued by the Bombay Chamber of Commerce.

	1935-36	1936-37.	1937-38	1938-39	1939-40	1940-41	1941-42.	1942-43.	1943-44.	1944-45.
Khandeash	308,848	206,505	53,986	38,888	55,644	100,995	88,592	117,165	61,592	50,147
Central India	391,231	338,845	53,231	225,421	109,361	149,983	31,284	55,637	59,783	33,656
Barni Nagar and Hyderabad Geomni ..	217,960	276,179	190,816	100,781	162,127	175,952	74,862	63,511	66,193	105,668
Berar	344,040	579,602	235,987	163,102	318,618	386,742	179,814	207,968	257,393	235,529
Central Provinces	99,823	114,551	87,123	40,080	76,962	78,308	87,565	34,409	51,048	55,008
Dholleras	35,935	183,099	160,279	278,134	89,297	102,458	34,832	6,897	70,051	124,056
N. W. Provinces	63,996	10,399	3,112	10,893	26,079	2,049	1,425	1,377	811	742
Rajputana	115,558	97,443	16,929	82,019	35,228	6,778	470	44	1,082	2,946
Sind-Punjab	473,626	354,809	528,924	340,866	387,570	578,393	448,957	779,428	410,414	558,471
Broach	413,597	343,200	267,780	416,085	409,044	299,943	321,774	126,986	234,624	161,742
Compta Dharwar	112,062	74,887	86,276	155,706	53,357	155,178	54,332	89,597	41,322	84,193
Western Northern	78,565	40,743	30,522	99,914	38,178	113,567	48,003	23,082	11,238	82,526
Cocanada	201	165	23	98	86	239				
Tinnevely and Cambodia	20,629	22,333	9,639	2,677	1,412	16,998	21,873	15,587	1,208	13,674
Perans	9	14								
Americans	27,023	20,546	178,188	3,487	105,532	2,160				13,239
Egyptians	81,236	181,525	207,314	158,340	180,112	370,821	261,730	368,121	320,905	375,172
East Africans	185,218	284,248	341,809	238,889	196,543	295,292	296,871	124,578	188,116	149,107
Comilla, Burmah and Other Sorts ..	482	246	1,240	267	2,807	1,087	11,426	1,084	2,712	4,109
Total	2,070,039	3,129,329	2,553,178	2,264,647	2,247,957	2,836,943	1,963,810	2,025,471	1,878,494	2,051,085

TABLE No. 9.

STOCKS OF YARN AND CLOTH HELD BY BOMBAY MILLS.

The following table shows the stocks of Yarn and Cloth held by Bombay Mills compiled from returns received by the Association :—

Date of Returns.	CLOTH STOCKS IN BALES.			YARN STOCKS IN BALES.		
	Approximation of stocks for all Bombay Mills.			Approximation of stocks for all Bombay Mills.		
	Sold but delivery not taken.	Unsold.	Total unclear- ed.	Sold but delivery not taken.	Unsold	Total unclear- ed.
1942.						
January 31st	71,000	19,000	90,000	19,000	5,000	23,000
February 28th	86,000	23,000	109,000	20,000	6,000	26,000
March 31st	75,000	22,000	97,000	20,000	7,000	27,000
April 30th	69,000	20,000	89,000	16,000	9,000	25,000
May 31st	58,000	14,000	72,000	15,000	6,000	21,000
June 30th	67,000	8,000	75,000	14,000	4,000	18,000
July 31st	64,000	7,000	71,000	13,000	3,000	16,000
August 31st	79,000	9,000	88,000	13,000	3,000	16,000
September 30th	63,000	7,000	70,000	11,000	2,000	13,000
October 31st	58,000	6,000	64,000	11,000	2,000	13,000
November 30th	54,000	5,000	59,000	10,000	2,000	12,000
December 31st	60,000	6,000	66,000	9,000	2,000	11,000
1943.						
January 31st	59,000	7,000	66,000	9,000	2,000	11,000
February 28th	63,000	7,000	70,000	8,000	2,000	10,000
March 31st	57,000	8,000	65,000	9,000	2,000	11,000
April 30th	62,000	9,000	71,000	12,000	2,000	14,000
May 31st	70,000	9,000	79,000	13,000	2,000	15,000
June 30th	82,000	14,000	96,000	14,000	3,000	17,000
July 31st	75,000	13,000	88,000	17,000	3,000	20,000
August 31st	76,000	13,000	89,000	19,000	3,000	22,000
September 30th	85,000	7,000	92,000	14,000	3,000	17,000
October 31st	78,000	6,000	84,000	14,000	2,000	16,000
November 30th	59,000	5,000	64,000	10,000	2,000	12,000
December 31st	63,000	4,000	67,000	10,000	2,000	12,000
1944.						
January 31st	60,000	5,000	65,000	12,000	2,000	14,000
February 28th	54,000	5,000	59,000	11,000	1,000	12,000
March 31st	53,000	5,000	57,000	12,000	1,000	13,000
April 30th	63,000	7,000	70,000	13,000	1,000	14,000
May 31st	60,000	7,000	67,000	12,000	1,000	13,000
June 30th	61,000	11,000	72,000	8,000	4,000	12,000
July 31st	58,000	17,000	75,000	7,000	5,000	12,000
August 31st	61,000	10,000	71,000	8,000	2,000	10,000
September 30th	64,000	8,000	72,000	9,000	3,000	12,000
October 31st	57,000	9,000	66,000	10,000	2,000	12,000
November 30th	65,000	9,000	74,000	10,000	2,000	12,000
December 31st	65,000	9,000	74,000	8,000	2,000	11,000
1945.						
January 31st	54,000	9,000	63,000	10,000	2,000	12,000
February 28th	60,000	8,000	68,000	11,000	2,000	14,000
March 31st	61,000	6,000	67,000	10,000	4,000	14,000
April 30th	63,000	7,000	70,000	12,000	4,000	16,000
May 31st	60,000	8,000	68,000	13,000	4,000	17,000
June 30th	67,000	9,000	76,000	12,000	4,000	16,000
July 31st	67,000	6,000	73,000	10,000	6,000	16,000
August 31st	65,000	9,000	74,000	10,000	5,000	15,000
September 30th	77,000	11,000	88,000	11,000	7,000	18,000
October 31st	79,000	12,000	91,000	13,000	7,000	20,000
November 30th	63,000	7,000	70,000	12,000	7,000	19,000
December 31st	64,000	9,000	73,000	11,000	8,000	17,000

TABLE No. 10.
AVERAGE WHOLESALE PRICES OF PIECEGOODS AND YARN
PRODUCED BY BOMBAY MILLS

Date	PIECEGOODS			YARN.	
	Longcloth	T Cloths	Chadars.	Twist. No. 10's.	Twist. No. 20's.
	As.	As.	As.	As.	As.
Year ending December 31st, 1905	9 39	9 56	9 30	5 29/32	7.0
Year ending December 31st, 1906	9 46	9 45	9 38	5 29/32	7 5/16
Year ending December 31st, 1907	Not Available				
Year ending December 31st, 1908	9 7/16	9 1/16	8 15/16	5 3/32	6 1/2
Year ending December 31st, 1909	Not Available.				
Year ending December 31st, 1910	9 15/16	9 3/16	9 3/16	6 27/32	7 13/16
Year ending December 31st, 1911	Not Available				
Year ending December 31st, 1912	10 13/16	10 1/2	9 1/2	7 5/32	8 1/2
Year ending December 31st, 1913	Not Available.				
Year ending December 31st, 1914	9 1/2	9 3/16	9 5/16	5 1/2	6 23/32
Year ending December 31st, 1915	9 1/16	8 7/16	8 7/16	5	6 1/32
Year ending December 31st, 1916	11 1/2	11 1/2	10 1/2	6 7/16	8 9/32
Year ending December 31st, 1917	17 1/2	16 3/16	14 15/16	9 7/16	12 29/32
Year ending December 31st, 1918	29 1/2	26 1/2	25 1/2	16 29/32	20 31/32
Year ending December 31st, 1919	26 1/2	24 9/16	24 1/2	16 19/32	21 3/16
Year ending December 31st, 1920	29 1/2	27 1/2	27 9/16	16 11/16	24 1/2
Year ending December 31st, 1921	26 3/16	24 1/2	24 5/16	12 9/32	17
Year ending December 31st, 1922	25 11/32	22 1/2	23 1/2	12 1/2	16 15/16
Year ending December 31st, 1923	21 1/2	19 15/16	19 13/16	12 1/16	15 19/32
Year ending December 31st, 1924	22 1/2	21 1/2	20 9/16	14 1/2	17 11/32
Year ending December 31st, 1925	19 1/2	18 9/16	18 1/2	12 3/32	13 31/32

TABLE No. 10—contd

AVERAGE WHOLESALE PRICES OF GREY UNBLEACHED PIECEGOODS IN 1945.

	Longcloth Standard Quality 37 x 37 1/2 x 9 Per lb	Shirts 35 x 35 x 9 Per lb	Leopard Cloth 43 x 38 x 11 1/2 Per lb	Dhories (up to 1/2" Nakhli border). 33 x 9 x 1 1/2 Per lb.	Dhories Calcutta 1" P B 44 x 10 x 1 1/2 Per lb	Drills 29 1/2 x 40 x 13 1/2 Per lb	Domestic 24 x 48 x 10 Per lb	Domestic 25 x 61 x 11 Per lb	Salts 40 x 66 x 25 Egr lb.	Chadars 50 x 6 x 2 1/2 Per lb
	Rs. a p.	Rs. a p.	Rs. a p.	Rs. a p.	Rs. a p.	Rs. a p.	Rs. a p.	Rs. a p.	Rs. a p.	Rs. a p.
Year ending 31st December, 1929 ..	0 15 5	0 14 9	..	0 15 9	..	0 13 1	0 15 0	0 14 11	0 14 6	0 14 11
Year ending 31st December, 1930 ..	0 13 9	0 12 2	..	0 13 5	..	0 10 5	0 12 9	0 12 3	0 11 11	0 12 6
Year ending 31st December, 1931 ..	0 11 3	0 10 6	..	0 11 6	..	0 9 3	0 11 6	0 11 6	0 10 6	0 11 0
Year ending 31st December, 1932 ..	0 11 0	0 10 6	..	0 11 1	..	0 8 10	0 10 6	0 10 7	0 10 6	0 10 9
Year ending 31st December, 1933 ..	0 10 4	0 9 9	..	0 10 6	..	0 8 5	0 9 7	0 10 0	0 9 10	0 10 1
Year ending 31st December, 1934 ..	0 10 2	0 9 9	..	0 10 5	..	0 8 6	0 10 3	0 10 5	0 9 9	0 10 1
Year ending 31st December, 1935 ..	0 10 0	0 9 9	0 9 7	0 10 0	0 14 6	0 8 5	0 8 5	0 8 7	0 10 0	0 10 1
Year ending 31st December, 1936 ..	0 9 8	0 9 3	0 9 3	0 9 8	0 14 2	0 8 2	0 8 1	0 8 2	Not quoted	0 9 3
Year ending 31st December, 1937 ..	0 9 9	0 9 4	0 9 5	0 10 1	0 14 9	0 8 5 1/2	0 8 3	0 8 2	..	0 9 9
Year ending 31st December, 1938 ..	0 9 6	0 9 1	0 9 2	0 10 3	0 14 4	0 7 9	0 8 0	0 7 10	..	0 9 6
Year ending 31st December, 1939 ..	0 9 4	0 9 0	0 8 11	0 9 11	0 15 2	0 7 9	0 7 8	0 7 6	..	0 9 5
Year ending 31st December, 1940 ..	0 10 8	0 10 2	0 10 3	0 10 3	1 0 6	0 9 1	0 9 4	0 8 11	0 10 2	0 10 5
Year ending 31st December, 1941 ..	0 15 6	0 14 7	0 14 9	-0 14 11	1 4 10	0 14 5	0 13 10	0 15 9	0 14 9	1 0 0
Year ending 31st December, 1942 ..	1 5 8	1 6 1	1 6 3	1 7 7	2 4 0	1 6 0	1 4 2	1 6 4	1 6 8	1 7 8
Year ending 31st December, 1943 ..	2 5 3	2 4 2	2 1 11	2 6 8	3 14 3	2 3 2	2 3 0	2 2 6	2 5 6	2 8 0
Year ending 31st December, 1944 ..	..	1 10 8	1 11 7	..	2 12 0	1 8 2	1 11 9	1 8 6	1 10 8	..
12th January, 1945 ..	Not quoted	1 8 2	1 9 3	Not quoted	2 8 9	1 5 11	Not quoted	1 6 4	1 8 6	Not quoted
26th January, 1945 ..	..	1 8 2	1 9 3	..	2 8 9	1 5 11	..	1 6 4	1 8 6	..
9th February, 1945 ..	..	1 7 2	1 7 6	..	2 6 9	1 2 7	..	1 5 2	1 8 3	..
23rd February, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
9th March, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
23rd March, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
6th April, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
20th April, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
4th May, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
18th May, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
1st June, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
16th June, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
29th June, 1945 ..	..	1 7 11	1 7 6	..	2 6 9	1 5 0	..	1 5 2	1 8 3	..
12th July, 1945 ..	..	1 7 7	1 9 3	..	Not quoted	1 6 3	..	1 5 6	1 8 6	..
27th July, 1945 ..	..	1 7 7	1 9 3	1 8 3	..	1 6 3	..	1 5 6	1 8 6	..
10th August, 1945 ..	..	1 7 7	Not quoted	1 8 3	..	1 6 3	..	Not quoted	1 8 6	..
24th August, 1945 ..	..	1 7 7	..	1 8 3	..	1 6 3	..	..	1 8 6	..
7th September, 1945 ..	..	1 7 7	..	1 8 3	..	1 6 3	..	..	1 8 6	..
21st September, 1945 ..	..	1 7 7	..	1 8 3	..	1 6 3	..	..	1 8 6	..
5th October, 1945 ..	..	1 7 7	..	1 8 3	..	1 6 3	..	..	1 8 6	..
19th October, 1945 ..	..	1 7 7	..	1 8 3	..	1 6 3	..	..	1 8 6	..
2nd November, 1945 ..	..	1 6 9	..	1 6 5	..	1 6 6	..	..	1 7 0	..
15th November, 1945 ..	..	1 6 0	..	1 6 5	..	1 4 3	..	..	1 7 0	..
30th November, 1945 ..	..	1 6 0	..	1 6 5	..	1 4 3	..	..	1 7 0	..
14th December, 1945 ..	..	1 6 0	..	1 6 5	..	1 4 3	..	..	1 7 0	..
25th December, 1945 ..	..	1 6 0	..	1 6 5	..	1 4 3	..	..	1 7 0	..

WHITE BLEACHED

YARN (Price per lb)

Year ending	Long-cloth 34 x 40		Drill 27 x 42 Per Piece.		4s. All Waste.		6s. All Waste.		8s.		10s.		12s.		16s.		20s.		24s.		32s.		40s.		60s.		80s.	
	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.	Rs	a. p.
31st December, 1929							0 7 4	0 8 4	0 9 1	0 9 6	0 10 8	0 11 9	0 12 6															
Do 1930							0 5 7	0 6 5	0 6 10	0 7 3	0 8 6	0 9 2	0 9 9															
Do 1931							0 4 3	0 5 3	0 5 8	0 6 6	0 7 0	0 7 5	0 8 0															
Do 1932							0 4 4	0 5 6	0 6 1	0 6 4	0 7 4	0 7 10	0 8 7															
Do 1933							0 3 10	0 4 11	0 5 4	0 5 8	0 6 5	0 7 0	0 8 4															
Do 1934							0 4 2	0 4 11	0 5 3	0 5 7	0 6 7	0 7 1	0 7 10															
Do 1935							0 4 0	0 5 5	0 5 10	0 6 2	0 7 6	0 8 1	0 8 9															
Do 1936	9 14 10	8 1 11	0 3 6	0 3 11	0 5 1	0 5 7	0 5 10	0 6 8	0 6 8	0 7 5	0 7 11	0 7 11	0 7 11															
Do 1937	10 9 1	8 4 9	0 3 10	0 4 6	0 5 7	0 6 0	0 6 4	0 7 2	0 7 9	0 8 9	0 9 0	0 9 7	0 10 0															
Do 1938	10 6 5	7 15 1	0 3 6	0 3 10	0 4 9	0 5 2	0 5 5	0 6 3	0 6 11	0 7 7	0 8 0	0 8 3	0 9 0															
Do 1939	10 5 11	7 10 6	0 3 2	0 3 8	0 4 7	0 5 0	0 5 4	0 6 1	0 6 8	0 7 4	0 8 0	0 8 7	0 9 4															
Do 1940	12 8 7	9 6 3	0 4 3	0 4 8	0 5 10	0 6 5	0 6 9	0 7 11	0 8 6	0 9 2	0 10 5	0 11 2	0 12 8															
Do 1941	16 14 1	12 15 1	0 5 3	0 5 6	0 7 8	0 8 3	0 8 7	0 11 2	0 12 3	0 13 0	0 14 8	0 15 1	0 16 8															
Do 1942	24 11 1	19 3 2	0 7 3	0 7 6	0 11 3	0 12 3	0 12 2	1 0 8	1 1 7	1 2 4	1 3 1	1 4 1	1 5 1															
Do 1943	37 7 8	33 15 1	0 10 10	0 11 9	1 2 4	1 4 2	1 7 0	1 12 5	1 15 2	2 4 8	2 6 1	2 11 1	2 14 8															
Do 1944	29 15 0	Not quoted	1 4 5	0 9 5	0 14 5	0 15 3	0 15 10	1 3 6	1 4 4	Not quoted	Not quoted	Not quoted	Not quoted															
12th January, 1945	27 0 0	"	0 7 4	0 7 11	Not quoted	0 12 10	0 13 4	1 1 4	1 2 1	"	"	"	"															
26th January, 1945	27 0 0	"	0 7 4	0 7 11	"	0 12 10	0 13 4	1 1 4	1 2 1	"	"	"	"															
9th February, 1945	21 7 0	"	0 7 3	0 7 8	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
23rd February, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 6	0 13 4	1 0 2	1 1 0	"	"	"	"															
9th March, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
23rd March, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
6th April, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
20th April, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
4th May, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
18th May, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
1st June, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
15th June, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
29th June, 1945	21 7 0	"	0 7 3	0 7 9	"	0 12 10	0 13 4	1 0 2	1 1 0	"	"	"	"															
13th July, 1945	Not quoted	"	0 7 3	Not quoted	"	0 12 10	0 13 3	1 0 2	1 1 0	"	"	"	"															
27th July, 1945	"	"	0 7 3	"	"	0 12 10	0 13 3	1 0 2	1 1 0	"	"	"	"															
10th August, 1945	"	"	0 7 3	"	"	0 12 10	0 13 3	1 0 2	1 1 0	"	"	"	"															
24th August, 1945	"	"	0 7 3	"	"	0 12 10	0 13 3	1 0 2	1 1 0	"	"	"	"															
7th September, 1945	"	"	0 7 3	"	"	0 12 10	0 13 3	1 0 2	1 1 0	"	"	"	"															
21st September, 1945	"	"	0 7 3	"	"	0 12 10	0 13 3	1 0 2	1 1 0	"	"	"	"															
5th October, 1945	"	"	0 7 3	"	"	0 12 10	0 13 3	1 0 2	1 1 0	"	"	"	"															
19th October, 1945	"	"	0 7 3	"	"	0 12 10	0 13 3	1 0 2	1 1 0	"	"	"	"															
2nd November, 1945	"	"	0 7 3	"	"	0 12 0	0 12 6	0 14 6	1 0 0	"	"	"	"															
15th November, 1945	"	"	0 7 3	"	"	0 11 9	0 12 0	0 14 6	1 0 0	"	"	"	"															
30th November, 1945	"	"	0 7 3	0 7 9	"	0 11 9	0 12 0	0 14 6	1 0 0	"	"	"	"															
14th December, 1945	"	"	0 7 3	0 7 9	"	0 11 9	0 12 0	0 14 6	1 0 0	"	"	"	"															
28th December, 1945	"	"	0 7 3	0 7 9	"	0 11 9	0 12 0	0 14 6	1 0 0	"	"	"	"															

TABLE No. 11.

EXCHANGE VARIATIONS IN 1945 FOR TELEGRAPHIC TRANSFERS, DEMAND
DRAFTS AND THE PRICE OF SILVER.

