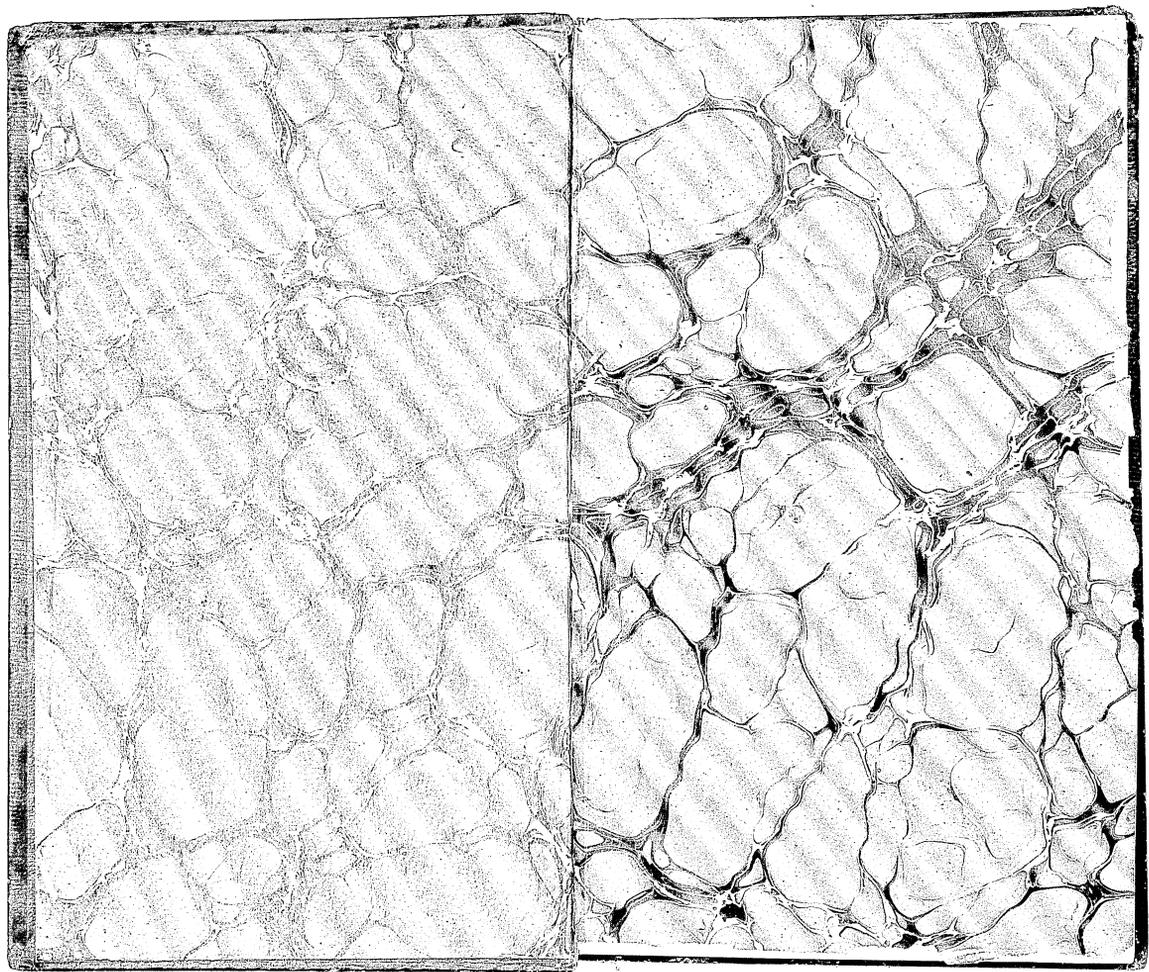
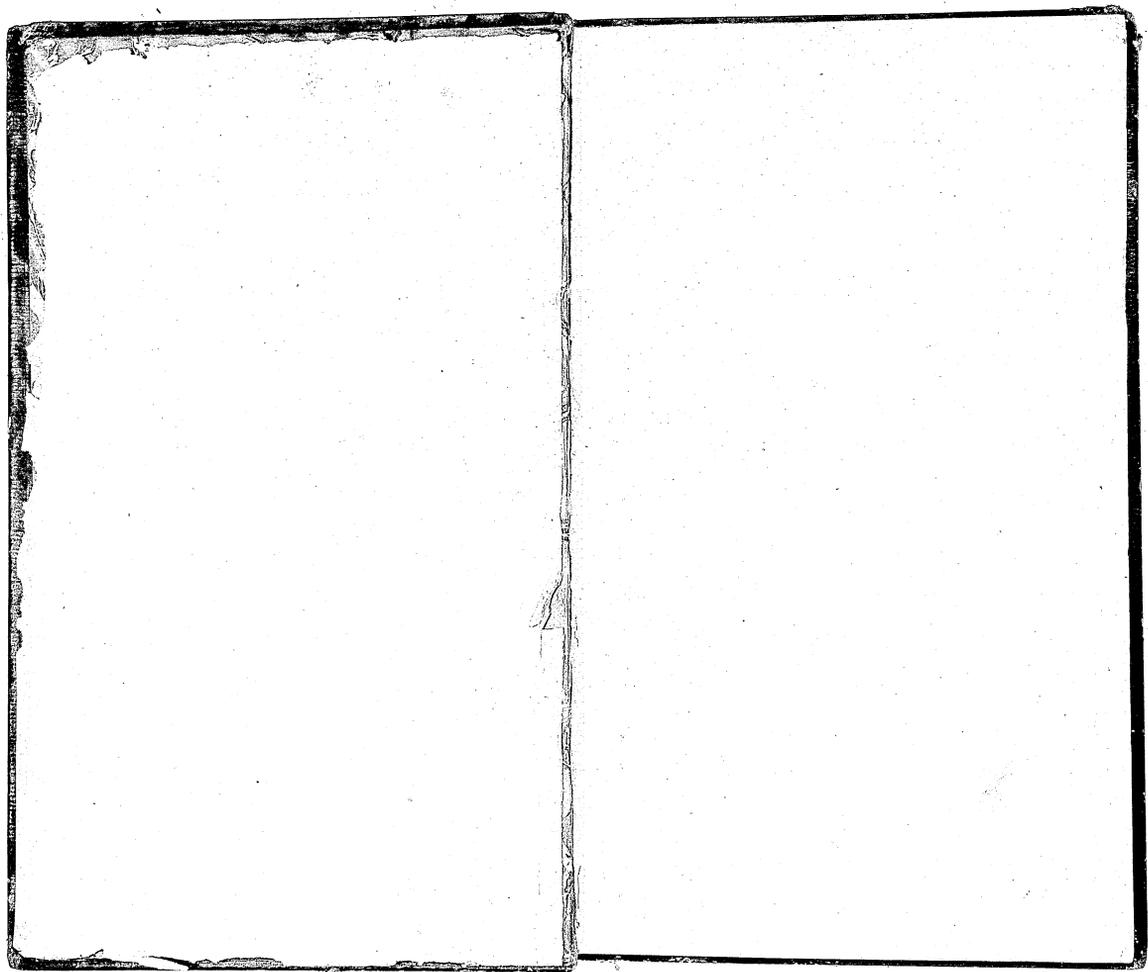