1945.	Bombay/ London. Selling T. T. Rate	Bombay/ Yokohama Per 100 yens Selling T. T. Rate	Bombay/ Hongkong Per 100 dollars Selling D.D. Rate	Bombay/ Shanghai Per 100 dollars. Selling D.D. Rate	Bombay/ New York Per 100 dollars. Selling D.D. Rate.	Price in Bombay for 100 tolas of ready silver.	
	Rs	Rs	Rs.	Rs.	Rs.	Rs. a. p.	
Jany.	Highest	1/5 31/32	Not quoted	Not quoted	Not quoted	332½	134 0 0
	Lowest	1/5 31/32	"	"	"	332½	117 6 0
Feb.	Highest	1/5 31/32	"	"	"	332½	129 10 0
	Lowest	1/5 31/32	"	"	"	332½	119 3 0
March	Highest	1/5 31/32	"	"	"	332½	132 2 0
	Lowest	1/5 31/32	"	"	"	332½	124 0 0
April	Highest	1/5 31/32	"	"	"	332½	135 14 0
	Lowest	1/5 31/32	"	"	"	332½	128 12 0
May	Highest	1/5 31/32	"	"	"	332½	133 1 0
	Lowest	1/5 31/32	"	"	"	332½	121 10 0
June	Highest	1/5 31/32	"	"	"	332½	139 0 0
	Lowest	1/5 31/32	"	"	"	332½	128 15 0
July	Highest	1/5 31/32	"	"	"	332½	140 3 0
	Lowest	1/5 31/32	"	"	"	332½	131 10 0
Aug	Highest	1/5 31/32	"	"	"	332½	138 15 0
	Lowest	1/5 31/32	"	"	"	332½	116 0 0
Sept.	Highest	1/5 31/32	"	"	"	332½	138 4 0
	Lowest	1/5 31/32	"	"	"	332½	116 12 0
Octr.	Highest	1/5 31/32	"	"	"	332½	135 6 0
	Lowest	1/5 31/32	"	"	"	332½	128 4 0
Nov.	Highest	1/5 31/32	"	"	"	332½	136 4 0
	Lowest	1/5 31/32	"	"	"	332½	130 12 0
Decr.	Highest	1/5 31/32	"	"	"	332½	136 4 0
	Lowest	1/5 31/32	"	"	"	332½	133 4 0

NOTE.—These figures were supplied by Messrs. Promchand Roychand & Sons, Exchange Brokers, Bombay.

TABLE No. 12
STATEMENT SHOWING THE QUANTITY OF YARN SPUN IN INDIA.
(In thousands of pounds.)

	Calendar Year 1926	Calendar Year 1927	Calendar Year 1928	Calendar Year 1929	Calendar Year 1930	Calendar Year 1931	Calendar Year 1932	Calendar Year 1933	Calendar Year 1934	Calendar Year 1935	Calendar Year 1936	Calendar Year 1937	Calendar Year 1938	Calendar Year 1939	Calendar Year 1940	Calendar Year 1941	Calendar Year 1942	Calendar Year 1943	Calendar Year 1944	Calendar Year 1945
BRITISH INDIA—																				
1 to 10	110,470	104,601	54,412	94,367	101,283	104,300	104,901	96,691	95,679	97,741	97,328	91,727	116,046	111,091	102,528	125,378	143,112	141,848	150,675	166,018
11 to 20	353,712	353,501	350,954	322,630	338,667	362,721	406,846	378,659	369,876	388,152	393,351	378,110	428,388	432,019	476,449	622,316	658,663	725,826	693,112	694,498
21 to 30	221,702	240,298	181,581	238,096	238,080	253,019	272,051	229,991	236,129	247,875	238,325	249,465	288,765	276,887	257,155	279,709	267,108	316,774	297,307	291,952
31 to 40	24,840	29,808	33,068	48,188	53,411	64,251	73,071	66,314	82,395	102,461	106,003	138,708	156,584	146,858	145,112	157,504	142,387	151,125	158,108	145,967
Above 40	10,292	11,685	9,200	13,936	22,751	31,987	34,245	34,040	39,018	51,953	51,409	75,528	85,366	78,042	77,104	97,228	66,713	74,309	85,871	78,352
Wastes	2,590	5,925	5,227	6,375	5,983	4,991	5,246	5,349	5,669	5,360	7,537	9,692	12,973	14,177	14,806	18,698	17,509	17,754	19,504	22,568
TOTAL	723,903	748,819	534,442	713,543	755,723	821,069	896,459	810,945	831,766	893,122	893,851	943,225	1,088,021	1,060,569	1,073,184	1,300,884	1,295,492	1,427,136	1,404,577	1,399,345
INDIAN STATES—																				
1 to 10	8,935	7,911	8,756	10,421	11,150	12,997	13,222	10,742	12,994	18,088	14,580	16,907	18,831	18,449	16,241	19,488	22,581	23,260	22,053	22,415
11 to 20	37,046	49,643	48,966	55,316	64,166	66,102	75,467	72,969	82,887	87,706	96,231	103,191	114,934	120,395	121,705	148,320	145,751	160,172	146,852	154,063
21 to 30	23,564	24,064	27,334	30,815	31,603	31,309	33,249	30,226	34,838	38,272	36,810	41,559	47,191	45,691	45,459	48,539	47,310	52,978	48,869	48,204
31 to 40	1,797	1,835	2,304	2,534	3,248	3,971	4,495	6,818	8,805	8,706	7,810	9,749	11,133	10,648	12,285	12,916	11,395	13,883	12,473	12,146
Above 40	142	212	254	373	861	1,174	1,749	2,436	3,289	4,694	5,657	5,759	6,347	6,605	5,948	6,943	5,580	5,604	6,850	6,044
Wastes	187	484	256	268	275	263	283	297	293	293	280	441	1,078	1,513	1,052	872	880	1,360	1,138	1,114
TOTAL	68,702	84,149	87,870	99,726	111,900	116,835	128,465	123,486	143,105	153,029	161,177	177,805	189,514	203,441	202,690	236,977	233,497	237,257	238,235	243,986
GRAND TOTAL, BRITISH INDIA AND INDIAN STATES—																				
1 to 10	116,416	112,512	63,168	104,809	112,433	117,197	118,123	107,432	108,673	110,830	111,905	108,634	134,877	129,539	118,769	144,865	165,693	164,608	172,728	168,428
11 to 20	390,759	403,144	299,920	377,974	402,833	428,823	482,312	451,629	452,762	475,859	489,582	481,301	543,322	552,414	598,154	770,636	804,414	835,998	839,964	848,561
21 to 30	246,295	264,362	208,915	268,913	265,233	284,328	305,298	260,177	273,966	286,147	274,925	291,024	335,956	324,518	302,614	328,248	314,418	369,752	346,176	340,156
31 to 40	26,648	31,643	35,370	45,719	56,657	68,222	77,566	73,132	91,201	111,166	118,813	148,452	167,717	157,201	157,397	170,420	153,782	165,008	170,581	158,113
Above 40	10,435	11,899	9,454	14,212	23,612	33,161	35,994	36,475	42,307	56,557	57,068	81,286	91,613	84,647	83,052	104,071	72,293	79,913	92,721	84,396
Wastes	2,777	6,409	5,483	6,643	6,258	5,174	5,830	5,646	5,962	5,653	7,826	10,133	14,050	15,690	15,858	19,571	18,389	19,114	20,642	23,677
GRAND TOTAL	792,908	829,996	622,312	813,269	867,025	936,904	1,024,924	934,431	974,871	1,046,212	1,055,128	1,120,830	1,287,535	1,284,010	1,275,843	1,537,811	1,528,989	1,684,393	1,642,812	1,643,931

‡ During the year 1928 all the mills in the City and Island of Bombay were closed for about 6 months and for about 4½ months during 1929
† Includes 288 lbs. for which details are not known

Note.—The periods covered by all the Statistics included in the report are, unless otherwise stated, official years ending 31st March.

TABLE No. 13

STATEMENT SHOWING THE QUANTITY OF YARN SPUN IN BOMBAY CITY AND ISLAND.

(In thousands of pounds.)

Descriptions.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.	Calendar Year 1932.	Calendar Year 1933.	Calendar Year 1934.	Calendar Year 1935.	Calendar Year 1936.	Calendar Year 1937.	Calendar Year 1938.	Calendar Year 1939.	Calendar Year 1940.	Calendar Year 1941.	Calendar Year 1942.	Calendar Year 1943.	Calendar Year 1944.	Calendar Year 1945.
No. 1 to 10 ..	75,498	66,995	28,436	54,055	54,381	53,321	52,094	44,725	37,822	43,497	37,566	36,221	44,022	34,973	31,463	47,348	52,851	55,471	53,350	61,643
No. 11 to 20 ..	152,442	142,755	58,298	105,766	103,861	115,740	128,178	97,266	90,480	112,848	105,349	103,152	115,441	101,048	119,558	219,135	240,132	265,770	265,308	274,610
No. 21 to 30 ..	102,169	110,397	48,697	81,295	85,229	101,541	103,225	76,754	76,990	94,587	80,129	94,655	115,770	104,441	85,533	101,909	92,964	116,928	109,304	97,284
No. 31 to 40 ..	8,858	11,290	8,024	12,891	20,517	27,206	33,468	22,040	27,200	37,685	34,372	51,136	57,874	50,203	48,482	54,589	46,573	47,201	47,885	46,815
Above 40 ..	3,834	5,306	2,769	4,768	9,053	12,351	13,487	10,180	13,514	18,702	18,729	28,696	33,458	27,584	24,930	29,604	23,493	24,743	31,282	27,263
Wastes, etc. ..	1,083	1,204	628	967	576	745	655	796	1,148	803	833	504	827	1,189	1,041	1,741	1,745	1,522	1,706	2,034
TOTAL ..	343,887	337,948	146,853	259,741	273,617	310,903	331,108	251,762	247,154	308,122	276,987	314,363	367,393	319,439	311,008	454,326	457,758	511,635	508,835	509,649

* Please see footnote to table 12 regarding strikes in Bombay Mills.

TABLE No. 14.

DETAILED STATEMENT OF THE QUANTITY AND DESCRIPTION OF WOVEN GOODS PRODUCED IN INDIAN MILLS.

GRAND TOTAL, INDIA (British India and Indian States).

(Figures in thousands.)

Description.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.	Calendar Year 1932.	Calendar Year 1933.	Calendar Year 1934.	Calendar Year 1935.	Calendar Year 1936.	Calendar Year 1937.	Calendar Year 1938.	Calendar Year 1939.	Calendar Year 1940.	Calendar Year 1941.	Calendar Year 1942.	Calendar Year 1943.	Calendar Year 1944.	Calendar Year 1945.
GRAY AND BLEACHED PIECEGOODS																				
Chadars	Yards 85,106	66,659	55,668	65,342	57,500	54,330	59,690	54,161	59,118	57,848	67,764	65,126	71,398	76,242	59,633	58,908	57,002	41,626	51,187	38,334
Dhutis	Yards 590,425	614,199	551,181	726,556	829,348	941,363	1,050,448	999,908	1,073,325	1,220,306	1,159,239	1,145,572	1,447,336	1,301,073	1,129,092	964,358	723,111	1,023,608	1,037,815	1,144,415
Drills and Jeans	Yards 80,076	90,872	73,668	96,330	180,327	100,232	113,224	105,346	117,120	126,067	135,477	150,657	140,309	123,947	158,931	234,578	212,308	202,691	227,813	195,418
Cambries and Lawns	Yards 3,135	4,968	5,204	3,132	17,236	37,574	69,882	70,925	112,652	132,317	115,635	181,543	170,394	181,433	240,183	239,818	223,546	243,171	263,123	183,408
Printers	Yards 22,513	20,876	21,630	18,751	19,294	21,764	16,008	18,403	18,922	19,136	12,300	23,221	18,033	15,600	17,248	14,528	20,880	26,031	26,516	40,990
Shirtings and Longcloth	Yards 587,363	612,076	466,134	531,417	605,150	799,607	757,789	714,640	827,316	845,047	856,409	1,062,830	1,061,792	1,038,227	950,849	1,077,295	1,034,516	1,340,736	1,369,937	1,208,806
T-cloth, Domestic and Sheetings ..	Yards 83,806	96,233	72,057	90,270	104,404	149,956	158,257	129,787	158,623	155,074	158,327	192,833	185,375	179,490	172,262	211,899	218,969	249,461	258,884	256,142
Tent Cloth	Yards 7,907	8,960	6,791	7,458	9,268	5,126	6,405	5,357	5,777	7,107	9,369	10,878	13,921	20,466	33,236	111,417	167,926	147,847	168,154	113,221
Khadi, Dumpy or Khaddar	Yards 96,625	118,728	89,226	123,329	165,678	124,074	117,347	96,137	101,629	118,861	124,456	134,602	125,534	107,338	89,547	79,162	66,355	76,817	80,944	90,079
Other Sorts	Yards 43,406	43,252	33,573	41,990	39,367	49,332	59,103	62,771	76,962	79,357	90,661	119,788	130,327	139,208	165,155	237,376	263,496	280,528	257,691	252,977
TOTAL	Yards 1,630,362	1,675,853	1,374,083	1,756,644	1,927,791	2,253,779	2,439,447	2,257,423	2,551,441	2,756,120	2,726,687	3,078,079	3,368,558	3,183,130	3,070,128	3,328,729	2,968,089	3,631,916	3,731,036	3,528,785
Coloured Piecegoods	Yards 645,153	695,996	486,149	600,741	596,318	946,703	753,778	688,002	734,366	798,014	801,711	872,078	936,552	932,868	1,022,039	1,201,949	1,056,637	1,117,580	1,118,957	1,167,668
Gray and Coloured Goods other than Piecegoods	Dosens. 1,074	986	781	1,155	913	782	911	900	920	1,174	1,196	1,575	1,409	1,667	1,748	3,183	1,760	1,816	2,180	2,494
Cotton Goods mixed with Silk or Wool	Pounds 1,678	4,278	3,448	3,382	3,514	3,839	1,940	1,477	3,443	4,540	5,587	8,119	6,232	9,100	10,741	10,457	3,013	2,462	2,083	925
Grand Total exclusive of last two items	Yards 2,225,515	2,371,849	1,860,232	2,357,385	2,494,106	2,900,482	3,203,223	2,945,423	3,285,807	3,554,134	3,528,399	3,950,157	4,305,110	4,115,995	4,092,169	4,530,678	4,024,726	4,749,496	4,849,993	4,711,648

(Please see footnote to table 12 regarding strikes in Bombay Mills.) THE DESTRUCTION OF POLYMER GOODS PRODUCED IN LOWLY COUNTRIES

TABLE No. 15.

DETAILED STATEMENT OF THE QUANTITY AND DESCRIPTION OF WOVEN GOODS PRODUCED IN BOMBAY CITY AND ISLAND.
(Figures in thousands.)

Description of Goods.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.	Calendar Year 1932.	Calendar Year 1933.	Calendar Year 1934.	Calendar Year 1935.	Calendar Year 1936.	Calendar Year 1937.	Calendar Year 1938.	Calendar Year 1939.	Calendar Year 1940.	Calendar Year 1941.	Calendar Year 1942.	Calendar Year 1943.	Calendar Year 1944.	Calendar Year 1945.
GRAY AND BLEACHED GOODS--																				
Chadars	Yds. 29,995	31,057	13,644	19,279	18,935	16,576	16,487	16,427	14,408	16,474	16,441	13,160	14,653	13,064	9,554	12,262	8,772	10,593	14,180	8,818
Dhutes	" 145,998	170,800	80,484	159,927	224,301	278,577	326,893	258,583	247,321	390,158	350,672	323,485	453,591	399,352	316,746	274,482	167,966	245,140	252,376	319,399
Drills and Jeans	" 49,323	58,202	36,514	55,743	45,294	66,263	71,944	61,017	61,199	62,576	64,868	71,425	71,108	67,290	69,659	116,863	97,510	102,845	139,074	129,714
Cambrics and Lawns	" 340	1,856	2,216	840	4,176	14,706	14,634	13,603	26,789	41,678	35,702	75,716	69,985	63,826	82,427	113,901	90,819	92,626	117,499	83,166
Printers	" 927	"	"	26	13	1,047	933	321	"	"	"	3,796	2,022	530	2	"	"	"	"	12
Shirts and Longcloths	" 371,738	380,759	179,343	272,161	319,384	414,754	436,910	331,573	330,702	387,196	367,825	480,589	470,016	457,793	351,127	380,457	373,685	539,339	545,476	478,843
T-Cloths, Domestic and Sheatings	" 42,239	46,105	18,233	25,345	33,133	66,817	68,290	55,833	56,407	55,087	61,788	67,603	60,346	55,458	48,126	75,001	84,953	89,348	101,940	111,622
Tent Cloth	" 2,399	1,330	1,626	1,842	1,644	698	1,205	814	461	1,198	1,488	1,453	2,435	2,036	3,473	16,001	53,881	46,456	50,956	33,528
Khadi, Dungi or Khaddar	" 46,721	55,340	18,332	24,186	58,677	27,769	15,648	13,831	11,975	11,330	13,442	10,327	3,426	562	79	"	"	2,071	215	48
Other Sorts	" 10,898	13,595	8,179	14,581	14,116	18,111	20,835	14,686	18,823	23,964	26,657	36,490	36,660	33,323	45,661	94,042	82,789	83,917	84,907	81,375
TOTAL	" 700,581	759,044	358,472	583,929	720,674	905,318	973,779	766,687	768,082	989,662	938,884	1,084,024	1,184,260	1,083,225	931,854	1,082,807	970,275	1,213,135	1,306,623	1,246,525
COLOURED PIECEGOODS	Yds. 386,085	409,377	186,974	278,103	239,193	268,712	292,969	203,432	178,048	242,956	217,595	236,055	266,494	255,005	270,067	417,145	404,201	394,576	382,190	366,362
GRAY AND COLOURED GOODS other THAN PIECEGOODS	Dos. 784	656	427	700	458	315	342	316	279	451	374	369	417	426	380	624	307	195	342	350
COTTON GOODS MIXED with SILK OR WOOL	Lbs. 1,140	2,105	847	708	1,090	1,749	282	471	1,785	2,700	2,731	5,460	3,579	5,794	6,170	5,899	100	895	944	601
GRAND TOTAL EXCLUSIVE OF LAST TWO ITEMS	Yds. 1,086,666	1,168,421	545,446	862,032	959,867	1,174,030	1,266,748	970,119	946,130	1,232,618	1,156,479	1,320,079	1,450,754	1,338,230	1,201,920	1,499,952	1,374,476	1,607,711	1,688,813	1,612,887

See footnote to Table 12 for strikes in Bombay Mills.

TABLE No. 16.
IMPORTS OF COTTON YARN INTO INDIA.
 (Quantities in thousands of pounds.)

Classifications of Yarn.	Calendar Year 1926	Calendar Year 1927	Calendar Year 1928	Calendar Year 1929	Calendar Year 1930	Calendar Year 1931.	Calendar Year 1932.	Calendar Year 1933.	Calendar Year 1934.	Calendar Year 1935.	Calendar Year 1936.	Calendar Year 1937.	Calendar Year 1938	Calendar Year 1939	Calendar Year 1940	Calendar Year 1941	Calendar Year 1942.	Calendar Year 1943	Calendar Year 1944	Calendar Year 1945.	
GREY SINGLES—																					
1s to 10s	85	354	17	103	10	10	10	8	39	19	126	559	443	46	1,053	157	..	..	..	..
11s to 15s	26	551	30	6	5	10	10	13	2	6	10	6	659	6	659	6	70	..	..	..
16s to 20s	2,008	1,069	748	836	334	143	660	150	162	81	6	35	6	46	696	112	304	..	..	3
21s to 25s	136	140	357	78	149	5	7	11	54	16	1	9	41	18	67	..	..	..	..	..
26s to 30s	202	348	127	245	163	425	823	559	641	1,017	1,071	204	297	38	27	..	..	1	1	..
31s to 40s	20,924	25,049	13,528	15,996	14,897	13,025	18,299	15,085	6,100	11,619	7,077	863	4,160	4,147	717	119	334	29	35	34	
41s to 50s	2,031	1,324	1,118	937	600	257	419	544	391	460	650	437	176	729	398	30	316	87	2	5	
51s to 60s	3,559	3,019	4,357	4,638	1,792	2,445	3,714	2,639	3,686	4,901	6,626	1,861	2,448	5,014	2,808	623	13	..	11	13	
61s to 100s	2,000	1,705	1,961	1,956	1,084	901	1,505	1,439	1,915	1,663	1,610	975	594	666	317	65	4	7	15	4	
Above 100s	185	117	137	153	137	113	82	75	128	118	80	102	87	40	25	26	..	..	..	..
GREY TWO FOLDS (Doubles)	5,799	6,656	3,815	5,600	3,072	3,440	5,149	3,713	5,848	8,137	4,877	3,780	10,382	11,925	9,901	2,451	125	1	..	..
WHITE (BLEACHED)	4,112	4,985	4,555	5,570	4,132	3,614	4,238	3,016	3,276	3,642	2,986	3,219	1,781	1,515	1,194	605	19	5	1	1	
COLOURED SINGLES—																					
1s to 20s	293	445	266	201	197	177	247	125	182	152	153	46	7	123	11	253	91	..	2	..	
21s to 25s	396	220	248	200	204	208	315	219	206	143	162	44	2	5	..	..	..	..	..	..
26s to 30s	199	114	78	28	23	25	6	5	12	10	13	18	11	17	13	2	4	..	12	3	
31s to 40s	4,165	4,167	2,176	3,126	1,196	552	552	432	230	304	280	311	114	129	42	19	20	..	..	..
41s to 50s	232	87	52	92	49	48	15	58	24	25	10	..	..	..	..	..	..	..	..	..
Above 50s	533	459	270	446	248	181	224	132	133	177	266	241	149	153	98	57	5	..	..	..
COLOURED TWO FOLDS (Doubles)	694	579	498	433	420	280	348	256	347	263	206	48	59	85	36	17	..	..	..	..
MERCERISED COTTON YARN	4,165	5,181	3,895	5,874	3,674	4,624	7,547	5,225	6,508	9,932	10,621	8,816	10,041	14,694	9,443	4,474	168	..	..	..
UNSPECIFIED DESCRIPTION	29	76	27	30	11	21	24	40	40	16	30	17	19	10	598	1,879	753	129	427	1	
SEWING THREAD	2,135	2,387	2,085	2,360	2,049	1,815	2,034	1,939	2,511	2,841	3,126	2,527	1,952	1,657	1,636	1,554	755	1,091	1,602	1,189	
ARTIFICIAL SILK YARN	4,012	8,478	6,927	7,992	6,016	8,045	12,354	8,024	15,279	15,913	15,055	33,853	15,313	26,688	34,240	23,921	278	93	787	1,580	
TOTAL	57,900	67,509	47,570	56,900	40,343	40,353	53,572	43,707	47,764	61,429	54,993	57,547	48,206	68,238	62,987	37,267	3,348	1,514	2,894	2,832	

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TABLE No. 17.

IMPORTS OF COTTON YARN INTO BOMBAY.

(Quantities in thousands of pounds.)

Classifications of Yarn.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.	Calendar Year 1932.	Calendar Year 1933.	Calendar Year 1934.	Calendar Year 1935.	Calendar Year 1936.	Calendar Year 1937.	Calendar Year 1938.	Calendar Year 1939.	Calendar Year 1940.	Calendar Year 1941.	Calendar Year 1942.	Calendar Year 1943.	Calendar Year 1944.	Calendar Year 1945.
GRAY SINGLES—																				
1s to 10s	..	260	16	102	10	..	..	8	39	..	..	2	4	..	..	..	..	44	..	..
11s to 15s	..	541	13	..	..	1	..	12	..	..	2	..	..	..	..	..	..	..	..	..
16s to 20s	..	299	226	6	40	23	16	578	97	146	46	4	28	..	2	10	..	301	..	..
21s to 25s	..	6	3	228	..	1	..	..	38	9	2	3	..	..	..	..	..	..	..	..
26s to 30s	..	152	210	89	182	106	8	10	9	26	16	15	21	3	2	5	..	..	1	..
31s to 40s	..	12,250	15,820	8,075	6,334	3,282	3,183	4,493	2,123	1,351	1,304	1,525	123	1,007	1,056	410	13	330	28	35
41s to 50s	..	884	858	521	588	422	69	96	207	221	297	207	43	4	41	283	..	316	87	1
51s to 60s	..	665	649	1,132	1,047	327	87	162	56	1,146	1,710	2,357	574	967	2,170	960	172	1	..	..
61s to 100s	..	654	427	321	448	237	49	62	135	133	396	654	403	67	186	77	10	4	6	..
Above 100s	..	41	51	19	22	37	..	2	15	2	15	1	..	..	..	..	..	1	..	..
GRAY TWO FOLDS (Doubles)	..	5,521	5,323	3,124	4,509	2,240	2,504	3,618	2,105	3,306	5,538	3,098	3,229	6,616	6,147	5,710	1,767	125	..	..
WHITE (BLEACHED)	..	2,217	2,525	2,144	2,099	1,806	1,668	1,853	1,354	1,189	1,097	754	409	310	302	376	156	18	..	..
COLOURED SINGLES—																				
1s to 30s	1	..	2	1	..	1	..	..	4	2	1	..	3	..	..	..	..	..
21s to 25s	..	1	..	2	1	1	..	..	5	..	..	..	..	..	1	..	..	..	..	..
26s to 30s	..	4	13	16	7	5	..	..	..	..	..	..	..	..	..	..	..	..	..	..
31s to 40s	..	339	254	171	240	50	23	2	11	6	1	..	10	..	8	..	1	..	..	..
41s to 50s	..	62	86	43	26	13	22	6	18	..	..	2	..	24	22	..	..	..	..	..
Above 50s	..	8	..	2	..	..	..	..	..	..	4	..	..	1	..	..	..	3	..	..
COLOURED TWO FOLDS (Doubles)	..	430	213	123	84	50	6	..	2	..	10	6	2	39	29	34	16	..	..	..
MERCERISED COTTON YARN	..	4,076	5,162	3,799	5,502	3,045	4,123	6,338	4,054	4,514	7,342	8,098	6,011	7,006	9,833	6,364	3,169	..	..	..
UNSPECIFIED DESCRIPTION	..	2	6	27	20	4	17	10	7	8	6	24	9	2	557	1,872	692	129	353	..
SEWING THREAD	..	664	822	721	830	747	661	816	756	974	994	1,123	1,036	800	737	936	992	351	598	972
ARTIFICIAL SILK YARN	..	3,367	7,295	4,981	4,996	3,087	5,540	7,675	4,906	8,951	10,754	9,854	21,759	12,216	20,946	26,756	19,039	124	22	324
TOTAL	31,647	40,743	23,573	27,080	15,494	17,958	25,721	15,860	22,052	29,541	27,732	33,555	29,080	42,485	42,510	27,207	2,308	872	1,685	1,645

TABLE No. 18.

STATEMENT SHOWING THE VARIOUS CLASSES OF PIECEGOODS IMPORTED INTO BRITISH INDIA.

(Quantities in thousands of yards)

DESCRIPTION	Calendar Year 1926	Calendar Year 1927	Calendar Year 1928	Calendar Year 1929	Calendar Year 1930	Calendar Year 1931	Calendar Year 1932	Calendar Year 1933	Calendar Year 1934	Calendar Year 1935	Calendar Year 1936	Calendar Year 1937	Calendar Year 1938	Calendar Year 1939	Calendar Year 1940	Calendar Year 1941	Calendar Year 1942	Calendar Year 1943	Calendar Year 1944	Calendar Year 1945
PIECEGOODS																				
GREY, UNBLEACHED (PLAIN AND BORDERED) —																				
Chadars	1,052	1,064	954	1,193	818	23	45	48	74	255	74	42	155	38						
Dhutias, Saris, etc	509,089	508,666	454,127	490,653	304,944	87,149	113,883	120,265	82,894	122,156	106,306	45,014	77,651	72,621	34,281	12,816	7			1
Drills and Jeans	15,329	14,802	10,132	13,179	5,411	2,862	1,721	1,789	830	1,542	812	519	858	205	765	2,920	121			2
Flannels	22	16	12	2	298	4			21											
Jaconets and Madapollams	74,327	76,779	77,113	58,518	29,496	22,264	24,283	24,151	23,718	20,718	14,060	7,348	7,574	3,344	430	34	3			4
Longcloth	166,635	242,406	207,860	344,623	218,600	130,970	190,963	118,895	134,497	187,970	172,650	81,583	153,867	178,111	128,897	34,269	145			6
Printers	2			22	6					2,225										
Sheetings	19,870	24,000	8,652	14,296	4,471	4,715	3,827	3,591	2,523	1,007	1,618	877	1,628	1,253	14,253	48,151				
T-cloth and Domestics	369	576	95	118	59	28										72				
Unspecified Sorts	210	498	979	2,296	1,433	1,558	1,300	1,079	1,006	1,690	963	1,072	825	969	854	376	161			25
TOTAL	796,906	868,829	769,925	924,898	560,066	249,572	335,856	267,819	255,033	337,553	296,484	135,953	242,558	256,541	177,480	98,639	437			34
WHITE, BLEACHED —																				
Chadars	311	251	173	54	85		17		10	4,966	4,658	4,526	3,505	1,034	817	520	109			
Checks, Spots and Stripes	10,122	13,820	15,517	11,873	7,046	2,988	6,428	5,900	4,175	4,668	3,293	1,310	1,901	1,197	55	91	13		7	17
Dhutias, Saris, etc.	100,993	87,197	40,907	51,704	20,921	2,845	2,896	5,694	8,899	5,638	3,239	3,408	1,681	2,428	1,889	1,627	233	19		83
Drills and Jeans	5,499	6,586	5,603	6,468	4,797	3,694	4,918	4,621	4,094	3,578	3,318	3,408	1,681	2,428	1,889	1,627	233	19		9
Embroidered All-Overs									4,101	4,752	5,556	8,189	5,716	5,554	2,237	1,431	158	36		30
Flannels	44	54	15	23	57	102	69	8	104	54	2	51	19	5	45	51	2	7		2
Jaconets, etc.	13,762	13,950	16,810	16,181	14,273	8,669	17,433	14,890	23,375	21,288	18,994	15,968	12,044	12,319	7,575	6,208	2,540	231		209
Lawns	16,100	8,650	7,481	11,953	7,344	4,867	15,272	5,223	6,005	7,162	4,680	1,936	341	139	143	74	556	30		4
Longcloth and Shirting	93,073	113,852	121,773	100,408	91,833	71,903	109,325	73,440	72,709	71,017	67,348	56,072	51,815	49,897	27,507	27,874	2,651	105		150
Mulls	205,565	217,704	242,410	208,978	149,462	142,391	164,224	144,375	131,314	139,592	107,876	108,599	102,783	74,867	55,305	16,825	1,836	107		136
Nainsooks	66,881	82,629	96,832	53,173	40,094	20,329	28,504	21,007	14,153	10,544	8,510	4,377	1,019	304	177	4				2
Sheetings	212	140	269	97	175	89	39	61	113	77	44	106	93	324	65	51	24			5
T-cloths and Domestics	4		27	5	14	1		2	50	3										
Twills	11,553	14,395	17,467	16,166	11,448	3,309	9,933	7,997	9,436	8,352	6,850	4,382	3,599	1,413	995	331	30			24
Unspecified Sorts	12,690	11,119	10,181	5,090	2,206	1,797	2,327	1,773	2,061	1,662	1,696	821	653	528	446	345	276	218		162
TOTAL	545,781	568,646	565,315	477,143	349,715	262,935	391,132	284,893	277,461	378,487	228,827	211,211	186,510	152,939	97,803	56,269	8,776	772	1,320	654
COLOURED PRINTED OR DYED —																				
Cambrics	38,720	48,816	54,335	43,987	28,237	16,627	34,045	35,472	44,222	46,750	38,426	30,688	19,806	16,001	9,216	5,924	2,069	574	604	237
Chadars	49	70	2	11	15		2	1	24		3	5	9							
Checks, Spots and Stripes	14,988	17,858	23,392	24,139	18,720	4,743	10,799	12,795	14,406	16,985	42,651	21,333	13,477	7,765	2,310	1,624	492	170	619	209
Dhutias, Lungis and Sarongs	20,697	21,188	17,222	24,334	21,278	13,558	24,556	15,533	14,012	19,508	8,700	1,476	1,748	954	1,384	430	108	3	35	
Drills and Jeans	38,914	65,973	53,622	78,806	47,464	33,235	66,047	52,231	65,604	82,317	64,014	65,650	71,220	90,187	49,158	858	74	254		272
Embroidered All Overs									3,734	3,431	4,144	2,209	1,533	363	236	4				2
Flannels	18,577	21,363	18,980	10,436	7,078	10,050	18,159	3,719	9,413	10,355	7,291	8,815	7,581	8,080	3,126	3,161	988	3	17	7
Prints and Chitris	49,301	64,878	76,079	65,297	42,859	21,243	48,142	25,865	28,362	21,961	10,113	7,121	7,541	5,169	3,011	1,594	434	8	92	12
Saris and Scarves	34,040	34,116	37,059	33,920	24,788	7,916	15,936	17,034	25,662	21,654	19,172	15,541	17,203	10,571	3,166	678	456	4		1
Shirtings	87,768	86,117	95,406	85,974	74,325	57,337	111,125	61,246	81,467	81,467	52,815	49,054	43,268	59,441	47,495	31,330	2,662	211	286	238
Twills	24,530	40,217	48,975	35,004	22,329	17,252	22,279	15,378	18,644	14,497	13,852	9,765	10,889	7,795	3,945	1,007	260	44		57
Sateens	3,660	5,068	4,738	2,903	1,747	866	3,653	1,004	969	1,130	582	637	695	468	487	376	21			
Coatings and Trouserings	10,320	8,867	12,027	7,802	3,079	2,393	3,283	2,273	3,451	3,357	2,489	2,261	1,806	1,769	865	1,345	163	23		31
Italian Cloth and Sateens	26,004	20,799	34,066	16,510	13,333	11,259	21,123	10,583	22,210	10,732	7,707	9,322	7,064	5,612	1,804	3,839	733			6
Velvets and Velvetens	1,528	1,757	2,465	1,673	1,070	910	2,862	2,702	6,311	5,771	3,108	4,858	2,310	2,659	3,719	1,927	75	2		22
Unspecified Sorts	69,818	53,346	40,963	31,104	22,368	9,969	16,753	16,033	19,702	23,401	18,058	20,154	19,982	13,071	9,665	9,857	2,099	1,081	1,457	902
TOTAL	429,390	493,432	518,727	471,900	328,940	207,447	399,663	274,597	340,813	363,830	310,196	249,746	220,100	215,211	189,593	115,225	12,021	2,413	3,337	2,076
FANTS OF ALL KINDS																				
	21,893	34,032	36,778	26,456	14,846	21,420	28,583	32,307	45,180	52,001	*78,032	*47,003	*24,520	*22,642	*22,557	*24,517	5,063	11,080	2,601	1,690

* Is an approximation only on the basis that a lb. of art silk fants is equal to 8 yards.

TABLE No. 19.

STATEMENT SHOWING THE VARIOUS CLASSES OF PIECEGOODS IMPORTED INTO BOMBAY.

(Quantities in thousands of yards.)

Description.	Calendar Year 1926.	Calendar Year 1927.	Calendar Year 1928.	Calendar Year 1929.	Calendar Year 1930.	Calendar Year 1931.	Calendar Year 1932.	Calendar Year 1933.	Calendar Year 1934.	Calendar Year 1935.	Calendar Year 1936.	Calendar Year 1937.	Calendar Year 1938.	Calendar Year 1939.	Calendar Year 1940.	Calendar Year 1941.	Calendar Year 1942.	Calendar Year 1943.	Calendar Year 1944.	Calendar Year 1945.
PIECEGOODS.																				
GREY, UNBLEACHED (PLAIN AND BORDERED).																				
Chadars	61	32	76	90																
Dhuties, Saries, etc.	6,695	8,614	11,672	18,632	10,189	363	2,254	4,113	1,723	2,916	1,460	1,414	880	362	498	392				
Drills and Jeans	8,101	7,277	5,137	6,464	2,115	1,054	832	553	479	422	227	63	209	23	409	2,658	100			2
Flannels	22	11	94																	
Jaconets and Madapollams	13,913	20,977	25,629	20,002	9,933	9,360	11,775	11,540	9,988	9,940	7,503	2,945	2,748	718	123	22				
Longcloth	55,804	78,421	81,226	144,076	71,631	41,208	66,340	48,989	63,908	79,063	60,586	44,072	70,253	63,527	56,302	16,351	171			
Printers	2		1	22	6															
Sheetings	11,971	16,101	5,466	11,878	2,090	4,635	3,671	2,657	853	140	2		405	248	13,979	47,597				
T-Cloth and Domestics	98	364	6	16	10															
Unspecified Sorts	27	90	569	1,308	423	960	792	795	690	703	358	603	238	277	256	178	45			1
TOTAL	96,694	131,907	129,876	202,487	96,396	57,563	85,665	68,647	77,641	93,184	70,135	49,096	73,848	65,155	71,070	67,270	316			3
WHITE, BLEACHED:																				
Checks, Spots and Stripes	2,305	1,560	1,664	881	505	149	795	1,173	845	934	761	845	479	143	92	76	55	5		3
Dhuties, Saries, etc.	9,904	11,209	15,407	16,338	3,785	196	102	1,765	2,443	1,716	1,491	642	465	567	31	42	2			
Drills and Jeans	2,596	3,202	3,394	3,353	1,854	843	1,817	2,166	2,188	2,381	2,460	2,806	937	1,721	1,298	1,298	198			3
Embroidered All-Overs									2,434	2,505	2,644	3,899	2,797	2,549	1,329	1,095	86	36	7	39
Flannels	2	41	7	23	20	25	41	4	32	22	30	9	3	13	29	1	4	1	2	2
Jaconets, etc.	4,430	3,728	5,214	2,824	2,550	2,862	6,160	4,139	6,282	4,824	4,284	4,334	2,891	2,272	1,497	1,574	542	36	9	18
Lawns	508	316	591	325	500	331	560	445	312	88	78	50	175	47	12	46	61	2	2	2
Longcloth and Shirting	18,789	28,417	31,884	25,344	18,889	12,352	28,095	21,074	20,785	15,746	19,954	20,127	18,119	17,279	13,622	17,229	1,354	22	25	26
Mulls	33,493	35,750	48,203	39,407	20,120	14,205	22,734	22,309	13,849	16,302	19,954	9,220	15,486	7,366	7,851	6,625	153	20		114
Nainsooks	9,438	20,342	20,149	12,056	8,629	3,782	6,617	5,248	1,401	1,365	7,206	379	271	38	37	105				
Sheetings	62	37	106	46	31	33	9	6	7	4	211	26	10	9	24	33	20	2	1	
T-Cloth and Domestics	1		28	5	14	1	1	2	35	3	18									
Twills	3,082	3,178	5,059	4,267	2,418	735	1,576	2,842	2,467	2,742	2,618	2,018	1,430	1,236	633	716	178	6	19	6
Unspecified Sorts	5,181	3,699	4,432	2,048	562	233	444	170	193	290	372	133	96	184	235	204	91	7	11	22
TOTAL	89,880	111,488	136,163	106,938	59,876	35,702	68,951	61,345	53,274	48,929	42,100	44,510	43,167	33,415	26,674	29,072	2,741	138	78	230
COLOURED, PRINTED OR DYED:																				
Cambrics	15,441	19,081	26,284	20,506	11,601	4,469	10,727	11,588	14,560	13,129	12,429	9,126	5,374	4,384	2,551	1,200	837	332	142	47
Chadars	18	5	2	11																
Checks, Spots and Stripes	7,014	6,960	11,594	10,788	8,071	916	3,953	4,701	3,913	4,005	9,108	6,369	2,407	3,696	530	547	156	42	12	24
Dhuties, Lungis and Sarongs	479	133	510	690	249	33	153	117	39	10	8				49	29	30	3		1
Drills and Jeans	8,346	16,428	20,723	34,985	15,060	7,795	23,091	32,277	26,763	34,362	45,049	35,296	31,843	32,684	57,176	31,242	585		31	107
Embroidered All-Overs																				
Flannels	5,400	5,460	4,990	3,788	1,079	1,731	4,021	1,086	1,617	2,544	2,411	2,243	1,248	1,099	1,399	70	4			
Prints and Chintz	31,701	44,297	55,917	40,767	20,931	9,963	26,447	14,898	15,792	10,296	5,294	3,602	4,351	2,278	1,207	725	163	11	66	11
Saris and Scarves	8,399	8,624	16,183	16,775	7,621	953	5,352	7,987	9,645	8,151	9,704	5,402	7,519	4,994	2,513	553	188			
Shirtings	22,372	18,923	23,586	27,729	15,602	12,853	32,063	20,901	29,680	32,098	15,053	21,139	16,496	13,826	15,874	14,458	1,582	60	107	97
Twills	7,165	15,394	20,648	15,983	7,583	3,751	7,408	7,186	7,304	5,906	5,171	5,247	4,596	3,521	2,742	697	380	94	29	36
Sateens	803	1,314	1,504	1,418	981	27	491	268	346	356	107	93	339	192	310	87	18			
Coatings and Trouserings	4,687	4,564	6,348	2,666	1,101	359	747	582	1,141	797	525	474	638	1,015	564	1,025	103			31
Italian Cloth and Sateens	10,855	8,563	15,743	8,235	5,069	2,930	7,326	4,389	9,472	4,519	2,742	3,381	2,833	3,019	1,093	1,625	222		20	5
Velvet and Velveteens	782	733	1,209	547	456	416	1,102	1,363	3,273	2,388	1,772	3,596	1,899	2,363	3,415	1,760	5			
Unspecified Sorts	10,488	8,564	6,666	5,802	2,892	1,614	3,099	3,143	8,086	5,900	5,630	3,895	3,385	3,309	6,675	867	439	155		82
TOTAL	133,976	159,296	211,890	190,679	98,296	47,811	130,982	110,487	130,902	129,619	117,495	105,583	85,351	78,373	95,181	62,143	5,513	984	565	447
Pents of all Descriptions	20,133	32,069	34,156	33,126	12,830	12,828	24,551	21,985	30,296	44,961	*63,204	*37,272	*17,891	*18,765	*19,275	*21,944	3,267	3,392	1,132	1,358

TABLE No. 23.
DETAILED IMPORTS OF COTTON YARN INTO BOMBAY.
(In thousands of pounds.)