REPORT
OF THE
BENEFICIAL EFFECTS OF COMMERCE
FROM 1851 TO 1866





REPORT
OF
THE COMMITTEE
OF THE
BENGAL CHAMBER OF COMMERCE.

From 1st May to 31st October 1866.

Calcutta:

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1866.

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Proceedings of a General Meeting of the Bengal Chamber of Commerce held on Monday, the 31st December 1866.

F. SCHILLER, Esq., *President*, in the chair.

The Chairman in opening the proceedings said that as all the members had received the report two or three days ago he would propose that the report be considered as read.

The first subject treated of in the report was the River Trust. It would be remembered that in 1863 considerable discussion took place with the Government as to whether the Trust was to be a separate one or not. The Government decided on a separate Trust, and instanced the port of Liverpool in support of their decision. In 1865 they altered their minds, formed the River Trust in such a way as simply amounted to putting the interests of the port at the mercy of the Municipality. It was, however, ostensibly done on trial only, and he hoped that no troubles would arise between the commercial community and the Municipality. It would be seen that the River Trust Committee appointed by the Municipality had already decided upon a preliminary plan, and

their report had been published. One of the first things that would have to be decided, would be the amount of revenue which the Municipality would have to receive from the River Trust, and if this was got over he thought that all might work satisfactorily. It seemed to him, however, that there might be a dispute between the Municipality and the commercial community as to the profits arising from the Trust, and against this the Chamber would have to guard; for it certainly was never intended that surplus revenue arising from this source should be devoted to Municipal purposes, but rather be employed in lowering port dues and relieving commerce.

The next subject was that of the Currency question. The Committee appointed to enquire into this subject, who had at their head Sir William Mansfield, had at last issued their report, but this report he confessed somewhat disappointed him. It contained an amount of statistical information, but did not make any direct proposals as to what was to be done. The Committee were all agreed in favor of extending the paper currency, but did not say at all how it was to be effected. They were also agreed in favor of a gold coin, the multiple of a rupee, but did not say how it was to be introduced. In fact, all that was contained in their report and more was stated most explicitly in a little book written by a friend of his, Major Lees, called

"The drain of silver to the East." The first basis of a note circulation is the convertibility of the note all over the country. At present notes issued in Calcutta were scarcely convertible a hundred miles from the Presidency. Before notes were accepted in the interior, they would have to be exchangeable for coin. To this no doubt the great extent of India offered considerable obstacles, but with the extension of railways this difficulty would disappear. At present silver enters India chiefly through the three ports of Bombay, Calcutta and Madras, and the difficulty is to transmit it from point to point. It was, however, well known that an extensive circulation of notes only exists in the large centres of trade. Even in England paper circulates by no means freely in all the small towns, but chiefly in the commercial centres. Before they would get the natives of India to receive paper money, they would have to wait patiently; and probably not until the net work of railways was extended would it become readily convertible into coin. With reference to the proposal of a gold coinage, it seemed to him that the Government proposition was a good one. He believed that all the Government had to do, would be to give every facility to the importation of gold into the country, to make it a legal tender, and allow it to circulate side by side with silver. Whenever the quantities of gold had increased to such an extent as to

give it a preponderating influence, it would then be a very simple matter to supersede the silver standard by a gold one. This is what has been done in other countries.

The next subject contained in the report was Telegraphic and Postal communication, and the Chamber would see what had been done. It seemed to him that the Telegraph service was getting worse and worse, and until they got a submarine line from Suez to India there would be little improvement.

The next subject which was touched on in the report was the Bank of Bengal Charter. It would be remembered that the Committee addressed the Bank for the purpose of affording facilities for the negotiation of bills at a time when money was not obtainable on the best paper. The Directors of the Bank of Bengal did not feel the pressure, as other houses did who were unable to dispose of their paper for several weeks. This state of things did not continue long, for war came to an end in Europe, and paper became saleable again. If Mr. Massey had been on the spot when these emergencies arose, he had no doubt that what the Committee asked for would have been granted; but their suggestions fell to the ground because there was no longer any need of them. If the Bank of Bengal Charter had been relaxed, there would now be no difficulty about meeting the Exchange Banks in their desire

to curtail the usance from six months to four months, and the Bank of Bengal might have done an excellent business without the slightest risk. All that the merchants would have had to do would have been to deposit their bills of lading with the Bank for two months, and to draw afterwards four months' bills. This would have met the requirements of trade and the wishes of the Banks; but if the Exchange Banks insisted upon carrying out the four months' usance, he (Mr. Schiller) could not help feeling that undue restrictions would be placed upon trade. As one of the reasons for shortening the usance, he had heard it stated that it was for the object of checking speculation!. All that he had to say was, that if Bank managers went on purchasing indiscriminately bills drawn on Tom, Dick, and Harry, against dear produce, it would make very little difference whether the bills were drawn at four or at six months' sight. As an example, he would mention that some of the Bankers went on purchasing cotton bills freely when cotton ruled at 12*d.* per lb., but as soon as it fell to a safe level of 6*d.* they would not buy upon any terms!