Description of Yarn.	United Kingdom.			Japan.			China (including Hong-kong).			U. S. of America.			Italy.			Netherlands.			Switzerland.			Germany and Austria.			Other Countries.			Total.			
	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	
SINGLE GREY:—																															
1 to 10	
11 to 20	
21 to 30	
31 to 40	..	26	35	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	29	35	..	
41 to 50	..	7	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
51 to 60	
Above 60	..	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	..	
SINGLE COLOURED:—																															
1 to 20
21 to 30
31 to 40
41 to 50
Above 50
White, Bleached
Grey, Folded
Coloured, Folded
Mercerised
Artificial Silk	..	12	324	945	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Unspecified sorts
Rope	..	234	328	344	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sewing Thread	..	598	924	691	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
TOTAL	883	1,611	1,980	..	..	..	..	..	..	146	401	9	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

TABLE No. 26.

SUMMARY OF IMPORTS OF COTTON PIECEGOODS INTO INDIA.

(In thousands of yards.)

	United Kingdom.			Japan.			U S of America.			Italy			Netherlands			Switzerland.			Germany and Austria.			Other Countries			Total.			
	1943	1944	1945.	1943.	1944	1945	1943	1944.	1945	1943	1944	1945.	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943.	1944	1945	1943.	1944.	1945.	
Grey Plain ..		25	26						1																	31	30	
Grey Bordered ..																											4	
White Bleached ..	727	1,303	768				10	1	15								81					38	16		773	1,320	854	
Printed ..	1,207	1,816	834				214	5	35													1	124		1,422	1,944	868	
Dyed ..	757	1,172	977				128	31	61													44	119		824	1,322	1,032	
Woven Coloured ..	41	72	171				7		3													20		1	68	72	175	
Fents of all descriptions	120	321	545				284	2,279	1,140								5								1,384	2,600	1,690	
Towels in the piece																												
Piecegoods of Cotton and Artificial Silk	32	904	1,098				37	138	1,154								30									69	1,042	2,282
Canvas ..	6	9	2				18		1																24	11	3	
TOTAL ..	2,690	5,621	4,411				1,673	2,454	2,400								116					101	267	12	4,984	8,342	6,939	

(See footnote to Table 13 regarding figures of Fents)

TABLE No. 27.
DETAILED IMPORTS OF COTTON PIECEGOODS INTO INDIA.
(In thousands of yards.)

	United Kingdom.			Japan.			U.S.A.			Italy.			Netherlands.			Switzerland.			Germany and Austria.			All other Countries.			Total.					
	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.			
GREY UNBLEACHED																														
PLAIN GREY.																														
Chadars	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Dhutis, Saris & Scarves	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Drills & Jeans	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Flannel & Flannelettes	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Jaconets including Madapollams, etc.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Longcloth & Shirtings	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Printers	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sheetings	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
T-cloth & Domestics	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Unspecified Descriptions	..	25	26	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Total Plain Grey	..	25	26	1	6	3	..	31	30	
BORDERED GREY.																														
Chadars	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Dhutis, Saris & Scarves	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Drills & Jeans	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Flannel & Flannelettes	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Jaconets, etc.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Longcloth & Shirtings	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Printers	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sheetings	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
T-cloths & Domestics	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Unspecified Descriptions	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Total Bordered Grey	4	4	
Total Grey Unbleached	..	25	26	1	6	7	..	31	34	
WHITE BLEACHED.																														
Checks, Spots & Stripes	7	17	37	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Dhutis, Saris & Scarves	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Drills & Jeans	19	83	9	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Embroidered All-overs	1	14	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Flannel & Flannelettes	7	2	14	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Jaconets, Madapollams, etc.	221	248	197	..	..	..	7	..	13	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Lawns	20	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Longcloth & Shirtings	104	367	150	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Mulls	107	56	136	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nainsooks	..	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sheetings	2	..	5	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
T-cloths & Domestics	..	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Twills	30	32	24	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Unspecified Descriptions	209	476	180	..	..	..	3	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Total White Bleached	727	1,303	758	10	1	15	36	16	..	773	1,320	854

TABLE No. 28.
DETAILED IMPORTS OF COTTON PIECEGOODS INTO BOMBAY.
(In Thousands of Yards.)

	United Kingdom			Japan			U.S.A.			Italy.			Netherlands			Switzerland.			Germany and Austria.			Other countries.			Total			
	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	1943	1944	1945	
GREY (Unbleached):—																												
Plain Grey:—																												
Chadars	
Dhutis, Saries, etc.	
Drills and Jeans	
Flannel and Flannelettes	
Jaconets	
Longcloth	
Printers	
Sheetings	
T-cloth and Domestics	
Unspecified Sorts	
TOTAL PLAIN GREY	
BORDERED GREY:—																												
Chadars	
Dhutis, etc.	
Drills and Jeans	
Flannels, etc.	
Jaconets, etc.	
Longcloth, etc.	
Printers	
Sheetings	
T-cloth, etc.	
Unspecified Sorts	
TOTAL BORDERED GREY.	
TOTAL GREY	
WHITE BLEACHED:—																												
Checks, etc.	..	5	..	..	..	3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Dhutis, etc.	
Drills and Jeans	3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Embroidered All-Overs	..	1	..	..	..	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Flannels, etc.	..	4	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Jaconets, etc.	..	29	..	..	..	9	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Lawns	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Longcloth	..	2	..	..	..	25	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Mulls	..	16	..	..	..	114	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Nainsooks	
Sheetings	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
T-cloth, etc.	
Twills	..	6	..	..	..	19	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Unspecified Sorts	..	5	..	..	..	20	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
TOTAL WHITE BLEACHED..	70	59	181	..	..	..	10	1	14	..	..	..	..	..	..	12	..	35	..	..	..	47	18	..	189	78	230

TABLE No. 29.

SUMMARY OF IMPORTS OF COTTON PIECEGOODS INTO BOMBAY.
(In thousands of yards.)

	United Kingdom.			Japan.			U.S. of America.			Italy.			Netherlands.			Switzerland.			Germany and Austria.			Other Countries.			Total					
	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.			
Grey Plain ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Grey Bordered ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
White Bleached ..	70	59	131	..	..	..	10	1	14	..	..	..	..	..	12	..	35	..	..	..	..	..	..	47	18	..	199	78	230	
Printed ..	325	221	56	..	..	..	196	4	29	..	..	..	..	..	..	..	..	..	..	..	..	..	..	9	123	..	529	349	85	
Dyed ..	175	86	240	..	..	..	118	7	44	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	74	117	3	367	210	287
Woven Coloured ..	6	7	75	..	..	..	6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	76	..	..	88	7	75
Felts of all descriptions ..	36	187	494	..	..	..	387	995	356	..	..	..	..	..	..	..	5	..	..	..	..	..	..	..	..	..	..	..	..	..
Towels in the piece ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Piecegoods of Cotton and Artificial Silk ..	1	32	788	..	..	..	17	..	780	..	..	..	..	..	..	..	31	..	..	..	..	..	..	..	..	..	..	16	52	1,599
Canvas ..	5	15	2	..	..	..	18	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	23	15	2
Total ..	618	557	1,636	..	..	..	751	1,007	1,728	..	..	..	..	..	12	..	71	..	..	..	..	..	..	..	206	258	8	1,567	1,822	3,689

(See footnote to Table 18 regarding figures of Persia.)

TABLE No. 32.
RE-EXPORTS OF FOREIGN MANUFACTURED PIECEGOODS AND YARN FROM BRITISH INDIA.

	YARN (In thousand pounds).												PIECEGOODS (In thousand yards).														
	Twist & Yarn.			Rope.			Sewing Thread.			Total.			Grey.			White.			Coloured, etc.			Ferts.			Total.		
	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.
Burma																											
European Countries		128	341								128	341															
China & Hongkong																		18							18		
Egypt & North Africa							1			1					24			42								66	
Red Sea Ports							11			11			160			17	2	156	1						333	3	
East Africa													12					1							13		
Levant & Black Sea Ports							4			4			9					2							11		
Ceylon & Straits															25			79		13					104	13	
Persian Gulf							40			40			6			33	47	19	628	12	329	12			679	59	348
South Africa															1	4		2							6	1	
Total (All Countries)		128	341				56			56	128	341	187		1	191	46	19	1,160	26	344	12			1,549	75	364

TABLE No. 33.
RE-EXPORTS OF FOREIGN MANUFACTURED PIECEGOODS AND YARN FROM BOMBAY.

Countries	YARN (In thousand pounds).												PIECEGOODS (In thousand yards).														
	Twist & Yarn.			Rope.			Sewing Thread.			TOTAL.			Grey.			White.			Coloured, etc.			Ferts.			TOTAL.		
	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.	1943.	1944.	1945.
Burma																											
European Countries																											13
China and Hongkong																											
Egypt and North Africa							1			1																	
Red Sea Ports													160			17	2	156	1							333	3
East Africa													12					1								13	
Levant and Black Sea Ports							5			5			9					2								11	
Ceylon and Straits															25			79								104	
Persian Gulf							40			40			6			33	47	19	628		10				669	11	
South Africa															4			2								6	
Total (All Countries)						1	46			46		1	187			123	2	3	961	15	23				1,130	17	26

TABLE No. 34.
TABLE SHOWING THE APPROXIMATE YARDAGE OF PIECEGOODS AVAILABLE FOR CONSUMPTION IN INDIA.
(In millions of yards.)

	'26-27.	'27-28.	'28-29.	'29-30.	'30-31.	'31-32.	'32-33.	'33-34.	'34-35.	'35-36.	'36-37.	'37-38.	'38-39.	'39-40.	'40-41.	'41-42.	'42-43.	'43-44.	'44-45.
Total Indian Mill Production	2,259	2,357	1,893	2,419	2,561	2,990	3,170	2,945	3,397	3,571	3,572	4,084	4,269	4,012	4,269	4,494	4,109	4,871	4,726
Less—Exports by Sea	197	169	149	133	98	105	66	56	58	71	102	147	90	111	268	772	818	461	423
Exports by Land	83*†	88*†	95*†	86*†	90	103	103	113	99	120	121	128	115	111	142	125	125	74	63
Balance	1,979	2,100	1,649	2,200	2,373	2,782	3,001	2,776	3,240	3,380	3,349	3,809	4,064	3,790	3,859	3,597	3,166	4,336	4,240
Imports	1,788	1,973	1,937	1,919	890	776	1,225	796	943	995	832	622	672	600	472	199	16	5	5
Total	3,767	4,073	3,586	4,119	3,263	3,558	4,226	3,572	4,183	4,375	4,181	4,431	4,736	4,390	4,331	3,796	3,182	4,341	4,245
Less—Exports by Sea	29	34	24	22	17	16	22	25	11	10	11	10	13	16	43	85	16	1	1
Exports by Land	131*†	118*†	121	89	64	75	70	74	76	86	109	88	103	99	83	80	80	..	..
Total quantity of mill-made Piecegoods available for consumption in India	3,607	3,921	3,441	4,008	3,182	3,467	4,134	3,473	4,096	4,279	4,061	4,333	4,620	4,275	4,205	3,631	3,086	4,340	4,244

NOTE.—With effect from 1st April 1925, the Government of India discontinued the publication of "Accounts relating to the trade by land of British India with other countries." Since then, the statistics in question are published in Special Supplements to the *Indian Trade Journal* in an abbreviated form. The revised form does not affect the above table materially but in Table 35 it has not been possible to separate the land export figures for Indian and foreign yarn. This, however, does not affect the approximate accuracy of the figure showing the balance of yarn available for consumption in India.

† Maunds converted into lbs. and lbs. converted into yds. : 1 Maund = 82½ lbs.; 1 lb. = 4.27 yds.

TABLE No. 35.
TABLE SHOWING THE APPROXIMATE POUNDAGE OF YARN AVAILABLE FOR CONSUMPTION IN INDIA.
(In millions of Lbs.)

	'26-27.	'27-28.	'28-29.	'29-30.	'30-31.	'31-32.	'32-33.	'33-34.	'34-35.	'35-36.	'36-37.	'37-38.	'38-39.	'39-40.	'40-41.	'41-42.	'42-43.	'43-44.	'44-45.
Total Indian Mill Production	807	809	648	833	867	906	1,016	921	1,001	1,058	1,054	1,159	1,303	1,234	1,349	1,577	1,534	1,680	1,651
Less—Exports by Sea	42	25	24	25	23	22	15	16	13	10	12	31	26	22	33	91	34	19	17
Exports by Land	8*†	5*†	5*†	6*†	7*†	6*†	6*	8*	7*	8*	7*	5*	5*	5*	4	5	5	5	4
Balance	757	779	619	802	837	938	995	897	981	1,040	1,035	1,123	1,270	1,207	1,312	1,481	1,495	1,656	1,630
Imports	49	52	44	44	29	32	45	32	34	45	29	22	36	41	19	8	1	1	..
Total	806	831	663	846	866	970	1,040	929	1,015	1,085	1,064	1,145	1,306	1,248	1,331	1,489	1,496	1,657	1,630
Less—Exports by Sea	1	1	..	..	..	..	..	..	..	..	..	..	1	..	1	..	..	..	..
Exports by Land .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Quantity of Yarn available for consumption in India.	805	830	663	846	866	970	1,040	929	1,015	1,085	1,064	1,145	1,305	1,248	1,330	1,489	1,496	1,657	1,630
Cloth produced in India in millions of pounds ..	539	568	446	562	590	672	695	646	736	761	782	864	920	878	981	1,093	1,065	1,193	1,200
Approximate equivalent in Yarn (taking 100 lbs. of yarn = 112 lbs. of piecegoods)	481	507	384	502	527	600	621	577	657	679	698	771	821	784	879	976	948	1,065	1,070
Real balance of Yarn available for extra factory consumption in India	324	323	279	344	339	370	419	352	358	406	366	374	484	464	451	513	548	592	560

* Includes re-exports also.

† Maunds converted into lbs. at the rate of 82½ lbs. = 1 Maund.
See foot-note to Table 12 regarding strikes in Bombay mills.

TABLE No. 36,
PROGRESS OF JAPANESE-COTTON-MILLS-DURING "THE LAST 17 YEARS."

(The information is extracted from the half yearly statistics published by the Japan Cotton Spinners' Association)

Term	No of Companies	Capital		Reserve Funds.	No of Mills.	Spindles		Doubling Spindles	Looms.
		Authorised	Paid up			Ring	Mule		
Half-year ending		Yen	Yen	Yen					
December, 1925	64*	551,362,500	382,714,817	223,531,448	243	5,413,094	34,090	759,632	73,381
June, 1926	65*	558,416,650	394,488,187	228,827,952	247	5,551,607	34,420	780,404	74,193
December, 1926	64*	539,237,500	391,305,247	231,149,181	247	5,644,772	35,080	789,688	77,043
June, 1927	64*	539,527,500	390,703,307	233,953,175	247	5,892,620	36,994	788,916	76,163
December, 1927	64*	535,077,500	391,550,767	238,367,331	257	6,079,272	36,994	787,490	78,352
June, 1928	68*	562,902,500	426,376,017	243,987,627	258	6,230,512	41,674	792,138	79,777
December, 1928	72*	552,196,250	419,792,127	249,978,831	259	6,425,500	41,674	809,452	81,209
June, 1929	72*	558,696,250	428,098,852	257,406,526	259	6,487,720	41,874	807,100	78,870
December, 1929	70*	580,846,250	429,415,222	259,756,504	258	6,795,502	41,014	808,324	77,898
June, 1930	73*	587,596,250	433,048,087	258,259,496	262	7,047,832	41,464	801,184	77,850
December, 1930	74*	581,989,750	425,346,487	252,094,974	263	7,171,527	42,474	803,094	79,466
June, 1931	74*	580,664,750	421,327,167	243,860,512	262	7,269,120	42,474	810,294	79,173
December, 1931	73*	537,964,750	398,855,292	240,828,488	263	7,498,152	36,994	801,594	77,732
June, 1932	71*	545,114,750	397,903,277	242,704,877	265	7,762,448	35,320	798,420	77,528
December, 1932	71*	540,561,100	397,674,627	245,939,643	265	7,929,530	35,320	810,492	79,277
June, 1933	71*	540,261,100	397,874,777	249,828,487	267	8,173,994	35,320	833,016	81,552
December, 1933	69*	543,761,100	403,898,752	255,398,338	268	8,308,608	35,320	842,808	86,343
June, 1934	70*	555,282,600	413,338,448	261,998,722	272	9,090,344	35,320	849,870	89,766
December, 1934	72*	587,228,600	438,573,910	273,315,614	275	9,495,254	35,320	868,440	91,146
June, 1935	74*	606,802,600	455,985,585	279,350,885	276	9,825,680	35,320	906,844	93,260
December, 1935	74*	609,202,600	458,955,945	282,588,696	281	10,613,728	35,320	912,912	95,982
June, 1936	75*	621,377,600	467,590,453	285,684,455	285	10,970,128	19,780	988,697	98,080
December, 1936	74*	678,677,600	483,967,095	292,389,043	282	12,131,488	19,780	1,170,304	100,543
June, 1937	74*	702,477,600	524,138,071	299,116,323	282	12,182,896	17,920	1,233,266	104,666
December, 1937	82*	782,277,600	595,886,485	309,827,724	291	12,559,376	17,920	1,371,288	108,074
June, 1938	84*	799,657,600	617,934,150	316,485,524	296	12,766,980	9,240	1,435,052	114,332
December, 1938	82*	872,282,600	642,802,863	327,318,824	294	11,710,017	5,940	1,484,582	114,090
June, 1939	79*	885,332,600	656,204,150	333,903,290	246	11,596,973	5,940	1,554,752	104,153
December, 1939	79*	885,882,600	659,914,150	343,033,590	248	11,601,810	5,940	1,620,238	104,051
June, 1940	79*	900,732,600	674,720,563	401,964,394	254	11,621,488	5,280	1,625,072	104,279
December, 1940									
June, 1941									
December, 1941									
December, 1942									
December, 1943									
December, 1944									
December, 1945									

* Including non-members of the Japan Cotton Spinners' Association.

TABLE No. 37.
JAPAN'S COTTON CONSUMPTION.

(Figures extracted from the half-yearly publication of the Japan Cotton Spinners' Association.)

Years.	Indian.	American.	Chinese.	Egyptian and African.	Annam and Saigon.	Korean.	Sundries.	Total.
	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.
1916	593,978,108	235,615,875	29,506,075	16,421,546	9,069,166	6,744,540	4,251,590	895,586,900
1917	590,521,080	242,144,925	42,305,808	14,717,091	3,715,905	8,194,558	4,344,308	905,943,675
1918	453,072,641	230,374,975	83,091,375	14,769,342	3,187,334	11,790,775	6,941,733	853,228,175
1919	376,648,588	355,589,221	130,970,193	15,588,908	2,265,292	11,454,470	5,037,182	897,553,824
1920	482,881,416	310,370,393	30,684,616	11,558,208	2,041,258	9,412,820	5,367,604	852,316,315
1921	521,998,441	304,763,617	3,037,340	14,600,500	3,923,158	8,744,408	3,479,358	860,546,824
1922	615,242,183	389,759,225	3,626,017	19,652,842	5,563,967	8,354,600	5,680,941	1,047,879,775
1923	652,798,508	296,423,592	25,836,858	22,140,542	2,519,492	12,054,233	7,929,408	1,019,702,633
1924	563,969,233	282,197,025	58,888,450	36,176,192	1,461,775	20,443,692	5,877,333	969,013,700
1925	637,749,440	378,526,322	47,050,425	34,587,864	2,712,025	18,994,691	9,742,440	1,129,343,210
1926	664,655,716	486,464,350	19,956,425	43,557,383	1,011,383	12,512,942	8,763,400	1,236,921,599
1927	551,571,275	562,091,700	15,841,558	39,414,575	2,958,633	9,768,591	7,474,050	1,189,120,382
1928	510,871,795	511,694,394	60,928,568	36,900,193	1,663,337	11,052,982	7,069,534	1,140,180,803
1929	643,388,869	565,561,191	29,004,654	42,942,636	572,363	14,876,498	7,260,005	1,303,806,216
1930	627,594,598	468,778,932	11,443,473	34,718,189	1,931,984	20,269,592	6,330,650	1,171,067,418
1931	580,912,185	562,947,021	2,600,976	34,950,377	1,218,158	14,086,629	4,837,025	1,201,552,371
1932	331,599,316	908,859,160	2,029,745	37,576,519	482,167	5,054,240	7,185,856	1,292,787,003
1933	461,207,207	870,256,491	7,857,146	51,725,839	575,257	16,859,397	10,823,516	1,419,104,853
1934	608,343,495	856,692,099	11,402,307	71,522,108	1,286,479	16,101,950	31,506,901	1,596,855,339
1935	672,895,959	838,550,421	4,362,554	76,672,190	286,537	22,164,430	40,612,537	1,655,544,628
1936	728,982,817	694,618,808	21,289,342	101,600,534	337,233	30,890,117	111,657,816	1,689,376,667
1937	810,996,633	698,501,983	33,305,867	122,630,267	94,800	15,066,308	165,469,992	1,846,066,850
1938	472,815,698	480,429,326	144,104,727	72,441,127	Nil.	7,973,909	140,796,600	1,318,561,397
1939	429,431,335	370,468,143	88,588,971	111,635,162	Nil.	11,560,281	205,543,581	1,217,227,473
1940								
1941								
1942								
1943								
1944								
1945								

Figures not available

NOTE.—Korean cotton before 1916 is totalled under "Sundries."

TABLE No. 38
JAPAN'S COTTON YARN PRODUCTION AND EXPORTS.

YEAR.	Average Working Spindles.	Production. (Bales of 400 lbs.)				Exports. (Bales of 400 lbs.)						
		16s. warp.	20s weft.	Others.	Total.	China.	Hongkong	British India	Philippine Islands.	Korea.	Other countries.	Total.
1914	2,369,801	388,992	439,672	837,517	1,666,181	455,124	66,124	3,144	4,791	19,020	21,787	569,990
1915	2,463,376	393,027	443,040	884,197	1,720,264	463,921	65,241	1,565	3,629	26,688	14,848	575,892
1916	2,757,299	409,053	497,291	1,019,235	1,925,579	440,158	50,381	11,744	1,899	26,137	16,839	547,148
1917	2,850,637	359,623	528,603	1,035,615	1,923,841	356,576	58,405	9,813	3,260	27,597	15,702	470,553
1918	2,936,495	228,818	511,539	1,063,509	1,803,866	231,689	62,598	79,426	5,685	13,053	29,062	421,613
1919	3,179,568	204,486	539,748	1,176,548	1,920,782	156,261	85,638	4,753	693	16,047	16,945	230,337
1920	3,191,753	196,928	191,141	1,128,907	1,816,976	166,711	58,349	47,615	2,548	5,535	24,167	304,925
1921	3,162,353	215,682	436,629	1,159,039	1,811,350	174,584	56,211	37,164	1,418	..	22,884	292,261
1922	3,967,265	205,489	746,731	1,276,026	2,228,246	212,862	83,894	68,319	2,896	..	26,591	394,062
1923	4,079,855	170,857	680,708	1,320,088	2,171,153	121,568	40,108	58,937	2,267	..	28,778	248,325
1924	4,115,692	135,844	631,476	1,305,497	2,072,817	96,536	61,493	80,840	1,799	..	29,692	270,361
1925	4,669,753	142,796	779,203	1,514,784	2,436,783	132,778	58,788	87,172	3,176	..	28,888	310,801
1926	5,002,932	146,983	795,170	1,665,593	2,607,746	72,640	28,286	72,283	3,201	..	28,140	205,550
1927	4,831,429	140,924	784,673	1,605,095	2,530,692	28,762	12,887	54,508	1,921	..	19,577	117,654
		Under 20.	20s.	Medium Counts.	Fine Counts	Total.						
1928	4,983,089	721,557	736,767	906,924	86,614	2,451,862	22,626	15,921	17,260	1,217	14,632	71,656
1929	6,149,365	827,363	878,405	984,992	101,826	2,792,586	17,637	6,988	27,514	1,826	13,436	67,401
1930	5,698,030	780,498	808,560	834,426	101,215	2,524,699	13,493	13,272	20,390	1,255	10,976	59,386
1931	5,904,342	809,822	803,442	814,398	139,471	2,567,133	3,839	2,349	16,094	1,367	7,793	31,442
1932	6,307,884	797,180	896,921	957,915	158,421	2,810,437	9,190	8,103	50,591	962	20,049	88,895
1933	6,771,692	877,043	941,139	1,145,009	136,665	3,099,856	428	1,133	18,286	638	(a) 13,260	14,178
1934	7,502,504	962,110	1,100,937	1,305,406	103,989	3,472,442	324	353	24,318	1,085	(a) 13,803	24,961
1935	8,197,422	999,282	1,026,007	1,412,900	122,643	3,560,832	419	3,518	44,890	2,509	(a) 18,979	26,277
1936	8,392,024	1,015,599	1,027,276	1,425,635	138,948	3,607,458	565	6,783	42,176	4,646	(a) 24,954	31,399
1937	8,972,671	1,101,887	1,166,956	1,549,246	148,111	3,968,201	1,989	10,419	36,885	5,975	(a) 27,575	46,885
1938	8,243,413	697,835	764,451	974,411	115,049	2,551,747	2,001	2,579	47,067	4,382	10,856	38,380
1939	7,991,108	693,598	794,335	964,101	153,749	2,605,783	2	24,664	71,678	5,216	25,562	81,883
1940												
1941												
1942												
1943												
1944												
1945												

Figures not available.

(a) Manchuria.

TABLE NO. 39.
JAPAN'S CLOTH PRODUCTION.

Year.	Average Working looms.*	Production of cotton piece-goods.*	Yarn consumed.*
		Yards.	lbs.
1914	24,911	454,901,674	126,863,966
1915	27,687	502,076,621	124,632,631
1916	30,110	560,181,108	136,413,408
1917	31,920	594,649,419	142,770,758
1918	36,365	656,935,420	160,301,569
1919	40,969	739,390,012	179,788,560
1920	44,635	762,037,360	189,651,320
1921	44,109	700,697,985	179,427,501
1922	51,033	869,327,652	214,327,505
1923	52,972	1,000,708,890	240,979,975
1924	56,351	1,030,905,658	241,319,095
1925	62,976	1,179,524,733	274,472,668
1926	65,699	1,277,726,954	294,334,545
1927	66,733	1,294,668,822	293,166,913
1928	70,606	1,382,034,413	303,008,225
1929	67,070	1,538,249,015	336,276,152
1930	62,767	1,388,423,325	296,592,495
1931	64,392	1,404,668,382	301,231,848
1932	68,028	1,532,850,514	325,907,959
1933	73,966	1,673,880,702	362,300,980
1934	79,606	1,793,845,440	384,958,215
1935	82,397	1,843,470,714	392,640,350
1936	85,974	1,802,400,624	384,296,367
1937	90,197	1,890,554,335	406,988,842
1938	73,277	1,461,649,275	317,181,564
1939	80,235	1,585,317,392	342,361,331
1940			
1941			
1942			
1943			
1944			
1945			

Figures not available.

*Sub-work by spinners only.

Sub-work by spinners means that the table in question was prepared from the reports of the weaving companies which are affiliated to the Japan Cotton Spinners' Association.

TABLE No. 40.
STATISTICS.

STATEMENT of Imports of Piecegoods of British Manufacture (Grey, Bleached, Coloured and Printed) and of Yarns (Grey and Dyed) from Great Britain into Bombay, Calcutta and Madras, from the years 1873 to 1944, both inclusive.

YEAR	PIECEGOODS			YARNS.		
	Bombay	Calcutta.	Madras	Bombay	Calcutta.	Madras
	Sq Yards	Sq. Yards	Sq Yards	Lbs	Lbs	Lbs
1873	349,631,830	664,987,114	57,666,809	8,667,090	11,192,246	8,918,841
1874	292,843,697	765,762,164	49,878,834	8,667,978	14,041,528	10,510,639
1875	305,917,934	744,439,224	44,683,288	6,863,763	12,945,100	10,104,020
1876	356,940,508	733,913,330	54,875,423	8,246,211	12,080,167	9,664,609
1877	354,779,192	885,688,850	39,106,318	10,624,710	14,364,841	8,683,595
1878	344,068,807	749,233,431	47,038,579	7,754,005	13,967,396	8,373,916
1879	343,811,233	788,759,250	61,375,691	7,469,113	10,580,436	9,581,363
1880	531,050,559	1,007,631,497	77,010,037	13,024,923	16,446,089	12,108,002
1881	544,890,697	947,329,460	82,451,852	12,326,706	13,597,371	11,099,762
1882	500,248,293	883,611,784	106,615,818	12,019,123	14,780,667	13,069,871
1883	572,738,196	878,949,353	107,868,579	16,220,463	13,478,764	11,033,824
1884	568,220,318	908,294,475	120,841,003	14,299,380	16,313,840	13,114,875
1885	547,773,459	911,987,148	93,757,204	14,132,372	13,473,067	99,597,197
1886	700,061,681	1,159,407,968	143,318,736	17,087,709	14,177,149	13,937,810
1887	585,502,258	986,370,500	117,502,619	14,990,151	14,040,137	13,432,638
1888	652,344,548	1,045,951,384	138,271,060	16,595,176	14,778,545	14,570,258
1889	634,608,171	1,031,000,980	144,140,943	13,011,348	11,836,681	13,393,848
1890	665,650,786	1,037,911,379	116,224,797	15,805,515	12,455,601	13,284,690
1891	572,065,309	961,686,226	108,083,576	15,526,869	12,484,617	14,866,189
1892	548,944,867	1,013,742,658	93,892,712	12,427,053	10,108,327	10,390,439
1893	604,439,138	1,009,441,511	106,086,291	10,466,233	13,124,097	11,387,889
1894	719,324,449	1,161,138,343	140,749,235	11,723,808	10,529,734	12,547,763
1895	484,780,087	925,203,136	99,427,366	10,857,586	10,689,066	10,188,466
1896	574,410,316	1,163,967,702	86,265,292	11,649,977	13,403,663	15,402,931
1897	472,597,133	932,328,974	121,396,515	11,788,246	13,299,211	13,650,022
1898	557,597,951	1,202,254,978	91,950,978	10,238,969	11,412,068	11,673,878
1899	611,556,220	1,266,926,546	93,492,746	10,441,484	10,729,842	11,532,812
1900	461,938,302	1,086,463,274	120,383,837	5,892,081	9,435,371	9,496,085
1901	629,976,200	1,127,753,500	129,392,500	7,911,750	11,050,890	9,564,200
1902	475,541,800	1,176,051,500	119,878,000	6,299,820	7,411,640	9,438,560
1903	520,373,400	1,119,542,300	129,898,800	5,300,460	6,442,050	6,699,580
1904	593,591,100	1,193,265,900	145,618,800	6,221,400	6,613,460	8,056,710
1905	637,039,600	1,292,516,900	119,829,700	11,368,420	11,443,550	10,175,810
1906	611,705,100	1,189,552,900	142,636,200	10,548,720	10,300,210	10,260,270
1907	646,598,400	1,298,662,500	131,107,800	10,419,750	9,921,670	7,601,280
1908	470,956,400	1,005,027,600	200,636,400	10,894,540	9,019,320	10,432,380
1909	481,389,100	1,180,586,000	108,497,400	16,251,580	8,448,010	6,169,190
1910	624,859,600	1,129,898,600	109,976,800	8,410,140	6,384,450	6,891,410
1911	622,516,400	1,228,065,400	138,414,300	12,842,440	9,179,460	8,364,340
1912	658,026,700	1,451,819,200	173,698,700	13,298,110	11,913,170	10,745,130
1913	804,333,100	1,547,872,400	210,797,700	13,628,700	7,619,860	9,497,740
1914	617,498,700	1,378,930,300	160,552,000	13,538,110	9,985,330	8,280,700
1915	354,966,900	1,052,246,400	106,332,200	15,423,650	8,974,950	10,801,200
1916	481,857,500	1,035,437,900	88,153,700	8,931,510	5,922,490	7,563,020
1917	851,853,300	898,872,200	78,886,500	5,185,900	5,646,600	6,295,900
1918	429,754,300	449,044,800	33,046,000	2,054,500	2,211,400	3,490,800
1919	275,575,100	423,299,200	37,684,300	3,217,300	2,401,100	3,201,100
1920	569,054,700	656,277,100	69,872,000	10,850,000	5,096,900	6,011,600
1921	265,737,000	744,049,100	50,486,100	18,383,900	7,573,200	7,257,800
1922	410,565,000	854,974,300	77,837,700	21,204,800	7,284,200	7,471,600
1923	476,873,200	797,622,700	89,096,800	9,024,500	5,154,800	5,978,300
1924	553,405,800	938,652,800	91,324,300	9,281,600	4,280,600	5,613,800
1925	524,457,900	787,338,700	72,441,200	6,244,300	4,184,500	4,465,500
1926	504,044,100	902,411,700	93,138,100	8,809,600	4,286,100	6,244,000
1927	576,045,900	924,941,700	84,499,100	6,661,600	5,262,900	6,660,400
1928	687,853,200	710,112,300	92,249,700	9,089,800	4,960,500	6,791,500
1929	511,877,900	687,826,200	108,049,200	8,318,800	4,031,000	8,447,700
1930	317,988,200	345,331,500	75,803,600	4,734,900	1,959,400	4,620,200
1931	231,407,000	77,021,300	59,272,200	3,407,400	2,608,000	4,785,400
1932	339,930,400	129,501,100	78,127,500	3,792,200	2,964,900	7,036,100
1933	258,655,100	131,375,900	66,094,000	2,416,400	3,088,000	4,740,800
1934	326,065,000	161,206,000	59,385,000	2,106,300	2,968,600	3,687,300
1935	306,200,000	138,804,000	56,439,000	2,569,000	3,744,600	3,896,000
1936	258,847,000	96,010,000	36,014,000	2,173,200	3,018,500	2,996,300
1937	224,494,000	67,800,000	30,900,000	1,477,700	2,095,800	3,497,400
1938	183,935,000	69,100,000	20,285,000	817,500	2,764,400	1,555,500
1939						
1940						
1941						
1942						
1943						
1944						
1945						

Figures not available

Report for the Year 1945.

Section VI.

RULES AND REGULATIONS.

Rules for Arbitration on Piecegoods, Standard Contract Form, Rules for the Election of Representatives of the Association on the Board of the Victoria Jubilee Technical Institute, on the Board of Trustees of the Port of Bombay, on the Bombay Municipal Corporation and on the Senate of the University of Bombay.

RULES AND REGULATIONS.

(Revised and adopted down to the Special General Meeting held on 7th August, 1939)

1. The Association shall be called the Bombay Millowners' Association. me
2. The Office of the Association will be situate in Bombay.
3. The objects of the Association are — Objects of the Association. the
 - (a) To encourage friendly feeling and unanimity amongst Millowners and users of steam, water and/or electric power on all subjects connected with their common good.
 - (b) To secure good relations between members of the Association.
 - (c) To promote and protect the trade, commerce and manufactures of India in general and of the cotton trade in particular
 - (d) To consider questions connected with the trade, commerce and manufactures of its members.
 - (e) To collect and circulate statistics and to collect, classify and circulate information relating to the trade, commerce and manufactures of its members
 - (f) To take all steps which may be necessary for promoting, supporting or opposing legislative and other measures affecting the trade, commerce or manufactures of its members.
 - (g) To make representations to Local, Central and Imperial authorities on any matter connected with the trade, commerce and manufactures of its members.
 - (h) To arbitrate in the settlement of disputes arising out of transactions in piecegoods and yarn between parties willing or agreeing to submit to arbitration in accordance with the arbitration rules of the Association.
 - (i) To advance and promote commercial and technical education connected with the trade and commerce of its members
 - (j) To undertake special inquiries and initiate or support any action for securing the redress of legitimate grievances connected with the trade or commerce of its members.
 - (k) To take any action which may be conducive to the extension of the trade and commerce of its members or incidental to the attainment of this object
 - (l) To subscribe, to become a member of and co-operate with any other Association whether incorporated or not whose objects are altogether or in part similar to those of this Association and to procure from or communicate to any such Association such information as may be likely to forward the objects of this Association.
 - (m) To establish or aid in the establishment of funds to benefit employees of the Association or the dependants of such persons and to subscribe, donate or guarantee money for charitable or benevolent purposes at the discretion of the Association.
 - (n) To regulate conditions of employment in the industry conducted or carried on by its members.
 - (o) And generally to do all that may be necessary in the interests of the realisation of the above objects of the Association directly or indirectly
4. Any individual, firm or Company owning one or more mill or mills or one or more press or presses or one or more spinning or other factory or factories actuated by steam, water, electric and/or other power shall be eligible for membership of the Association. Persons eligible for membership.
5. The expression "Member" in these rules shall ordinarily mean the person, firm or Company, as the case may be, by whom or by which any such mill or mills, press or presses, or factory or factories as last aforesaid is or are actually owned, but shall where the context so requires or permits also mean and include the person or persons for the time being entitled or empowered in accordance with these rules to act and vote on behalf of any member of the Association. Definition of the term "member."
6. At any General Meeting of members of the Association every member shall be entitled to one vote for every complete sum of Rs 50 paid by him as annual subscription under Rule 35 hereof. Voting power of members.
7. Each individual, who, as an individual, shall be a member of the Association, shall, subject as hereinafter mentioned, be entitled either to act and vote on his own behalf or to empower, subject as hereinafter mentioned, any one or more persons, who shall have been duly authorized to sign his name per procuration, to act and vote on his behalf.
8. Every partner in any firm, which shall be a member of the Association, shall, subject as hereinafter mentioned, be entitled to act and vote on behalf of his firm, and the firm may also empower, subject as hereinafter mentioned, any one or more persons, who shall have been duly authorized to sign the name of the firm per procuration, to act and vote on behalf of the firm.
9. Every Director of a Joint Stock Company, which shall be a member of the Association, shall, subject as hereinafter mentioned, be entitled to act and vote on behalf of such Company, and the Agent, Secretary or Manager, as the case may be, of such Company, and every partner in any firm, which shall be Agents, Secretaries or Managers, as the case may be, of such Company, and likewise any one or more persons, who shall have been duly authorized by the Agent, Secretary or Manager, as the case may be, of such Company, or by the firm, which shall be Agents, Secretaries or Managers, as the case may be, of such Company, to sign either the name of such Agent, Secretary or Manager or the name of such firm, per procuration, shall also, subject as hereinafter mentioned, be entitled to act and vote on behalf of such Company.
10. The name of every person entitled or empowered to act and vote on behalf of any member of the Association, whether such person be the member himself or any other person, shall be notified in writing by such member to the Secretary of the Association to be entered by the Secretary of the Association as hereinafter provided in the register hereinafter mentioned, and if more than one person shall be entitled or empowered to act and vote on behalf of any member, such member shall notify in writing to the Secretary of the Association to be entered by the Secretary of the Association as hereinafter provided in the register hereinafter mentioned, the order of precedence in which such persons shall be entitled to act and vote on behalf of such member.
11. When any member shall notify to the Secretary of the Association that any one or more persons, other than the member himself, is entitled or empowered to act and vote on behalf of such member, such member shall, in such notification, state the capacity in which such person or each of such persons is so entitled or empowered to vote, that is to say, either as a member of a firm or as a Director or Agent or Secretary or Manager of a Company or as the holder of a power to sign per procuration or otherwise as the case may be.
12. If the name of any person shall be notified as a person empowered to act and vote, on behalf of a member by virtue of being the holder of a power to sign per procuration the notification shall be accompanied by the document authorizing such person to sign per procuration, in order that the same may be registered by the Secretary, and the Secretary shall, after registering the document, return it to the person who sent it.
13. The Association shall provide a Register, to be called "Register of members and of persons entitled to act and vote for members" (hereinafter in these rules referred to as "the said Register"), and the names of all members of

the Association shall be entered in the said Register together with the name of each person entitled or empowered, in accordance with these rules, to act and vote for such members, so soon as the name of such persons and all particulars regarding him and all formalities shall have been duly notified and observed in accordance with these rules, and when the name of more than one person shall have been notified as entitled to act and vote for any one member of the Association, the names of such persons shall be numbered in the order of precedence in which such persons are entitled to act and vote for such member.

14. No person shall be entitled to act or vote on behalf of any member of the Association unless and until his name shall have been entered in the said Register as a person entitled to act and vote for such member

15. If two or more persons, who shall be entitled to act and vote on behalf of one and the same member of the Association, shall be present at any meeting of the Association, that one, who takes priority in the order of precedence in the said Register, shall alone be entitled to vote at such meeting

16. If any one person shall, according to these rules, be entitled to act and vote for more than one member of the Association, such person shall be entitled to act and to exercise the right of voting, according to these rules, for each member, on whose behalf he is entitled to act and vote.

of electing
in.

17. Members of the Association shall be elected by ballot in the manner hereinafter mentioned.

18. Every candidate for election as a member of the Association must be proposed by one member of the Association and seconded by another, and a letter of proposal signed by the proposer and seconder must, be sent to the Managing Committee of the Association (hereinafter called "the Committee").