At the last Meeting of the Chamber there was a long discussion as to the traffic on the East Indian Railway, and he was not prepared to say whether there would not be the same mess next year as there was in the beginning of this. The

authorities he believed had taken steps to prevent it, by fixing the rates for the transport of cotton so excessively high that owners were obliged to send down their produce by carts and water. He had remonstrated with Mr. Stephenson on the subject, and he was in hopes that something like a reasonable rate would be fixed.

The next subject was a very painful one: he referred to the unfortunate famine in Orissa. At the last meeting of the Chamber this subject was brought forward and discussed, and from all that had occurred it would be seen that the Chamber had done its duty in the matter. He did not wish to make any remarks on the subject, now that a Commission had been appointed to discover upon whom the blame rests; but he would say that he certainly did expect that at the time the telegram arrived from Lord Cranborne authorising the Government to expend money freely private subscriptions would have been stopped. He considered it a great deal that in a time of such tightness and depression a sum of six lakhs should have been collected by private subscription, to which even Bombay contributed largely.

With regard to the revision of the tariff, the Committee appointed in the matter were on the point of issuing their report, and he was not prepared to state what the nature of it was, until after it had been sent up to Government; but he be-

lieved that the members of the Chamber would have every reason to be satisfied with what had been done.

At the suggestion of the Chamber the Government had consented to take Government Paper in deposit, and allow parties to adjust their duties afterwards.

The next subject mentioned in the report was that of railway communication between Lahore and Peshawar, and this in his opinion was a most important work. He had heard a day or two ago that the Government had decided upon constructing a line of nearly more importance,—the line between Mooltan and Kotree,—at once, but this line would not at all do away with the necessity of constructing the Peshawar line. He had paid a flying visit to the Punjab this year, and in his opinion the moment that these missing links of railway were completed, such as the Delhi line, large quantities of grain and produce would be sent from the Punjab even to Calcutta. At the time he was in Lahore, gram was selling at Re. 1-6 per maund, and had been selling shortly before for Re. 1 per maund; and while the people in Orissa were starving, wheat was selling a little beyond Peshawar at 2 to 2½ maunds for the rupee. The sooner the Government took a broad view of the matter, and extended the net work of railways, the better. One reason given for the unwillingness of Government

to extend railways in India more rapidly was, that they did not wish to burden the revenues of the country with further guarantees; but why not do as is done in civilized Europe,—borrow the interest as well as the capital, or in other words raise sufficient capital to pay the interest ?

The next subject treated of in the report was a very painful one to him, and referred to the seceded members of the Chamber. Mr. Cowie had been endeavouring to arrange for their return, but as would be seen from the letter received the seceding houses did not approve of the manner in which they were to return—the matter having unfortunately been decided by a majority of one. What the Committee had done was perfectly correct, inasmuch as all their acts were subject to the approval of the Chamber, and had to be confirmed in general meeting. If therefore the Committee had taken upon themselves to admit these gentlemen, and such admittance had afterwards been disapproved of by the general meeting, the Committee would have had only one course open to themselves, *viz.*,—to resign. It was a matter of great regret to him, however; that these seceding firms should still continue to stay away from the Chamber, and all that he would say was that they were not doing their duty to their commercial neighbours.

Owing to the unfortunate collapse of trade they had lost a good number of members, but

they had a few additions, and since the report had been printed two additional firms had joined *viz.*, Messrs. Young, Gray and Co., and Messrs. Schroeder, Smidt and Co., and he would move that they be confirmed.

Mr. J. Hutchison asked if any reference had been made to the possibility of reconstituting the trade in saltpetre.

The Chairman stated that he was afraid, as far as saltpetre was concerned, that the goose had been killed that laid the golden eggs. He had strongly advocated as a last measure to take off the duty, and this he believed would be done, but it was questionable whether it was possible to reconstitute the trade.

Mr. Hutchison suggested that the price of cotton at Hong-Kong, Bombay and Madras should be included in the weekly telegram.

The Chairman stated that he quite agreed with Mr. Hutchison. The best thing for him to do would be to write to the Committee on the subject, and the matter would be attended to. The motion that the report be agreed to was then put and carried unanimously.

The Chairman stated that there was one point he had forgotten to mention. He had expected that the Famine Committee would have issued a final report, but this had not been done, and the Committee was now dissolved, and they had only their daily or weekly reports to show what their

proceedings were. It would no doubt be very interesting if a full report were prepared, showing what had transpired between the Committee and the Government.

Mr. P. T. Ralli stated that he thought the Committee's report was very lame on this point. In his opinion the Government had acted wrongly throughout the matter, and that the Chamber of Commerce, who took the matter up at first, should state something of the sort in their report.

The Chairman said that he thought they could ask the Chairman of the defunct Committee to give a report. It had not been done probably owing to some misunderstanding, and could be easily remedied now.

Proposed by Mr. P. T. Ralli, seconded by the Chairman, and carried unanimously—

"That in the opinion of the meeting it is due to the subscribers to the Bengal and Orissa Famine Relief Fund, that a special report of the proceedings of the General Famine Relief Committee should be published for general information; and that the Committee of the Chamber be directed to communicate with Mr. Stuart Hogg, the late Chairman of the General Relief Committee, on the subject."

A vote of thanks to the chair closed the proceedings of the meeting.

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE.

REPORT OF THE COMMITTEE FOR THE HALF-YEAR
ENDED 31ST OCTOBER 1866.

.....

The Committee have the pleasure to submit their report on the principal subjects which have come under their consideration during the last half year.

The River Trust.

In their last report the Committee fully detailed the action of the Chamber in connection with the large and important question of the River Trust, and they closed their notice of it by expressing a belief that the sanction of the Governor-General in Council would not be given to the bill which had been passed by the Council of the Lieutenant-Governor of Bengal.

The Committee on behalf of the general commercial interests of the port entered their protest against that bill, and appealed to His Excellency the Viceroy for the exercise of the power vested in His Excellency by the 40 section of the East India Council Act by disallowing the bill.

For convenience of reference, and with the view of placing them prominently before the Chamber, the Committee here insert the letters addressed to His Excellency and the replies which they received :

BENGAL CHAMBER OF COMMERCE,
Calcutta, 18th April 1866.

E. C. BAYLEY, Esq.,

Secretary to Government of India,

Home Department,

Simla.

SIR,—The Committee of the Bengal Chamber of Commerce respectfully represent to the Right Hon'ble the Governor-General in Council that the constitution of the River Trust as provided by the bill for the improvement of the port of Calcutta, which has been passed by the Council of the Lieutenant-Governor of Bengal, is entirely at variance with the principles advocated by the Supreme Government, and in direct contravention of the basis upon which it was the express desire of the Government of India the special Trust should be created.

For convenience of reference I am directed to annex a copy of letter No. 2572 of 6th June 1865,* from the Government of India to the Government of Bengal in which those principles were distinctly laid down: and the following extracts are made as giving the essential points which were submitted for the consideration of the Lieutenant-Governor:—

* Published in the Chamber's last half-yearly Report.

1st.—On a full review, &c., the Government of India decided that a separate Trust should certainly be constituted, &c.

2nd.—A clear separation between the interests and requirements of an efficient management of the river and the Municipality.

3rd.—Qualifications for the former different from qualifications for the latter.

4th.—Totally different sets of men are wanted for the two duties.

5th.—All experience in favor of a Trust separate from the Municipality.

6th.—Illustrations of the opposite system.

7th.—Decisive reason given for not uniting the river and city Trusts.

8th.—The Municipality to be fairly represented in the port Trust, but nothing more.

9th.—Jurisdiction over the Strand Bank to be vested in the port Trust, subject to the ordinary municipal taxation.

10th.—The object of the Trust being strictly limited to providing requisite facilities for the shipping, the port dues should be held for no other purpose.

11th.—The Liverpool arrangement cited as a warning against appropriating port dues for the relief of municipal taxation.

12th.—In the face of that experience it would be totally inadmissible to lay the foundation of a similar arrangement in India.

Upon these distinct principles and conditions the Trust was to be constituted; how far those principles have been adhered to and those conditions observed, the bill

as amended by the Select Committee of the Council of the Lieutenant-Governor declares.

The bill declares, in direct disregard of them, that the Trust shall be vested in, and managed and controlled by the Justices of the Peace for the Town of Calcutta,—the Chairman of the Justices being always Chairman of the Committee appointed to carry out the purposes of the bill; in other words it makes the River Trust a department of the Municipality, and places in the hands of the Justices a power which it was never intended they should possess, and imposes upon them duties and responsibilities which it was never intended they should discharge.

The Committee of the Chamber of Commerce can add no force to the arguments advanced by the Government of India for the establishment of an administration in all points separate and distinct from the Municipality.

The principles and conditions upon which that administration was to be based and conducted having had the entire approval of the Chamber of Commerce, it is their duty to protest against the bill passed by the Council of the Lieutenant-Governor, and to appeal to the Right Hon'ble the Governor-General in Council for the exercise of the power given to His Excellency by the 40 Section of the East India Council Act, by disallowing the said bill.

I have the honor to be,

Sir,

Your most obedient servant,

H. W. I. WOOD,

Secretary.

No. 1524.

FROM

E. C. BAYLEY, Esq.,

Secretary to the Government of India,

TO

H. W. I. WOOD, Esq.,

Secretary, Bengal Chamber of Commerce,

Simla, the 2nd June 1866.

HOME DEPT.

SIR,—I am desired to acknowledge your letter, dated the 13th April, requesting the Governor-General to withhold his assent from the bill for the improvement of the port of Calcutta, recently passed by the Council of the Lieutenant-Governor of Bengal.

2. The Governor General, I am to say, has carefully considered the subject, and has given every weight to the strong opinion against the bill entertained by the Chamber of Commerce; that opinion is, no doubt, supported by the views expressed in the letter from the President in Council in the Department of Public Works, No. 2572, dated 6th June 1863, to the Government of Bengal. But nevertheless, having regard to the full and careful consideration given to the subject by the Lieutenant-Governor and his Council, the Governor-General is of opinion that the measure which they have adopted, as that most likely to effect the end desired, should be allowed to have a fair practical trial.

3. It should also be borne in mind that while the bill was under consideration by the Council of the Lieutenant-Governor of Bengal, the mercantile community had op-

portunity, both through their representatives in that Council, and also by direct communication with the Bengal Government, to point out their objections to the bill. I am directed to say that in the judgment of the Governor-General, it would be very inconvenient if His Excellency should refuse his assent under such circumstances to a law. The preferable course appears to be to let the Act come into force, and to see how it may work in practice.

4. His Excellency has, therefore, assented to the bill: but I am to add that its operation will be carefully watched by the Government of India.

I have the honor to be,

Sir,

Your most obedient servant,

E. C. BAYLEY,

Secretary to the Government of India.

Calcutta, 13th June 1866.

E. C. BAYLEY, Esq.,

Secretary to the Government of India,

Home Department,

Simla.

SIR,—The Committee of the Chamber of Commerce desire me to acknowledge the receipt of your letter No. 1524 of the 2nd instant, which informs them that the Governor-General in Council had given his assent to the "bill for the improvement of the port of Calcutta," as

passed by the Legislative Council of the Lieutenant-Governor of Bengal.

The Governor-General in Council has been pleased to communicate to the Committee the circumstances under which His Excellency considered it expedient to assent to the bill, notwithstanding the protest which they considered it their duty to make against the measure.

The decision at which His Excellency has arrived has been received by the Committee with profound regret, and a degree of disappointment proportionate to their confident expectation that the bill, against the adoption of which every conceivable objection had been urged, would be rejected.

The Committee, while they deeply regret that decision, respectfully submit that neither the action of the Chamber nor that of the commercial representatives in the Bengal Council affords any ground for the conclusion that the bill was not properly dealt with by them before it passed the Council, and that *therefore* the unopposed measure should not subsequently be thrown out.

In both these respects the Committee have it in their power to remove the misapprehensions which appear to have led to that conclusion, and they are persuaded that the Governor-General in Council will be satisfied that the Chamber had by direct timely communication with the Government of Bengal expressed a strong remonstrance against the bill.