19. After the receipt by them of a proposal duly made and seconded according to these rules of a candidate for election as member of the Association, the Committee shall fix a day for the commencement of the ballot for the election of such candidate.

20. Not less than seven days before the day so fixed as aforesaid for the commencement of the ballot for the election of any candidate, notice in writing shall be given by the Committee to all members of the Association of the name of the candidate and of his proposer and seconder and of the date so fixed as aforesaid for the commencement of the ballot for the election of such candidate.

21. The Committee shall, before the day appointed for the commencement of the ballot for the election of a candidate for membership of the Association, appoint a scrutineer for such election.

22. The Association shall, for the purposes of all elections by ballot, provide a ballot box with a lock and key and with an aperture sufficiently large to admit of the deposit therein of voting papers.

23. Before the time appointed under these rules for the commencement of the ballot for the election of any candidate for membership of the Association, the Secretary of the Association shall satisfy himself that the ballot box is empty and shall lock the same, and the same shall not be opened until after the expiration of the full time appointed for such ballot.

24. The Committee shall provide voting papers for the election of a member of the Association in such form as they shall, from time to time, think fit and shall send one of such voting papers to each member of the Association not less than seven days before the day fixed according to these rules for the commencement of the ballot for the election of any candidate for membership of the Association.

25. If any person entitled or empowered to vote concerning the election of a candidate for membership of the Association shall desire to exercise his right of voting he shall fill up a voting paper in accordance with the directions contained therein stating whether he votes for or against the election of such candidate and shall sign the paper and shall deposit it or cause it to be deposited in the ballot box in a sealed cover.

26. Voting papers may be deposited in the ballot-box in accordance with these rules at any time between the hours of 10-30 a.m. and 4 p.m. on the day appointed for the commencement of the ballot or on any one of the six succeeding days, exclusive of Sundays or Gazetted Holidays.

27. The ballot box shall, at 4 p.m. on the seventh of the days appointed for the election of any candidate for membership, be opened by the Secretary in the presence of the scrutineer, and the votes shall be counted and scrutinised by the scrutineer, and the scrutineer shall report to the Committee in writing under his hand the result of the election according to his counting and scrutiny.

28. No candidate for election as a member shall be deemed to have been elected unless the number of votes recorded is greater than one-fourth of the total number of the votes which would have been recorded if all members had voted. One adverse vote in every six votes recorded shall exclude. The result of every election shall be recorded in the Minutes of the Proceedings of the Committee.

29. If any candidate for election as a member of the Association shall not be elected, his proposer shall be informed of his non-election by the Secretary.

30. Particulars of the voting for the election of any candidate for election as a member of the Association shall be confidential and shall not be disclosed by the scrutineer or by the Secretary to any one whomsoever

31. A candidate, who shall have been proposed for election as a member of the Association and shall not have been elected, shall not be again eligible for election as a member of the Association until after the expiration of six months from the date of the election at which he shall not have been elected.

32. If a candidate for election as a member of the Association be elected, his election shall be notified in writing by the Secretary to his proposer and likewise to the candidate himself, and a copy of the last annual report of the Association and also a copy of the Rules of the Association, together with a bill for the entrance fee payable by such member on election and the amount of the annual subscription payable in accordance with these rules shall be sent to him by the Secretary

membership sub-
sion.

33. Every member who shall after the date on which these rules shall come into force be elected a member of the Association shall pay on election an entrance fee of Rs. 100.

34. Every member who shall after the date on which these rules shall come into force be elected a member of the Association but before the 1st January but before the 1st October in any year shall in addition to the entrance fee pay such proportion of the annual subscription for that year as shall be attributable to the period between the date of election and the 31st December of that year. Every member similarly elected after the 30th September in any year shall pay in addition to the entrance fee one-quarter of the annual subscription for that year.

35. Each member of the Association shall pay the annual subscription to the Association which may from time to time be determined by the Committee. Provided that the resolution of the Committee determining such annual subscription shall be passed by a majority of not less than two-thirds of the members of the Committee present at a special meeting called for the purpose of determining such subscription.

36. Annual subscriptions shall be payable in advance on the 1st January in each year in respect of the period from the 1st January to the 31st December in that year, and a member shall not be entitled to exercise any of the privileges of membership if his subscription is more than two calendar months in arrear

37 The Committee of the Association shall, in the case of mills which remain entirely closed for one calendar year or more for causes not due to a strike or a lock-out, be empowered to remit the ordinary membership subscription, and to substitute therefor a subscription of Rs 100 only for each calendar year during which the mills remain entirely closed

38 A member who shall fail to pay his subscription for a period of three calendar months after it has become payable shall, *ipso facto*, cease to be a member of the Association and his name shall forthwith be removed from the said Register. Provided that the Committee may, for good cause shown for such non-payment of the subscription as to which the decision of the Committee shall be final and binding upon the member in default, and upon payment of the subscription in arrear, revoke the cancellation of membership and order the name of such member to be reinstated in the said Register. Subscriptions in arrear shall be treated as a debt due to, and recoverable by the Association.

39 Each member shall, on election to the Association, sign a form of adherence to the rules of the Association in the form from time to time approved by the Committee and until such form shall have been signed a member shall not be entitled to exercise any of the privileges of membership.

Form of adherence to be signed by members

40 Every member of the Association shall have power to terminate his membership thereof by giving not less than three calendar months' previous notice in writing (expiring at any time) to the Secretary of the Association of his desire to terminate such membership and upon the expiration of any such notice such member shall cease to be a member of the Association and his name shall forthwith be removed from the said Register.

Mode of resigning from membership.

41 The affairs and funds of the Association shall be managed by a Managing Committee hereinafter and hereinafter called "the Committee" to be constituted as hereinafter mentioned.

The Committee, its constitution and mode of election.

42 The members of the Association shall, in each year between the 1st and the 31st day of January, elect the Committee from amongst the list of persons whose names appear in the said Register as persons entitled to act and vote for members.

43. The Committee shall consist of a Chairman, a Deputy Chairman and not more than eighteen ordinary members, making a maximum of twenty members in all.

44 The Committee, holding office for the time being, shall appoint a day, between the 1st and the 31st day of January in each year for the election of the Chairman, the Deputy Chairman and the eighteen ordinary members of the Committee for the ensuing year, and shall cause notice of the day so appointed for such election as aforesaid to be advertised in at least one English and one Vernacular newspaper published in Bombay.

45 The Secretary of the Association shall also give to each member of the Association not less than seven days' notice in writing of the day appointed for the said elections and of the names of all authorized representatives of members who are eligible for election as members of the Committee.

46 The members of the Committee shall be elected by ballot.

47 The Committee shall, before the day appointed for the said election, appoint a scrutineer for each of the said elections.

48. Before the time appointed under these rules for the commencement of the ballot upon the day appointed for the said elections the Secretary of the Association shall satisfy himself that the ballot-box is empty and shall lock the same and the same shall not be opened until 4 p.m. upon that day.

49 The Committee shall provide separate voting paper for

- (a) the election of a Chairman of the Committee,
- (b) the election of a Deputy Chairman of the Committee,
- (c) the election of eighteen ordinary members of the Committee

in such form as they shall, from time to time, think fit, and shall send to each member of the Association not less than seven days before the day fixed for the said elections, one voting paper in respect of the election of the Chairman, one voting paper in respect of the election of the Deputy Chairman and one voting paper in respect of the election of the ordinary members of the Committee.

50 On the day appointed for the said elections voting shall commence at 10-30 a.m. and terminate at 4 p.m.

51 If any person entitled or empowered to vote concerning the election of the members of the Committee shall desire to exercise his right of voting, he shall, in the case of the election of a Chairman, write on a voting paper relative to the election of a Chairman the name of the person representing a member of the Association who he desires should be appointed such Chairman and shall sign the said voting paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover and he shall, in the case of the election of a Deputy Chairman, write on a voting paper relative to the election of a Deputy Chairman the name of the person representing a member of the Association who he desires should be appointed such Deputy Chairman and shall sign the said voting paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover and he shall, in the case of the election of the eighteen ordinary members of the Committee, write on a voting paper relative to the election of the ordinary members of the Committee, the names of the eighteen persons representing members of the Association who he desires should be appointed as ordinary members of the Committee as aforesaid and shall sign the said voting paper and shall deposit it or cause it to be deposited in the ballot-box in a sealed cover.

52 Voting papers regarding the elections of a Chairman, Deputy Chairman and the ordinary members of the Committee may be deposited in the ballot-box in accordance with these rules between the hours of 10-30 a.m. and 4 p.m. on the day which shall have been appointed under these rules for such elections.

53 At 4 p.m. on the day appointed for the said elections the ballot-box shall be opened by the Secretary of the Association in the presence of the scrutineer and the votes shall be counted and scrutinized by the scrutineer, who shall report to the Committee in writing under his hand the result of the election according to his counting and scrutiny.

54. Particulars of the voting for the election of the members of the Committee shall be confidential and shall not be disclosed by the scrutineer or by the Secretary to anyone whomsoever.

55 Those persons in whose favour the largest number of votes shall have been cast for the respective appointments of Chairman, Deputy Chairman and ordinary members of the Committee shall be deemed to have been appointed Chairman, Deputy Chairman and ordinary members of the Committee respectively.

56 Two representatives of any one member entitled under Rule 8 to ten votes or less shall not be on the Committee at the same time, and if two representatives of any one such member shall be elected to serve on the Committee at the same time, the election of that representative who obtains the lesser number of votes shall be void. In case of an equality of votes, the Chairman of the retiring Committee shall have a casting vote.

57 No member of the Association shall vote for more than one Chairman, one Deputy Chairman and eighteen ordinary members of the Committee.

58 If any person who shall have been elected according to these rules either as Chairman of the Committee or as Deputy Chairman of the Committee shall decline to accept the appointment there shall be a fresh election by the members of the Association for the appointment of a Chairman or Deputy Chairman as the case may be.

59. If any person who shall have been elected in accordance with these rules as an ordinary member of the Committee shall decline to accept the appointment the person who shall have received the next largest number of votes shall be considered to have been elected, and if there shall be no such person then the vacancy shall be filled by the retiring Committee.

60. If in any ballot for a Chairman or Deputy Chairman of the Committee there shall be an equality of votes for the appointment, there shall be a fresh election by the members of the Association for the appointment of a Chairman or Deputy Chairman as the case may be. If in any ballot for the election of the eighteen ordinary members of the Committee there shall be an equality of votes for the eighteenth appointment, the Chairman of the retiring Committee shall have a casting vote.

61. The new Committee shall take office upon the conclusion of the first Annual General Meeting of the members of the Association held after their election, and shall continue to hold office until the conclusion of the next Annual General Meeting of the members of the Association, when they shall retire but shall be eligible for re-election.

62. If any member of the Committee shall be absent from the regular meetings of the Committee for more than three consecutive months he shall, unless he shall have previously obtained leave of absence from the Committee, be deemed to have vacated his office.

63. When any vacancy other than a vacancy in the office of Chairman or Deputy Chairman shall occur in the Committee, the members of the Committee shall have power to appoint any duly qualified person to fill such vacancy who shall hold office until the conclusion of the next Annual General Meeting of the members of the Association when he shall retire but shall be eligible for re-election. Similarly if any member of the Committee shall have previously obtained leave of absence from the General Meetings of the Committee, the members of the Committee shall have power to appoint any duly qualified person to act as a member of the Committee during the absence of such member.

64. If any vacancy other than a temporary vacancy shall occur in the office of Chairman or Deputy Chairman of the Committee, such vacancy shall be filled by the election according to these rules by the members of the Association of any duly qualified person. A temporary vacancy may be filled by the members of the Committee from their own number.

The procedure to be adopted by the Committee in conducting business.

65. The Chairman of the Committee shall, if present, preside at all meetings of the Committee held during his term of office. In the absence of the Chairman, the Deputy Chairman shall preside, and failing both, the chair shall be taken by one of the members of the Committee who shall be appointed by the other members of the Committee present at such meeting.

66. In case of a tie in voting in Committee the Chairman for the time being shall have a casting vote in addition to his own vote.

67. Five members of the Committee shall constitute a quorum.

68. The Committee shall meet at least once in every month.

Power of the Committee.

69. The Committee shall have power to require from any member an explanation as to any act done or conduct pursued by such member which in the opinion of the Committee shall be in contravention of the rules of the Association or to the detriment or discredit of the Association or shall be injurious to the welfare and interests of the Association. If any such explanation shall be refused or having been given shall be deemed unsatisfactory, the Committee shall cause a Special General Meeting of the Association to be convened to consider the acts and conduct of such member, and the Association shall have power if a quorum be present at such Special General Meeting to resolve by a majority of not less than two-thirds of the votes cast at the meeting to declare that such member is expelled from the Association.

70. Whenever a resolution shall have been passed as in the last preceding rule mentioned such resolution shall be final and conclusive and the member thereby declared to be expelled shall thenceforth cease to be a member of the Association and shall not be entitled to claim any refund on account of subscription which may have already been paid.

71. Previous to each Annual General Meeting of the members of the Association, the Committee shall prepare a report of the proceedings of the Association during the year prior to such General Meeting and shall cause the same to be printed and shall send at least one printed copy thereof to each member of the Association not less than seven days prior to the date fixed for the said Annual General Meeting. The Committee may also, if they see fit to do so, send any one or more copies of the said report to any individual or Corporation or Association to whom or to which they may think it desirable in the interests of the Association to send the same.

72. The Committee shall have authority to appoint Solicitors to the Association and the Committee may consult them whenever they deem it expedient to do so.

73. The Committee shall have authority at any time and from time to time, if for any reason they shall consider it advisable to do so, to attach to the office of the Chairman of the Committee a remuneration or honorarium of such amount, and to operate from such date and for such period as the Committee may determine, and such remuneration or honorarium shall be met from the revenues of the Association.

74. At the first meeting of the Committee held after the holding of the Annual General Meeting of the members of the Association in each year, the Committee shall appoint three or more of their number to form a Sub-Committee for the purpose of deciding questions other than arbitrations, arising under the rules of the Association relating to the registration of trade marks, and the decision of such Sub-Committee on such question shall have the same effect as if given by the entire Committee. Any vacancy which may from time to time occur in any such Sub-Committee shall be filled by the Committee by the appointment thereto of another member of the Committee.

75. The Committee may from time to time appoint a Sub-Committee to investigate and to report upon any matter whatsoever and may invite any member of the Association not being a member of the Committee to serve on any such Sub-Committee, or may consult any outside authority if for any special reason such a course may seem to them advisable.

76. Sub-Committees other than a Sub-Committee appointed under Rule 74 shall have no executive or substantive power or authority, and the duty of every Sub-Committee shall be to report to the Committee the result of its investigations, deliberations or other proceedings.

Duties of Secretary and Assistant Secretary.

77. A Secretary of the Association shall be appointed and his remuneration shall be fixed by the Committee. The Secretary shall devote himself entirely to the business and affairs of the Association except in cases where he has received the special permission of the Committee. He shall have charge of all correspondence and shall keep an account of the funds of the Association and of funds connected with or in any way controlled by the Association. He shall have the care of the rooms, furniture, library, pictures and of all documents belonging to the Association. He shall give notice as desired by the Chairman or Deputy Chairman of all meetings of the Association, of the Committee, of the Departmental Committees and Sub-Committees of the Association and of all Associations working in connection with the Association. He shall duly notify members of their election, collect all dues from members of the Association or from any Committee or any Association working in connection with the Association. He shall prepare the Annual Report of the Association and the reports of all Committees and of all Associations connected with the Association under the guidance of the Chairman and the Committee and generally shall perform all such duties as are incidental to his office and generally act under the orders of the Chairman or in his absence of the Deputy Chairman and the Committee. In all matters appertaining to the detailed duties of his office as above enumerated he shall follow the policy and instructions laid down by the Chairman or in the absence of the Chairman by the Deputy Chairman.

78. An Assistant Secretary of the Association may be appointed, and if so appointed, his remuneration shall be fixed by the Committee. The Assistant Secretary shall during any temporary absence of the Secretary owing to sickness

or any other cause or during the absence of the Secretary on leave perform all or any of the duties of the Secretary as may be assigned to him

79. Minutes of all proceedings of the Committee shall be made and shall be entered or caused to be entered regularly by the Secretary in a Minute Book to be kept by him. This book shall be open to the inspection of any member of the Association at any reasonable time Minutes Book of the Committee.

80. A general meeting of the Members of the Association to be called the Annual General Meeting shall be held in each year at such time as the Committee may appoint General Meetings of Members.

81. The Committee may also at any time call a General Meeting should it seem to them expedient to do so

82. If any four members of the Association shall by a requisition in writing signed by the said four members respectively addressed to the Committee and containing a statement of their reasons for the requisition request the Committee to call a General Meeting of the members of the Association the Committee shall call such General Meeting to be held within fourteen days after the receipt by the Committee of the said requisition, and if the Committee shall refuse or neglect to call such General Meeting to be held within the time aforesaid, the said four members who shall have signed the said requisition, shall have power themselves to call such General Meeting to be held on such day as they themselves shall appoint

83. Seven clear days' notice of every Annual General Meeting shall be given by advertisement in at least one English and one Vernacular newspaper published in Bombay and seven clear days' notice shall also be given to members of every Special General Meeting except Urgent General Meetings specially convened by the Chairman or the Committee.

84. No business shall be transacted at any General Meeting unless a quorum according to these rules shall be present at such meeting

85. At any General Meeting a quorum shall be constituted if the number of votes of the members represented at the meeting shall exceed 25 per cent. of the total number of votes of all the members for the time being of the Association.

86. If on the day originally appointed for holding a General Meeting a quorum according to these rules shall not, within thirty minutes of the time appointed for the commencement of the meeting, be present, the meeting shall be adjourned to such time on such day not being less than 10 days thereafter as the Committee may determine and if a quorum shall not, within fifteen minutes after the time appointed for the commencement of such adjourned meeting, be present, the members then present shall constitute a quorum and may transact the business for which the meeting was convened.

87. Whenever any meeting shall be adjourned under Rule 86 on the ground that a quorum was not present within the prescribed time, seven clear days' notice shall be given by the Committee by advertisement in at least one English and one Vernacular newspaper published in Bombay of the day and time to which such meeting shall have been adjourned.

88. The Chairman of the Committee shall, if present, preside at all General Meetings of the members of the Association held during his term of office. In the absence of the Chairman, the Deputy Chairman shall preside, and, failing both of these, the chair shall be taken by one of the members of the Committee, who shall be appointed by the other members of the Committee, present at such meeting

89. The voting at any General Meeting shall be in the first instance, by show of hands, but this shall not preclude any member present from demanding a poll. If a poll is demanded the number of votes to which each member shall be entitled shall be calculated in accordance with Rule 6. The result of a poll shall supersede a vote taken by show of hands. In the case of a tie in voting at any General Meeting the Chairman for the time being of the meeting shall have a casting vote

90. Minutes of all proceedings at every General Meeting of the members of the Association shall be made and shall be entered or caused to be entered regularly by the Secretary in a Minute Book to be kept by him. This book shall be open to the inspection of any member of the Association at any reasonable time

91. Every resolution which shall have been duly passed according to these rules at any General Meeting of the members of the Association shall be binding upon all the members of the Association.

92. All proposals or recommendations for concerted general action respecting the mills which the Committee of the Association may consider to be concerned in respect to a strike, lockout, short-time working or organized lessening of production, payment of bonus, increases or reductions in wages, or any other matter whatsoever, shall only be adopted if passed by a majority of not less than 85 per cent. of the votes cast at a Special General Meeting duly called for the purpose of considering such proposals or recommendations Special General Meeting for concerted general action.

93. Any member of the Association who shall contravene the terms of any proposal which has been approved and adopted by the members of the Association under Rule 92 hereof shall be liable to be summarily expelled from the Association by a resolution of the Committee declaring that such member is expelled, provided that such resolution shall be passed by a majority of not less than three-fourths of the members of the Committee present at a Special Meeting called for the purpose of considering such contravention. Expulsion of members for contravening resolutions adopted at the General Meeting.

94. Whenever a resolution shall have been passed as in the last preceding rule mentioned such resolution shall be final and conclusive and the member thereby declared to be expelled shall thenceforth cease to be a member of the Association, and shall not be entitled to claim from the Association any refund on account of subscription which may have already been paid

95. A firm or Joint Stock Company or other Corporation which shall be expelled under the last preceding rule shall be eligible for re-election after the expiry of six months from the date of expulsion provided not less than three members in addition to the proposer and seconder concur in the proposal for re-election.

96. The control of the funds of the Association shall be vested in the Committee, who in addition to the powers expressly conferred on them by these rules may exercise all such powers, and do all such acts and things as may be exercised or done by the Association and are not hereby or by law expressly directed or required to be exercised or done by the Association in General Meeting, and in particular may from time to time at their discretion raise or borrow or secure the repayment of any sum or sums of money in all respects as they think fit. Funds and properties of the Association.