For convenience of reference I am directed to submit a printed copy of the letter addressed by the Chamber to the Government of Bengal, and it will be evident that the Council of His Honor the Lieutenant-Governor had in their possession the views of the Chamber on the

important question upon which the Chamber's opinion had been requested.

And from the reports of the proceedings of the Council, extracts from which are also for convenience of reference given in type, it will be seen that Mr. Skinner expressed an opinion unfavourable to the constitution of the trust, and that Mr. Goodenough concurred in that opinion.*

These papers will, the Committee trust, remove any impression that may have been made upon the Governor-General in Council that the opportunities of objecting to the bill had been neglected by the Chamber and the mercantile members of the Lieutenant-Governor's Council.

If therefore the "inconvenience" of disallowing the bill has been based upon a supposition which these papers totally disprove, His Excellency will pardon the Committee if they assume that His Excellency has not had the opportunity of considering the remonstrances which those papers conveyed.

The Committee deem it their duty to submit this statement in justice to the Chamber and the representatives of the mercantile community in the Council of the Lieutenant-Governor.

As your letter under acknowledgment makes reference to the views expressed in the letter No. 2572 of 6th June 1863, from the President in Council to the Government of Bengal, I am to point out that that letter specially states that the conclusions therein communicated had been "adopted by the Government of India in consultation with His Excellency the Viceroy."

Nothing can be more explicit than the language in which the views of the Government of India, concurred

* Mr. Skinner's speech was printed in Chamber's last Report.

in by the Viceroy, were pronounced: each paragraph of the letter to the Government of Bengal bears upon the important question with an irresistible conviction, that after the fullest and most deliberate consideration of the whole subject in its application to the requirements of the trade of Calcutta, the Government had resolved to adopt a principle which in their own judgment and the experience of others was best calculated to promote the interests of the port.

But His Honor the Lieutenant-Governor and his Council entertain a different opinion, and their adverse decision is upheld by the Governor-General in Council. It therefore only remains for the Committee of the Chamber of Commerce to repeat their extreme regret that His Excellency's assent has been given to a bill the operation of which will, in their humble judgment, involve the scheme in all the consequences of a costly failure, despite the careful watching which it is the purpose of the Government of India shall attend the river trust.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 2187.

FROM

E. C. BAYLEY, Esq.,
Secretary to the Government of India,

TO

THE SECRETARY TO THE BENGAL CHAMBER
OF COMMERCE, CALCUTTA,
Dated Simla, 23rd June, 1866.

Home Department.

SIR,—I am directed to acknowledge the receipt of your

letter dated the 13th instant, describing the strong objections of the Committee of the Bengal Chamber of Commerce to the "bill for the improvement of the port of Calcutta," and to express the regret of the Governor-General that his assent to that bill is opposed to the views of the commercial community of Calcutta.

2. I am at the same time to observe that it was not said nor implied in my letter of the 2nd instant, No. 1524, that the bill was not properly dealt with by the Committee of the Chamber of Commerce when before the Council of the Lieutenant-Governor of Bengal. On the contrary, the Governor-General was well aware that this had been done. What was said in my letter was that "the mercantile community had opportunity both through their representatives in that Council, and also by direct communication with the Bengal Government, to point out their objections to the bill;" and that this is an accurate statement of the case, is apparent from your account of what took place. The objections which were preferred by the mercantile members of the Council of the Lieutenant-Governor of Bengal, and by the Committee of the Chamber of Commerce, were considered in that Council, and, after full discussion and deliberation, were set aside, and the bill passed. Under these circumstances the Governor-General considered that it was his duty to give his assent to the measure.

3. I am further to point out that the power to veto or assent to a bill which has passed in any of the legislatures in India rests with the Governor-General alone, and not with the Governor-General *in Council*. His Excellency is therefore under no absolute obligation to deal with a bill in conformity with any former decision of the

Government of India. Neither is it the duty of the Governor-General to veto every bill with which, or with part of which, he may not coincide. His province rather is to reserve his veto for measures which involve some distinct illegality, or compromise some fixed principle, or infringe some settled rule of policy.

4. If any other rule than this were followed, a great part of the legislative power of the local Councils would be transferred not to the Imperial Council, or to the Government of India, but to the Governor-General personally, and that, in spite of the manifest intention and entire scope of the Indian Council's Act, which proceeds on the assumption that the largest number of legislative questions are best dealt with by those in closest practical contact with the subject matter.

I have the honor to be,

Sir,

Your most obedient servant,

E. C. BAYLEY,

Secretary to the Government of India.

The correspondence here terminated; and on the 6th July the following gentlemen were appointed, under section 4, Act X. (B. C.) of 1866, to form the Committee of Justices for the improvement of the port of Calcutta, the Chairman of the Justices being ex-officio Chairman of the Committee.

Members appointed by the Lieut.-Governor.

Lt.-Col. J. E. T. Nicolls, R. E.

Captain H. Howe.

Mr. Ferdinand Schiller.

„ John Skinner.

Members elected by the Justices.

Mr. A. T. T. Peterson.

„ R. Scott Moncrieff.

„ A. M. Dowleans.

Baboo Degumber Mitter.

Mr. J. B. Knight.

Report of the Currency Commission.

A copy of the report of the Currency Commission is in the possession of the Chamber.

Its value consists in the evidence collected from various parts, if not indeed from the whole of India, relative to the subject of which it professes to treat.

It does not offer any direct proposals; in fact it does not advise any immediate change being carried out in our present system of currency.

If any thing is to be inferred from it, the Commission appear favourably disposed, so far as the paper currency is concerned, to a “universal note,” and recommend, apparently as a step towards its future adoption, that the Financial Department take the necessary precautionary

measures, such for instance as the feeding of Treasuries, before any sweeping change be effected.

The Commission consider it firmly established that the demand for a gold currency is unanimous throughout the country, that gold coins of the value of 15, 10, and 5 rupees respectively would find more favour in the eyes of the people than notes of like value, and that the introduction of gold would facilitate the establishment of the currency notes.

REPORT OF THE COMMISSION TO EN-
QUIRE INTO THE OPERATION OF
ACT XIX. OF 1861.

The Commission have understood that the principal object set before them, under the orders of the Government of India, was to obtain information from all available sources regarding the operation of the existing currency arrangements which were established under Act XIX of 1861.

2. A second matter was incidentally submitted to their consideration, *viz.*, what may be the advantage, as based on expediency, of the introduction of the legal tender of gold into India in addition to that of silver.

3. Accordingly, with respect to these two points, an examination of such witnesses as were available at Calcutta in the spring of 1866, took

place during that season. Series of questions were subsequently addressed to the several Governments, Administrations, Commissions and Collectorates throughout India, as also to the several Banking Corporations.

4. The result has been the collection of a very large mass of evidence, which is set out in full in the addenda of this Report. A precis of the several sets of answers thus obtained is annexed.

5. The chief duty of the Commission may, perhaps, therefore be held to have been performed in submitting to the Government of India the evidence thus collected.

6. This having been done, it seems convenient to show the general results. The questions, as above referred to, are accordingly set out with a brief epitome of the precis of the answers, it being observed that the depositions of the authorities consulted at Calcutta are corroborated in all essential particulars by the information obtained elsewhere.

Circular to the Officers in Charge of Treasuries. Epitome of Mr. Onslow's Precipis

Question No. 1.—Are Government Currency Notes readily received in Presidency Towns and

Answer No. 1.—A general negative, except in Presidency Towns and

and paid away by the native community at their full value in private monetary transactions?

Question No. 2.—If not, what is the reason for their depreciation, and what is the average rate at which they are discounted?

*Answer No. 2.—*Want of facilities for convertibility. Distrust in the native mind. Discount charged in the bazars at various rates by the Shroffs when changing the notes for coin. If notes are lost or destroyed by accident, difficulty in obtaining duplicates. Silver and gold are preferred.

Question No. 3.—What facilities are afforded by Officers in charge of Government Treasuries for the exchange of Currency Notes for silver, and silver for notes?

*Answer No. 3.—*Notes generally given for cash; but the reverse does not take place, except for the convenience of travellers. At some stations, exceptionally as it were, cash is however given for notes. The rules issued by the

Accountant General are followed. Notes received in payment of Land Revenue. The supply of notes too limited at some stations. It is also said that there are less facilities permitted now than was formerly the case,—*vide* Kistna, Oomrawuttee, Purneah.

Question No. 4.—
Are these facilities sufficient; if not, what means can you suggest for increasing them?

Answer No. 4.—
That Currency Department and Presidency Banks be authorized to pay silver for notes.

That notes of each separate circle should be payable on demand at any Treasury within the circle. That present restrictions should be removed, so that notes may be issued and cashed at all British Treasuries.

Some think that present facilities are suf-

ficient. Officers should be permitted to cash notes to the extent to which their resources may permit. The establishment of Office of Sub-Issue would facilitate transactions,—*see* Bulloah. Notes should be declared legal tender in Candeish.

Restrictions with regard to notes being used for remittances should be removed.

Notes of low value should be freely cashed by Treasuries. A maximum of notes in store might be fixed; when notes in store reach that maximum encashment to be refused,—*see* Ghazee pore.

Notes should be entrusted to Tehsceldars for sale.

An universal note is advocated, *see* Lullutpore. Would make Berar a centre of currency,—*see* Oomrawuttee. The Acct.-General should cease from interference and allow Treasury officers more latitude,—*see* Purneah.

Question No. 5.—

Do you consider the present arrangement of circles, with a separate note for each circle, well calculated to promote the reception of a paper currency by the native population, and would you retain it?

*Question No. 6.—*If not, would you propose to increase the number of circles (still retaining the plan of a separate note for each circle,) and, if so, to what extent? Or,

*Answer No. 5.—*The unanimity and the decision of the answer in the negative to this question, is very remarkable.

*Answer No. 6.—*Some would retain circles and establish offices of Sub-Issue where notes could be cashed. Others think there should be one note convertible at every Treasury. Others that

keeping the present number of main circles, would you establish offices of Sub-Issue at the chief local Treasuries within each circle, where the note should be convertible on demand as at the head office of Issue of the circle?

notes of inferior denomination should be convertible at all Treasuries, but that notes of a high one should be only cashed in their own circle. Others that there should be one note for each Presidency cashable at all Treasuries within the limits of the latter. Abolish the circles.

Notes of every circle should be payable on demand at the Presidency Towns and at specified Treasuries where trade exists,—*see* Poona.

Question No. 7.—

Or, would you prefer the plan of having one universal note for all India, to be convertible only at the Presidency Towns and at certain specified Treasuries? Or is there any other plan you would recommend?

*Answer No. 7.—*Yes; convertible at Presidencies and principal Treasuries. Others in favour of universal notes convertible at all Treasuries. Others, note for each Presidency. Note to be inconvertible, but legal tender: the issue not to exceed one year's re-

N. B.—In replying to these last three questions, please to state fully the grounds on which you give a preference to one plan rather than to the others, especially with reference to the important object of establishing a Paper Currency in the confidence and liking of the natives.

Question No. 8.—Would you propose a note of the value of five rupees, and if so, on what grounds?
Answer No. 8.—Opinions much divided on this point, though the preponderance is somewhat in favour of a 5-Rupee Note.

Question No. 9.—Are you of opinion that the 5-Rupee Note would have a larger currency than notes of a greater value?
Answer No. 9.—Opinions evenly divided.

Question No. 10.—Are notes used much by the shroffs and native
Answer No. 10.—Yes, at certain places and centres of commerce;

venue of the empire. Great preponderance in favour of one universal note if readily convertible.

bankers for purposes of remittance? but not at the great majority of Stations. The practice clearly depends on the convenience or possible profits of the native bankers.

Question No. 11.—Is it the practice of the shroffs and native bankers to exact discount in all cases of cashing notes?
Answer No. 11.—The answer in the affirmative is almost unanimous.

Question No. 12.—Do the shroffs and native bankers buy up the notes at a discount for the purpose of sending them to the head quarters of circles for encashment?
Answer No. 12.—The answer is generally negative; but there are a few exceptions which are not unimportant, and perhaps have caused the alarms of the Accountant General.