97. If at any time during the year the funds at the disposal of the Committee are insufficient or are likely to be insufficient to defray the estimated expenditure for the remaining portion of the year, then the Committee shall, in such case, call a General Meeting of the members of the Association and lay the accounts of the Association before such meeting

98. The Committee shall cause proper books of account to be kept of the transactions of the Association and of the assets, credits and liabilities thereof, which books of account shall be kept at the office of the Association or at such place or places, and in the charge of such person or persons as the Committee may from time to time direct.

99. At least seven days previous to each Annual General Meeting of members of the Association the Committee shall send to each member of the Association a duly audited income and expenditure account, and a balance sheet, containing a summary of the property and liabilities of the Association and made up to the 31st December of the year immediately preceding the meeting, and such account and balance sheet shall be laid before the members at the Annual General Meeting of the Association in each year

100. The Committee for the time being shall have power to invest and deal with any of the moneys of the Association not immediately required for the purposes thereof in such securities and in such manner as they may think fit and from time to time to vary or realize such investments.

101. The Committee shall have the power to determine the manner in which bills, loans, receipts, acceptances, endorsements, cheques, releases, contracts and documents shall be signed or executed by and on behalf of the Association.

102. There shall be two Trustees of the Association and the first Trustees shall be Mr. H. P. (now Sir H. P.) Mody and Mr. Ratansi D. Morarij. Subsequent Trustees shall be appointed by resolution of the Committee. Any person for the time being entitled to act and vote for a member shall be eligible as a Trustee. Any Trustee who shall cease to be entitled to act and vote for a member shall *ipso facto* cease to be a Trustee. Any Trustee may be removed by a majority of three-fourths of the members of the Association present at a meeting duly convened for the purpose of considering such removal.

103. All the funds and properties of the Association shall be vested in the Trustees who shall have the custody of all securities and documents of title relating thereto and shall deal with and dispose of the same and the income thereof in accordance with the written directions from time to time given to them by the Committee for the time being.

responsibility of
the Chairman,
Deputy Chairman,
Secretary and
members of the
Committee.

104. Neither the Chairman, Deputy Chairman, nor any ordinary member of the Committee nor the Secretary nor any Trustee shall be answerable for anything other than his own acts or defaults, nor shall he be answerable for any act done by him for the sake of conformity only, nor for any moneys of the Association other than such as shall come into his own hands, nor for any collector or receiver of moneys appointed by the Committee, nor for any misfortune, loss or damage, happening to the Association by reason of any deed done or executed by him as a Chairman, Deputy Chairman or ordinary member of the Committee or as Secretary or Trustee, nor by reason of any error in judgment or mere indiscretion on his part in the performance of his duties, nor otherwise on any account, except for wilful negligence or fraud. Every person being Chairman, Deputy Chairman, or an ordinary member of the Committee or Secretary or Trustee of the Association, his heirs, executors or administrators shall at all times be indemnified and saved harmless out of the funds of the Association from and against all costs, losses, damages and expenses whatsoever incurred or sustained by him in the execution of his power or duties, and every person having been or being a Chairman, Deputy Chairman, or ordinary member of Committee or Secretary or Trustee of the Association, his heirs, executors and administrators shall be indemnified and saved harmless out of the funds of the Association against all actions, suits, claims and demands whatsoever brought or made against him or them in respect of any engagement of the Association save such as may be incurred by his own personal wilful neglect or default.

the date when
the rules come into
force and the mode
of altering the
rules.

105. These rules shall come into force on the First day of March 1925 on which date the present rules shall stand cancelled. No alterations in these rules shall be made save and except by a majority of not less than three fourths of the votes cast at a General Meeting of the members of the Association duly convened and held for the purpose of considering such alteration, the terms of which shall have been fully set forth in the notice convening the meeting.

RULES FOR ARBITRATIONS ON INDIAN PIECEGOODS AND YARN.

(Revised and adopted down to 24th November 1944.)

PREAMBLE.—Whereas it is desirable that disputes and questions arising out of contracts for the sale and purchase of Indian piecegoods and yarn which fall to be submitted to arbitration in accordance with the Rules of the Millowners' Association, Bombay, shall be speedily and economically decided by persons having expert knowledge, the following Rules have been framed for the conduct of such arbitrations:

1 In these Rules unless the context otherwise requires:—

"The Association" means The Millowners' Association, Bombay.

"The Committee" means the Committee for the time being of the Association.

"Member" means a member of the Association.

"The Secretary" means the Secretary or Acting Secretary for the time being of the Association.

Words importing the singular number only shall include the plural, and the converse shall also apply.

2 These Rules shall apply to any dispute or question arising out of any contract for the sale and purchase of Indian piecegoods or yarn entered into between a member and a non-member and between the selling agents of a member and a non-member and between any other parties which provides for arbitration in accordance with these Rules.

3 The Committee shall select triennially a panel of Arbitrators consisting of 30 persons, of whom fifteen shall be selected from representatives of members and fifteen shall be selected in consultation with the Bombay Country Fancy and Grey Piecegoods Merchants' Association, from dealers in Indian-made piecegoods or yarn.

Panel of Arbitrators.

4 The Committee shall also select triennially from the panel of Arbitrators selected in accordance with Rule 3, a panel of ten persons to act as Umpires.

Panel of Umpires.

5 If a member of the Arbitrators' or Umpires' panel shall resign or refuse to act without a reason satisfactory to the Committee or become incapable of acting or shall die a vacancy shall be deemed to have occurred and the Committee shall forthwith select in accordance with Rule 3 or Rule 4 as the case may be some other person to fill such vacancy.

6 The Secretary shall keep a record, in the form, from time to time prescribed by the Committee, of all arbitrations conducted by the Association and of the awards made thereon, and shall collect all fees in connection therewith and do all such things as are prescribed by or are necessary under these Rules.

7 (a) The parties to a dispute or question may appoint an arbitrator selected from the panel of arbitrators to act as sole arbitrator or

Appointment of Arbitrators.

(b) Either party to the dispute or question may appoint an arbitrator selected as aforesaid to act on his behalf and the Secretary shall immediately upon receipt of notice of such appointment give written notice thereof to the other party and shall call upon the other party to appoint within 10 days of the receipt of such notice an arbitrator selected as aforesaid to act on his behalf, and if such other party shall fail to make such appointment within the prescribed period the dispute shall stand referred to the arbitrator appointed by the first party as sole arbitrator.

Reference to sole Arbitrator if second Arbitrator not appointed within 10 days.

(c) No person shall be appointed to act as arbitrator under these Rules whose consent to so act shall not previously have been obtained.

Arbitrators not to be appointed without previous consent.

(d) The appointment of an arbitrator under these Rules shall be made on the form prescribed by the Association, which form shall be signed by the person making the appointment, and submitted to the Secretary for necessary action.

Appointment of Arbitrators to be made on the form prescribed by the Association.

(e) All applications for appointment of an arbitrator or arbitrators shall be accompanied by a deposit by each party of Rs. 100, or such other sum as the Committee may direct, as a deposit against the expenses of the arbitration.

Where the award is silent as to the expenses of the Arbitration the expenses shall be borne equally.

If the expenses of an arbitration whether not awarded or awarded or any part thereof remain unpaid by the party liable therefor for a period of 10 days after the award is made, the Secretary shall appropriate the deposit of the party in default or a portion thereof towards the amount recoverable from such party. On payment of all expenses of the arbitration the parties shall be entitled to a refund of such sums as they may be entitled to.

8. No party to a dispute or question shall appoint an arbitrator, and no person shall consent to act as arbitrator, who is or whose employers are interested directly or indirectly, in the subject-matter of the dispute or question. Any appointment made in contravention of this rule shall be deemed to be invalid and of no effect.

Arbitrators to be disinterested.

9 When two arbitrators are appointed they shall, before proceeding with the reference, select from the Panel of Umpires an umpire, who is willing to act, and communicate his name to the Secretary.

Appointment of Umpire by Arbitrators.

10 If the arbitrators are unable to agree as to the umpire they shall proceed with the reference and notify the Secretary of their disagreement, and the Committee shall thereupon select a person from the Panel of Umpires to act as umpire. No person shall be appointed to act as umpire either by the arbitrators or the Committee who is or whose employers are interested either directly or indirectly in the subject-matter of the dispute or question. Any appointment made in contravention of this rule shall be deemed to be invalid and of no effect.

11 The arbitrators shall fix a time and place for the hearing of the reference and notify the Secretary thereof. The date so fixed shall be not later than 10 days after their appointment. The Secretary shall forthwith notify the parties of the time and place appointed.

12 Parties to the reference shall attend at the time and place appointed for the hearing of the reference, either in person, or (subject to the provisions of Rule 18) by any person duly authorised by them acquainted with all matters in dispute or in question and they shall if so required by the arbitrators submit written statements of their respective cases to the arbitrators and answer all material questions relating to the dispute or question.

Submission of statements.

13 Parties to the reference shall, if required, submit to be examined by the arbitrators on oath or solemn affirmation or otherwise in relation to the matters in dispute or question.

14 At the time appointed for the reference the parties shall have ready at the rooms of the Association or elsewhere as directed the sale samples duly attested, and if required sample packages or complete bales. Samples, packages or bales so sent will be at the sender's risk and must be accompanied by a peon in charge and by a cooper to open the packages.

Samples for inspection.

15 The parties to the reference and all persons claiming through or under them respectively shall produce before the arbitrators all books, deeds, papers, accounts, writings and documents within their possession or power which may be required or called for and do all other things which during the proceedings on the reference the arbitrators may require.

16 The arbitrators shall have general authority to require from either or both of the parties to the reference such further statements, explanations, and other information, evidence and materials as they may consider necessary for the adjudication of the dispute or question.

16A. The arbitrators or umpire may, from time to time with the consent of all the parties, by endorsement on the reference paper, extend the time for making an award by a period not exceeding 28 days from the due date or extended due date of the award.

17. The arbitrators shall proceed with the reference and make an award *ex-parte* in the absence of any party who shall after due notice refuse or neglect to attend without having satisfied the arbitrators that good and sufficient reason exists for such neglect or refusal,

18. No party to a reference shall, without the express permission of the arbitrators be entitled to appear by counsel, attorney, advocate or pleader, or insist on or require the arbitrators to hear or examine witnesses or receive oral or documentary evidence other than what is deemed necessary by the arbitrators.

19. The arbitrators or umpire may, before making an award, and at the joint expense of the parties to the reference, consult counsel or soliators to be selected by them, arbitrators or umpire as the case may be, on any question of law, evidence, practice or procedure arising in the course of the reference.

20. The arbitrators when called upon to do so by either party may, if they think fit to do so, make an interim award.

21 If the arbitrators fail to make an interim award or to agree upon an interim award within seven days after they shall have been called upon to do so, the Secretary shall forthwith call upon the umpire to enter upon the reference to the extent of the matters in respect of which the arbitrators were called upon to make an interim award and to make an interim award within seven days of the matter being referred to him and the umpire shall within such time make an interim award.

22 The arbitrators shall, notwithstanding that the umpire shall have made an interim award have power to make an award upon the matters in dispute still outstanding between the parties,

23 The arbitrators shall make an award in writing in the form prescribed by the Association or notify their disagreement to the Secretary as early as possible and in any case within 28 days from the date of the first hearing of the reference or within the period of any permitted extension of time.

24. If the arbitrators fail to make an award or to agree upon their award (not being an interim award under Rule 20 hereof) within the prescribed period or any permitted extension thereof, the Secretary shall forthwith call upon the umpire to enter upon the reference and the umpire shall thereupon proceed with the reference.

25. The arbitrators shall furnish the umpire with a brief statement of the facts of the case and their reasons for such failure to make an award or to agree upon their award or interim award as the case may be.

26 The foregoing rules as to the practice and procedure before the arbitrators shall apply *mutatis mutandis* to the proceedings before the umpire.

26A The Arbitrators and Umpire respectively shall have power vested in them and him to make orders whether by way of interim award or otherwise for the preservation or interim custody or sale of any goods which are the subject matter of a reference or for securing the amount in difference in the reference.

27 If an arbitrator duly appointed neglects or refuses to act or is otherwise incapable of acting, or dies, a new arbitrator shall be appointed in accordance with the foregoing rules.

If an umpire duly appointed neglects or refuses to act or is otherwise incapable of acting or dies, the Committee shall proceed to appoint a new umpire.

28 Parties to the reference shall do all acts necessary to enable the arbitrators or umpire to make a just and expeditious award, and shall not wilfully do or omit to do, or cause to be done or be omitted to be done, any act to delay or prevent the arbitrators or umpire in or from making an award. If either party shall be guilty of any such wilful doing or omitting or causing which as a result whereof the proceedings in any manner are delayed or the arbitrators or umpire are prevented as aforesaid the arbitrators or the umpire shall direct him to pay to the other party such costs as they or he may deem reasonable and may proceed with the hearing of the reference.

29 When a dispute or question stands referred to an umpire, he may proceed to adjudicate in the matter on the basis of the statement furnished to him by the arbitrators as provided by Rule 25 and shall make his award thereon within 14 days of his first entering on the reference or within the period of any permitted extension of time.

30. The arbitrators by their or the umpire by his award shall determine exactly what they or he shall think fit to be done by either of the said parties, respecting the matters referred and shall direct to and by whom and in what manner and in what proportion the total costs of the reference any interim award and the award, including the fees payable to the arbitrators and umpire and the Association shall be paid

31. All references in these Rules to an award shall unless repugnant to the meaning or context include references to an interim award.

32 All awards under these Rules shall be made in the forms prescribed therefor bearing stamps for the value laid down under the Indian Stamp Act or any other law for the time being in force and shall be lodged with the Secretary who shall send copies thereof to the parties.

33 Every award made under or in pursuance of these Rules shall be final and binding on the parties to the reference and persons claiming through and under them notwithstanding death or legal disability occurring to any party, before or after the making of the award, and so that death or legal disability shall not operate as a revocation of the award.

34 Whenever an award directs that a certain act or thing shall be done by one party to the reference and such party fails to comply with the award, the party in whose favour the award was made may make an application for a further award determining the amount of damages or compensation payable by reason of such failure, and the Committee on receipt of such application shall proceed to appoint a sole arbitrator or two arbitrators and an umpire who may or may not be the same person or persons who made the first award. The arbitration on the said application shall then proceed in accordance with these Rules and the award thereon may be filed separately or together with the original award.

35. Neither party to a dispute or question which has been submitted to arbitration under these Rules shall bring or prosecute any suit or proceeding on any ground whatsoever against the arbitrators or the umpire, or the Secretary

36. In respect of arbitrations conducted under these Rules the following fees shall be paid by the parties to the reference or by those claiming through or under them, namely:—

- (a) To a sole arbitrator a fee at the rate of Rs. 30 per hour or part thereof, subject to a maximum of Rs. 75
- (b) To each of two arbitrators a fee at the rate of Rs. 15 per hour or part thereof, subject to a maximum of Rs. 60 for each arbitrator.
- (c) To an umpire a fee at the rate of Rs. 30 per hour or part thereof, subject to a maximum of Rs. 75
- (d) To the Association in every case a fee of Rs. 10.

37 If the parties to a reference shall take the reference out of the cognizance of the arbitrators or umpire, after the commencement of proceedings and before the publication of the award, they shall nevertheless be liable to pay fees to the arbitrators, umpire and Association at the rates specified in Rule 36 hereof

Provided that if the reference is so taken out of the cognizance of the arbitrators or umpire before the commencement of proceedings, the amount deposited under Rule 7 (e) shall, with the exception of the fees payable to the Association, be refunded to the party or parties as the case may be.

38. A bill showing the amount due in respect of fees, stamp duties, etc., to the arbitrators, umpire and Association by each party to the dispute shall accompany any copy of the award sent in accordance with Rule 32, and shall be paid within seven days of the receipt thereof.

39 In addition to the fees mentioned in Rule 36, the parties to the dispute or question shall pay as and when demanded by the Secretary and as set out in the award, all other fees or charges incurred during the arbitration in accordance with Rule 19

40 All notices required by these rules to be given shall be given in writing in the form prescribed by the Association and shall be sufficiently given if left at the last known place of abode or business of the party to whom the notice is addressed, or if sent by post prepaid addressed to him by name at such place of abode or business and not returned through the post as undelivered before the completion of the award and shall if sent by post be considered to have been given at the time at which the letter would, in the ordinary course, be delivered.

41 The provisions of the Arbitration Act, 1940, or any modification or amendment thereof, or any other relevant Act for the time being in force, in so far as they are not inconsistent with these Rules, shall apply to all arbitrations conducted by the Association

42. These Rules shall come into force on the 24th November 1944 on which date they shall supersede all previous rules relating to Arbitrations on Piecegoods and Yarn.

STANDARD CONTRACT.

No. _____, *Bombay*, _____

We, the undersigned (hereinafter called "the Buyers"), hereby agree to purchase
from _____

(hereinafter called "the Company"), the undermentioned goods upon the following terms
and conditions, that is to say :—

Quality No.	Description	Seasonal or non-seasonal	Dimensions.			No. of Bales. Pieces in each Bale Total pieces	Total lbs.	Rate ex-milla.			Per lb /piece/yard.	Quality as.	Discount	Brokerage	Sahi.	Border	Headings	Designs	Assortment of designs in each Bale.	Tickets or Stamps	
			In.	yds.	lbs			Rs	a	p											

Delivery of the said goods shall be taken by the Buyers as follows :—

(Please turn over)

THE TERMS AND CONDITIONS OF THE STANDARD CONTRACT FORM.

1. The quality of the goods shall, except in the case of a sale by sample, accord with the recognized standard quality cloth manufactured by the Company.

In the case of a sale by sample the buyers shall be deemed to have approved the sample furnished by the Company, unless the buyers shall within 4 days after the receipt of the sample intimate in writing to the contrary to the Company.

2. The Company does not guarantee, except where a particular assortment is specially stipulated, any fixed assortment in the deliveries of goods of various dimensions and patterns and bearing different numbers, and in such cases the buyers shall take delivery of and pay as herein agreed for all bales (not exceeding the contract quantity) from time to time ready for delivery regardless of the assortment.

3. Where the contract is for 100 bales or more, the buyers agree to accept at the price herein fixed an assortment of bales to the extent of 10 per cent more or less than the contract quantity, and where the contract is for less than 100 bales the buyers agree to accept at the price herein fixed an assortment of bales to the extent of 5 per cent more or less than the contract quantity, but as regards such limits the buyers shall not be obliged to take up more than 5 bales more or less of each sort, including any loose pieces of each sort.

4. In the case of goods sold at a fixed rate per pound the buyers shall not raise any objection or claim compensation for short weight so long as the average weight per bale in each lot delivered does not vary from the invoice weight by more than 2 per cent. per bale. The Company does not guarantee the weight of any goods sold by the piece.

5. The buyers shall not be entitled to any allowance or compensation for any deficiency in the width of dyed, bleached and/or calendered goods when such deficiency does not exceed one inch.

6. In the case of a sale of ready goods payment therefor shall be made and delivery thereof taken by the buyers within 8 days of sale.

7. In the case of a sale of goods for future delivery, when the period of delivery extends to two months or more and the quantity deliverable per month is not specified, the Company shall supply the goods in approximately equal lots per month, and the buyers shall on the last day of each English calendar month take delivery and pay for in cash against delivery of as many bales, approximating to the quantities specified in the contract, as shall have been made ready during that month, and either at the mill premises or at the godowns of the Company as the Company may direct: Provided that in the case of bales of which delivery is required in Bombay, the Company will ordinarily be willing to give delivery through the Selling Agents of the Company in the market, but giving delivery in the market shall not render the Company liable to a claim by the buyers for late delivery if the bales were ready for delivery at the mill premises or the godowns of the Company on the last day of the aforesaid calendar month.

8. The Company shall as far as possible, but without being under any obligation to do so, notify the buyers of the number and particulars of the bales ready for delivery at the end of each calendar month, and shall also furnish to the buyers if requested by the buyers in writing so to do the number and particulars of the bales ready for delivery from time to time during the month. Any such notification or furnishing of particulars by the Company as aforesaid shall not imply or be deemed to imply an obligation or undertaking on the part of the Company to give any further notification, or to furnish any further particulars, except upon the written request of the buyers, it being the duty of the buyers to ascertain the number and particulars of the bales ready for delivery from time to time and to pay for and take delivery thereof.

9. In the event of the buyers requesting the Company to despatch the goods either by rail, road or sea and the Company acceding to such request the goods shall be at the risk in all respects of the buyers from the time they leave the mill premises or the godowns of the Company as the case may be, including the risk of delay in delivery due to the non-booking of the goods by the Railway or Shipping Company for which the Company takes no responsibility.