Question No. 13.—Do the shroffs and native bankers prefer the note to hoondees for purpose of remittance?
Answer No. 13.—Answers negative, with very few exceptions.

Question No. 14.—If your silver reserve runs very low, owing to a
Answer No. 14.—For answers, see *Precis*; each station having to

large number of currency Notes being presented for cash, what facilities by rail or road have you for reinforcing the reserve, and to what Department or Treasury would you first apply?

Question No. 15.— Has your Treasury been unable to meet the public demand for Paper Currency in consequence of your indents for notes not having been complied with?

Question No. 16.— If so, what reasons have been assigned for the refusal to comply with your indents.

Question No. 17.— What average value does the Government Gold Mohur bear in the bazars in your neighbourhood?

Question No. 18.— What average value does

answer with regard to its own facilities of communication with others.

Answer No. 15.— Answer generally negative; exceptions very rare.

Answer No. 16.— In the very rare instances of the answers, cause referable to the Accountant General.

Answer No. 17.— At par in many places; above par in many others; below par in a very few.

Answer Nos. 18 and 19.— English Sovereign

the English Sovereign bear in the bazars in your neighbourhood?

Question No. 19.— What average value does the Australian Sovereign bear in the bazars in your neighbourhood?

Question No. 20.— Do you think that the coins abovementioned generally bear a higher value in Mofussil bazars than the Presidency Towns?

Question No. 21.— If so, what is the cause?

Question No. 22.— Are the people fond of gold for the purposes of hoarding and circulation?

Question No. 23.— Would the natives like a Gold Currency?

Question No. 24.— Are gold coins of 15, 10

at par at a certain number of places; above par at very many others;

below par at a very few. Australian Sovereign, but little known; but apparently not taken with so much readiness as the English one.

Answers Nos. 20 and 21.— Answer generally in the affirmative.

Answer No. 22.— Yes, generally for the purpose of hoarding, and merchants for that of circulation or article of commerce.

Answer No. 23.— The affirmative answer may be said to be unanimous.

Answer No. 24.— The affirmative answer

and 5 rupees likely to find more favour in their eyes than notes of like value?

Question No. 25.— Would a Gold Currency help the establishment of a Paper Currency, gold being held as a reserve by traders and others, and the notes passing from hand to hand for circulation, when people become accustomed to them?

Answer No. 25.— Opinions generally affirmative.

Question No. 26.— Would a Gold Currency assist the outlying Treasuries in ensuring the convertibility of the note?

Answer No. 26.— Opinions very generally affirmative.

Question No. 27.— What is the opinion of large shroffs and dealers on Currency? Do they prefer a silver currency alone, or silver and paper as it at present exists, or silver, gold, and paper?

Answer No. 27.— General preference of gold, silver, and paper. Almost unanimous.

Question No. 28.— Does bar gold circulate in your neighbourhood, if so, how is its purity ensured?

Answer No. 28.— Consult *Precis*. Gold circulates apparently as an article of trade in a good many places, but is not treated as money under the existing laws.

Question No. 29.— Are native Gold Mohurs much used by natives as means of currency in your neighbourhood?

Answer No. 29.— Almost unanimous negative.

Question No. 30.— State the names of the Gold Mohurs?

Answer No. 30.— Refer to the *Precis*. Although not much circulated, it is evident from the answers to this question, that the practice of keeping gold as a reserve must be almost universal among all classes just raised above poverty.

Question No. 31.— Do they pass for intrinsic value?

Answer Nos. 31 and 32.— Generally for intrinsic value.

Question No. 32.— Or do they bear an artificial

Note.— This epitome gives the general con-

value according to their respective denominations, or as proceeding from certain Native States?

clusions of the answer to queries addressed to other authorities to whom circulars were sent, as well as to the officers in charge of Treasuries.

7. When it is considered that the answers shown in the epitome are the condensation of the observation and opinions of authorities exercising power or discharging financial duties over every part of British India, the Commission feel justified in the inference that, in some instances, facts have been solidly established, and that in others of important character the unanimity of opinion, as based on personal observation, is a matter of extraordinary significance with respect to the wants of the country, and the manner in which those wants may be met.

8. It thus appears—

I.—That a Government Paper Currency, established under Act XIX of 1861, has been in actual existence since 1st of March 1862.

II.—That some of the circles have been but very recently established ;

III.—That out of the Presidency Towns, the people have not as yet been educated to the point of using a paper Currency ;

IV.—And, therefore, that its apparent failure, as generally deposited to, is not a sufficient reason for despairing of its gradual extension.

9. The Commission have not succeeded in obtaining accurate reports regarding the amount of capital, whether in shares or deposits, now held by the several British Banking Companies which are doing business in the Presidencies and many Mofussil cities in India. The amount of such capital, however, is now very considerable, and, notwithstanding the misfortunes of this year, it has a steady tendency to increase.

10. It is clear that in the great centres of commerce, whether on the seaboard or in the interior, the introduction of a sound and well-regulated system of banking not only familiarizes the people with the use of a Paper Currency but largely promotes the distribution and utilization of capital.

11. As the community learn to appreciate the facilities afforded for conducting business by means of banking accounts, instead of locking up or secreting the money which comes into their possession, the economy both in coin and notes becomes apparent. It is believed that usages based on acquaintance with the European system of banking have taken a considerable hold of the inhabitants of the Presidency Towns, and

that these usages are gradually but slowly spreading throughout the country.

12. The extensive use of cheques, which are adjusted in the accounts of the Banks with one another in a great city, such as Calcutta or Bombay, affords a sufficient illustration of what has been adverted to.

13. The foregoing consideration may perhaps further explain how it comes that, with the vast increase of trade and available capital during the last few years, the demand for Currency Notes in the Presidencies has remained in a *quasi-stationary* condition.

14. It may certainly be said—

I.—That the want of facilities for the encashment of notes, whether in the circles proper, or when the boundary of a circle has been past, is clearly established ;

II.—That this want is a great bar to the utility of the Currency Notes ;

III.—That the want causes the notes to be depreciated at varying rates of discount ;

IV.—That this causes the notes to be practically viewed as commercial paper ;

V.—That the inevitable result in the native mind is not merely a sense of inconvenience, but a mistrust of the notes based on an idea of substantial loss flowing from the use of them.