10. Where the goods are to be delivered in lots or by instalments this contract shall be deemed and construed as a separate contract in respect of each lot or instalment, and the rights and liabilities of the Company and the buyers respectively shall be the same as though a separate contract had been made in respect of each lot or instalment.

11. All goods of which delivery shall not be taken by the buyers in accordance with the terms of this contract shall, as from the date on which delivery thereof ought to have been taken, be deemed to have been appropriated to this contract and the buyers shall be deemed to have assented to such appropriation without any further consent on their part than is evidenced by their being parties to and signing this contract. From the date of such appropriation the said goods shall be held by the Company for the account of the buyers and at their sole risk as regards loss, damage, deterioration or otherwise and the price of the goods plus all charges shall carry interest in favour of the Company from due date at the rate of 9 per cent. per annum and the Company shall be entitled at its sole discretion and after giving not less than seven days' written notice to the buyers, which shall be deemed to have been duly given if delivered at or sent by registered post to the last known place of business or residence of the buyers, to sell the said goods on account and at the risk of the buyers either by public auction and/or private sale and either together or in lots and at such time or times and on such terms and conditions as the Company may think fit. If the net sale proceeds of the goods shall be less than the amount due to the Company for the price of the goods plus interest and all charges, the buyers shall pay the difference to the Company on demand.

12. The Company shall have a general lien on all goods of the buyers for the time being in the possession of the Company (including goods already paid for but of which delivery may not have been taken by the buyers) for the total amount due to the Company for the time being under this contract and also for any amount due to the Company under any other contract with the buyers either alone or jointly with another or others.

13. In respect of all goods of which delivery shall not be taken by the buyers within 14 days after the due date the buyers agree to pay to the Company on demand annas eight per bale per month or any part of a month for godown rent and annas four per bale per month or any part of a month for insurance calculated from the expiry of such period of 14 days to the date on which actual delivery shall be taken by the buyers.

14. If any goods while in the possession of the Company shall be destroyed and/or damaged from any cause whatsoever after the due date for delivery thereof to the buyers, any sum recovered from the insurance of such goods against such destruction and/or damage may be applied by the Company in satisfaction in whole or in part as the case may be of the price of the said goods plus interest and all charges and if the sum so recovered shall be less than the price of the said goods plus interest at 9 per cent and all charges the buyers shall pay the difference to the Company on demand, and on the other hand if the sum so recovered shall be greater than the price of the said goods plus interest at 9 per cent and all charges the Company shall pay the excess to the buyers on demand.

15. If the Company shall be unable to deliver the whole or any part of any goods sold for future delivery by the time specified for delivery thereof by reason of the mills working short time or its being expedient to stop the mills temporarily or by reason of fire, war, stoppage or hindrance in the supply of raw materials or fuel, explosion, accident, strike, riot, lock-out or other disorganization of labour or transport breakdown of machinery, or any inevitable or unforeseen event beyond human control directly or indirectly interfering, with the working or the full working of the mills, the buyers shall take delivery of such bales as the Company may be in a position to deliver (if any) and the time for completing the contract shall, as regards the bales not ready by the specified time, be extended for such time as the Company may reasonably require to make up for the delay caused by stoppage, hindrance to or interference with the working of the mills or any other events or circumstances before mentioned PROVIDED ALWAYS that should the inability to deliver in the

case of non-seasonal goods be continuous during the period of three consecutive English calendar months, and in the case of seasonal goods during the period of one English calendar month, then the buyers shall be entitled by notice in writing of their intention to do so, to cancel the contract in respect of any bales then remaining to be manufactured.

16. If for any reasons other than those mentioned in the last preceding clause any portion of the contract goods is not ready by the specified time it shall be lawful for the buyers at their option either to cancel the contract in so far as it relates to the balance of the goods not then ready for delivery, or to extend the time of delivery for such period as the Company may reasonably require, not exceeding one month, PROVIDED ALWAYS that if the buyers shall elect to cancel the contract it shall be incumbent upon them to give to the Company within 7 days after the due date for delivery of the goods not then ready notice in writing of their intention to cancel, and in default of such notice within the time aforesaid the buyers shall be precluded from cancelling the contract and the time for delivery shall be deemed to have been extended for such period as the Company may reasonably require, not exceeding one month, to make ready for delivery the balance of the goods then undelivered.

17. In any of the cases provided for in the last two preceding clauses the buyers shall not be entitled to make any claim for damages, allowance, compensation or otherwise in respect of such non-delivery or late delivery and shall pay for the goods delivered at contract rates, and in the event of the time for delivery being or being deemed to have been extended all the provisions of this contract shall apply equally to the extended time as the time originally specified including therein the remedies reserved to the Company for failure on the part of the buyers to pay for and take delivery of the goods when ready within the extended period and including the liability of the buyers for interest.

18. The buyers shall not be entitled to make any claim for an allowance or otherwise in regard to the condition of the goods when once the goods have left the mill premises or the godown, as the case may be of the Company, unless the buyers prove that the damage was done at the mills, and the claim is lodged within 14 days of the delivery of the goods.

19. The buyers shall not be entitled to make any claim for an allowance or otherwise on the ground that the goods delivered are not in accordance with the contract unless notice in writing of their intention to make such claim shall have been given to the Company within one calendar month after the date of actual delivery of the goods to the buyers or to a carrier or other agent on behalf of the buyers. In default of any such notice the goods delivered shall be deemed to be in all respects in accordance with the contract.

20. In the event of any goods the subject of this contract or any portion thereof being destroyed or so damaged by fire, water or other cause beyond the control of the Company as to render them unmerchantable while stored at the mills or godowns of the Company pending due date of delivery, the contract in respect of such goods shall be deemed to have been cancelled by mutual consent and the buyers shall have no claim whatsoever against the Company in respect of such goods, but if the price of such goods shall have been then paid the buyers shall be entitled to a refund thereof.

21. All disputes and questions whatsoever which shall arise between the parties hereto out of or in connection with this agreement or as to the construction or application thereof or the respective rights and obligations of the parties hereunder or as to any clause or thing herein contained or any account or valuation to be made hereunder or as to any other matter in any way relating to these presents shall be referred to arbitration in accordance with the rules of the Mill-owners' Association, Bombay, for the time being in force regulating arbitrations with respect to piecegoods.

22. Notwithstanding any such reference to arbitration as aforesaid the buyers shall take delivery of the goods the subject of the reference and pay for the same as herein agreed and unless the arbitration award is to the effect that the goods under dispute are "no tender" the buyers shall be bound to accept the said goods on payment by the Company of the allowance (if any) awarded to the buyers. If, however, the arbitration award is to the effect that the goods are "no tender" the buyers shall be entitled to invoice back the said goods with any penalty the arbitrators may award.

23. Nothing appearing in the contract in any vernacular language, save only the name or signature of the buyer or his agent, shall be binding upon the Company.

Notes :-

1. After the coming into force of the War Risks (Goods) Insurance Ordinance, 1940, it was suggested that a clause on the following lines be inserted in the cloth and yarn contracts of all member mills. This clause affirms the buyer's liability in respect of premia paid by the seller on goods held by him at the risk of the buyer :-

"It is hereby agreed that in case the buyers fail to pay for and take delivery of the goods on the due date, the Company shall be entitled to claim from the buyers, in addition to the cost of the goods and the charges specified in clause 13 any premium paid by the Company in insuring the goods in question under the War Risks (Goods) Insurance Ordinance, 1940. PROVIDED that the buyers' liability under this clause in respect of the War Risks (Goods) Insurance Ordinance shall be limited to the amount of premium paid by the Company in respect of the goods in question. If the Company has not taken a separate policy in regard to the particular goods held by it at the risk and on account of the buyers, then the amount of premium payable by the buyers shall bear the same proportion to the total premium paid by the Company as the value of the goods which the Company holds at the risk and on account of the buyers bears to the total value of the goods insured. Nothing in this clause contained shall affect the provisions of clause 11 hereof or cause the goods to be held from and after the due date of delivery otherwise than for the account of the buyers and at their sole risk."

Member mills were advised that all contracts entered into by them on and after 31st October 1940 should contain the above additional clause which should be initialled by the buyers and the Company.

2. In July 1942, member mills were recommended to insert the following "War Emergency Clause" in their cloth and yarn contracts. This clause seeks to protect the mills in the event of their having to cancel contracts or to ask for postponement of delivery in respect of contracts entered into by them with bazaar dealers if such cancellation or postponement of delivery was necessitated by requisitions placed on the mills by the Department of Supply, the Government of India.

"Notwithstanding anything hereinabove contained or implied if an Order for goods shall be placed with the Company by or on behalf of the Government of India subsequent in date to the contract date, and if, as a result, the Company shall decide that it is unable to perform the contract in whole or in part within the contract time or times, then the Company shall within seven days of the receipt of such order give written notice (the Company's notice) to the buyer of such decision, and shall in the Company's notice state the extent of its inability to perform and within what substituted time or times the Company will be able to perform the contract. Within seven days of the receipt of the Company's notice the Buyer shall give written notice (the Buyer's notice) to the Company whether the Buyer elects to affirm the contract as varied by such substituted time or times or whether the Buyer elects to cancel the contract to the extent of the inability. If the Buyer affirms the contract as varied then, the contract shall remain in force as varied. If the Buyer cancels the contract, to the extent of the inability, then the contract shall stand cancelled to that extent, and the Buyer shall have no claim for compensation. If the Buyer fails to give the Buyer's notice to the Company within the period aforesaid, the Buyer shall be deemed to have affirmed the contract. If an order for goods shall be placed by or on behalf of the Government of India subsequent in date to any such affirmation, and if, as a result, the Company shall decide that it is unable to perform the contract in whole or in part as so varied then the like procedure shall be adopted with the like consequences. The Buyer shall be entitled if he so requires to inspect any order giving rise to such decision as aforesaid but the Buyer shall not be entitled to raise any question in respect of such decision or in respect of the extent of the inability or in respect of the time or times so substituted."

RULES FOR THE ELECTION OF REPRESENTATIVES OF THE ASSOCIATION ON THE BOARD OF THE VICTORIA JUBILEE TECHNICAL INSTITUTE.

The Association is entitled to elect two members on the Board of the Victoria Jubilee Technical Institute so long as it continues to contribute not less than Rs 2,000 per annum for the maintenance of the Institute

1 Any member of the Association shall be eligible to act as Representative of the Association on the Board of the Victoria Jubilee Technical Institute.

2 The period of office of any elected Representative of the Association on the Board of the said Institute shall be one of three years. At the end of such period he shall retire but may be re-elected

3 The appointment of the Association's Representatives shall be made at a general meeting of the Association and such Representatives shall *ex-officio* be members of the Committee of the Association.

4 In the event of the disqualification of any of the Association's Representatives under Section 9 or 10 of the Rules and Regulations of the said Institute, or in the event of the decease or resignation of such Representative, or in the event of his ceasing for any reason to be a member of the Association, the Committee shall appoint a successor, who shall hold office up to that date at which the Representative whom he succeeds would, under Rule 2, have retired.

5 In the event of the absence of any of the Association's Representatives from three or more consecutive meetings of the Board, or in the event of any of the Association's Representatives applying for leave of absence, the Committee may, if they think fit and with the consent of the Board of the said Institute, appoint a substitute, who shall hold office until the Representative whom he replaces resumes attendance or up to that date at which the Representative whom he replaces would, under Rule 2, have retired

RULES FOR THE ELECTION OF A REPRESENTATIVE OF THE BOMBAY MILLOWNERS' ASSOCIATION TO SERVE ON THE BOARD OF TRUSTEES OF THE PORT OF BOMBAY.

1. Candidates shall be nominated in writing signed by one proposer and one seconder, who must be both members of the Association, and the nomination papers must be sent in to the Secretary fifteen clear days before the day fixed for the election.

2. The Secretary of the Association shall circulate the names of the applicants ten clear days before the election.

3. The Committee shall appoint a day, which shall be duly advertised, upon which the balloting shall take place. The ballot-box shall be open from 10-30 A.M. till 5 P.M. on that day.

4. Votes may be given either in person or through any one duly authorized by a member of the Association, each subscribing member being entitled to one vote for every complete sum of Rupees fifty paid by him as annual subscription to the Association

5. The Committee shall appoint two scrutineers, who, at 5 P.M. on the day of the ballot, shall open the box and declare the result.

6. The candidate who has the largest number of votes shall be declared duly elected.

7. In the event of an equality of votes preventing the due election of any of the candidates, the members of the Association shall vote afresh in the manner above laid down, the voting in such case to be confined to the candidates who have secured an equal number of votes.

8. In the event of only one candidate being duly nominated, the circulation of the name of such candidate and the ballot may be dispensed with, and the Committee may declare such candidate duly elected.

9. In the event of a casual vacancy the above course shall be followed in the appointment of a substitute.

10. In the event of the temporary absence of a Representative of the Association on the Board of Trustees, necessitating the appointment of a substitute, such appointment shall be made by a majority of the votes of the Committee of the Association at a meeting called for the purpose

RULES FOR THE ELECTION OF A REPRESENTATIVE OF THE BOMBAY MILLOWNERS' ASSOCIATION TO SERVE ON THE BOMBAY MUNICIPAL CORPORATION.

1. Candidates shall be nominated in writing signed by one proposer and one seconder, who must be both members of the Association, and the nomination papers must be sent in to the Secretary fifteen clear days before the day fixed for the election.
2. The Secretary of the Association shall circulate the names of the applicants ten clear days before the election.
3. The Committee, in consultation with the Municipal Commissioner, shall appoint a day, which shall be duly advertised, upon which the balloting shall take place. The ballot box shall be open from 11 A.M. till 5 P.M. on that day.
4. Votes may be given either in person or through anyone duly authorized by a member of the Association, each subscribing member being entitled to one vote for every complete sum of Rupees Fifty paid by him as annual subscription to the Association.
5. The Committee shall appoint two Scrutineers, who, at 5 P.M. on the day of the ballot, shall open the box and declare the result.
6. The candidate who has the largest number of votes shall be declared duly elected.
7. In the event of an equality of votes preventing the due election of any of the candidates, the members of the Association shall vote afresh in the manner above laid down, the voting in such case to be confined to the candidates who have secured an equal number of votes.
8. In the event of only one candidate being duly nominated, the circulation of the name of such candidate and the ballot may be dispensed with, and the Committee may declare such candidate duly elected.
9. In the event of a casual vacancy, an appointment to fill such vacancy shall be made by a majority of the votes of the Committee of the Association at a meeting called for the purpose.

Sections of the City of Bombay Municipal Act, III of 1883, as subsequently amended, pertaining to the Election of Councillors by the Bombay Millowners' Association.

Section 5.

- (1) The Corporation shall consist of one hundred and seventeen Councillors, as follows :—

(i) Elected Councillors—

(a) One hundred and six Councillors elected at ward elections ;

(b) Four Councillors elected as follows :—

One by the Bombay Chamber of Commerce,

One by the Indian Merchants' Chamber and Bureau,

One by the Bombay Millowners' Association,

One by Fellows ;

(c) Four Councillors elected by delegates.

(ii) Three *ex-officio* Councillors, namely :—

The Police Commissioner ;

The Executive Engineer, Presidency Division, Public Works Department, Bombay ;

The Chairman of the Board of Trustees of the Port of Bombay.

Section 6.

(1) [*Repealed by Act XVI of 1895.*]

(2) Councillors elected to succeed retiring Councillors shall come into office on the day for the retirement of the Councillors whom they are to succeed.

Section 7.

(1) All elected Councillors shall retire from office at noon on the first day of April, three years after they take office, which day is in this Act referred to as the day for retirement.

(2) The term of office of an *ex-officio* Councillor shall continue so long as he holds the office by virtue of which he is such Councillor.

Section 8.

Any person who ceases to be a Councillor shall, unless disqualified, be re-eligible.

Section 15.

A person shall not be qualified to be elected to be a Councillor at an election by a Chamber or Association mentioned in sub-section (1) of Section 5 or at a Fellows' election, unless he is at the time of the election a member of that Chamber or Association or a person entitled to exercise the rights and privileges of membership on behalf and in the name of any firm, company or corporation registered as a member of such Chamber or Association or a Fellow, as the case may be, and unless, in the case of a Fellow, he has resided in the city for six months immediately preceding the date of the election.

Section 22.

(1) General Elections of Councillors shall be fixed by the Commissioner, subject to the provisions of Section 23, to take place triennially on such days in the months of January and February as he shall think fit.

(2) [*Repealed by Act XVI of 1895.*]

(3) Elections to fill casual vacancies shall be fixed by the Commissioner to take place on such days as he shall think fit, as soon as conveniently may be after the occurrence of the vacancies.

Section 23.

The dates for all General Elections shall be fixed in the following order, and with the following intervals, namely :—

Firstly.—The Ward elections shall be fixed to take place simultaneously for all the Wards.

Secondly.—The day for the election by the Chamber or Association mentioned in sub-section (1) of Section 5 shall be fixed at an interval not exceeding twenty-one days after the day fixed for the Ward elections.

* * * * *

Section 31.

(1) An election of a Councillor by a Chamber or Association mentioned in sub-section (1) of Section 5 shall be made by the members for the time being of the said Chamber or Association, as the case may be, subject to the provisions of Section 15, in accordance with the rules made by the said Chamber or Association in this behalf.

(2) The Secretary to the said Chamber or Association shall make a return in duplicate to the Commissioner setting forth the name in full of every person so elected.

Section 32.

(1) The result of every election shall be declared by fixing, as soon as may be after the election, in some conspicuous place in the Chief Municipal Office, a notice certifying the names of the persons, if any, elected, and in the case of a contested election the number of votes recorded for each candidate.

(2) The said notice shall be signed in the case of a Ward election, and in the case of an election by Councillors, by the Commissioner, and in the case of an election by a Chamber or Association mentioned in sub-section (1) of Section 5, by the Secretary of such Chamber or Association, and in the case of a Fellows' election by the Registrar of the University of Bombay.

**RULES FOR THE ELECTION OF A REPRESENTATIVE OF THE ASSOCIATION AS A FELLOW
ON THE SENATE OF THE UNIVERSITY OF BOMBAY**

- 1 The Committee shall fix a day for a Meeting of all members of the Association for the purpose of electing a representative of the Association to serve as a Fellow on the Senate of the University of Bombay
- 2 The Secretary of the Association shall notify all members of the Association of the date fixed for such meeting
- 3 Candidates shall be nominated in writing duly proposed and seconded by members of the Association, and signed in each case by authorized representatives whose names have been duly entered in the List of Persons Eligible to Act and Vote maintained by the Association under Rule 13 of the Association's Rules and Regulations, and the nomination papers must be received by the Secretary at least ten clear days before the date of the meeting at which the election is to take place
- 4 Nominations shall be sent to the Secretary on the prescribed form.
- 5 No nomination shall be valid unless the candidate proposed and seconded also signifies his assent to the nomination on the nomination paper
- 6 In the event of there being only one valid nomination such candidate shall be deemed to have been elected by the members of the Association and the Committee shall thereupon declare that he has been duly elected
- 7 The Chairman or in the event of his being a candidate or out of Bombay the Deputy Chairman shall determine whether nominations are valid or invalid. In the event of the Deputy Chairman also being a candidate or out of Bombay the Committee shall appoint a member of the Committee other than the Chairman or Deputy Chairman and not being himself a candidate to perform this duty and to preside at the meeting
- 8 The Secretary shall if more than one nomination shall have been received by him notify to all members of the Association the names of all candidates duly proposed and seconded at least 7 clear days before the date fixed for the meeting
- 9 The Chairman or in the event of his being a candidate or out of Bombay the Deputy Chairman or in the event of his also being a candidate or out of Bombay the member of the Committee appointed under Rule 7 shall take the chair at the meeting. He shall appoint two Scrutineers from among the members of the Committee present whose duty it will be to open the box at the end of the ballot, count the votes and declare the result
- 10 Ballot papers with the names of the candidates shall be handed to the representatives of members while the ballot is open.
- 11 The ballot box shall be kept open in the room in which the meeting is held, for one hour from the time it is declared open by the Chairman of the meeting, for the reception of the ballot papers
- 12 Votes shall be cast on the ballot paper and deposited in the ballot box
- 13 In the event of a ballot paper being spoiled or torn, the member concerned may ask for a new ballot paper surrendering the spoiled or damaged paper
- 14 Members shall record their votes through their authorized representatives whose names have been duly entered in the List of Persons Eligible to Act and Vote maintained by the Association under Rule 13 of the Association's Rules and Regulations
- 15 The quorum necessary at this meeting shall be two
- 16 Each subscribing member shall be entitled to one vote for every sum of Rs 50 paid by him as the annual subscription to the Association
- 17 The candidate who has the largest number of votes shall be declared duly elected
- 18 In the event of there being a tie, the Committee shall decide by a ballot at a meeting specially convened for the purpose, which of the candidates shall be deemed to have been elected by the members and shall thereupon declare that he has been duly elected

MILL STATEMENT FOR 1945