15. With such facts before them, the Commis-

sion feel considerable hesitation in expressing any further opinion ; the matter concerned being one to be practically dealt with by the Financial Department, whose proper function it is to judge of the feasibility of many of the proposals laid before the Commission. This remark more especially applies to dealing with the cash balances, the feeding of Treasuries, and the precautionary measures to be taken before any of the sweeping changes which seem to commend themselves to the great majority of the authorities consulted, can with safety be adopted.

16. It may, however, perhaps be said that irrespectively of such sweeping changes, certain administrative improvements might take place which would have a beneficial effect. The aim of the Financial Department in the administration of the Act, might be directed less to obtain profit from the Paper Currency, than to devise practical measures for making it, as far as possible, subservient to the requirements and convenience of the public with a view to the introduction of a larger reform.*

17. Thus it might be expedient—

1stly.—To separate the office of Currency Commissioner of a Presidency from the Master-

* See a note from the Commissioner of Cooh Behar, dated 22nd February 1864 ; also communications from Mr. Temple, Chief Commissioner, Central Provinces, conveyed in letters from his Secretary ; also a letter from Mr. Prady, Accountant General of the Punjab, dated 23rd June 1866.

ship of the Mint,—*vide* evidence of Colonel Hyde, Currency Commissioner and Master of the Mint at Calcutta ;

2ndly.—To enjoin the extension of facilities for the encasement of all notes at all Treasuries up to a given small amount, say Rupees 200 ;

3rdly.—To permit Treasuries a larger discretion where this may be done without much chance of loss ;

4thly.—To establish offices of Sub-Issue at such places as may be approved of by local Governments and administrations for the purpose ;

5thly.—To advise Accountants General not to exhibit too great a jealousy of remittances in notes,—*vide* the Memorandum of the Lieutenant-Governor of Bengal on this subject.*

18. It is observed that there is a preponderance of opinion in favour of what is called the "universal note" if readily convertible.

19. The condition, however, of ready convertibility, is the very difficulty with which the Government would have to cope.—

I.—In meeting excessive demands on local Treasuries ;

II.—In arranging for the supply of Teshseels with coin ;

* Many excellent suggestions with regard to the affording of facilities for encasement, may be found among the answers of Collectors and Officers in charge of Treasuries.

III.—In warding off a damaging run for coin on a great centre of issue, of which we have already had experience in Bombay ; and,

IV.—In submitting to loss in consequence of the notes being largely used for remittance ; or, in other words, being made a medium of exchange when a local market might be unfavourable for the purchase of ordinary bills or hoondees.

20. It is obvious that before such a change could be recommended, *viz.*, the introduction of the "universal note," a more detailed study of the subject is required than can be given it by the Commission. They would, therefore, content themselves with the remark that the project, though undoubtedly most difficult of execution, should by no means be dismissed summarily, but should receive the attention due to a very widely-spread opinion which rests, besides on good authority, that in it alone can be found the means of giving reality to a Government Paper Currency in India.*

* *Vide* more especially the arguments of Mr. Temple in favor of the measure ; also the answers of the Collector of North Canara ; also the Report of the Board of Revenue, North-Western Provinces ; also the opinions of the Lieutenant-Governor, North-Western Provinces, conveyed in a letter from the Secretary to Government, North-western Provinces ; also the opinion of Captain Taylor, late Superintendent of Coorg ; also the opinions of the Commissioner of Mysore ; also the opinions of the Commissioner in Sind ; also the opinion of the Dewan of Cochin State ; also Note by Honorable G. N. Taylor.

21. The discussion, which might be thus originated in the Financial Department, would naturally comprehend the best available means of agency for *circulation* as distinguished from the *right of issue*, including the employment of the Banks which has been disregarded in accordance with the orders of the Secretary of State—*vide* Secretary of State's Financial Despatches, 26th March 1860, No. 47, and 16th September 1862, No. 158.

22. With respect to the issue of a 5-Rupce Note, the number of opinions is slightly in favour of it.

23. The preponderance of argument would, however, seem to be against such an issue, in which view the majority of the Commission concurs. Attention is particularly invited to the arguments and opinions of Baboo Ramgopal Ghose on this point.

24. With respect to the introduction of gold, the following points seem to be generally and firmly established:—

1stly.—That gold coins of various descriptions of Mohurs and Sovereigns—English and Australian—although not used as money by the State, are generally at par or above par in price whether in the Presidency Towns or in the cities of the Mofussil;

2dly.—That they are sought for in the Provinces for trading purposes by merchants and bankers, and as a medium of a reserve of wealth by the people at large;

3rdly.—That where gold is below par in price, it happens either because gold is almost practically unknown in the districts concerned, or because the people are too poor to create a demand for it;

4thly.—That the demand for Gold Currency is unanimous throughout the country;

5thly.—That gold coins of 15, 10 and 5 rupees respectively would find more favour in the eyes of the people than notes of like value;

6thly.—That the introduction of gold would facilitate the establishment of the Currency Notes, outlying Treasuries being assisted by such a measure towards the convertibility of the notes; and

7thly.—That the opinion is general, almost unanimous, that the currency should consist of gold, silver, and paper.

25. With such evidence of the general wish of the country before them, the Commission cannot hesitate to express a hope that the Government of India will persevere in the policy which was recommended for the approval of the Secretary of State two years ago* *viz.*, to cause a legal tender

* *Vide* Financial Despatch from Government of India, to Secretary of State, July 14th 1861.

of gold to be a part of the currency arrangements of India, that which is believed to have been erroneous in the original proposal, being modified, however, as hereinafter recommended.

26. The Commission would draw attention to the fact that the price of the Gold Mohur or Government piece of rupees 15, as fixed by Act XVII. of 1835, is as nearly as possible the average market rate of the price of coined gold of the present day.

27. That price, as sanctioned by law in 1835, seems to be the legitimate basis on which to found a gold legal tender coinage for India, consisting of pieces of 10 and 5 rupees respectively—the 10 rupee pieces having the weight of 120 grains, and the 5-rupee piece 60 grains troy—*vide* Section 7, Act XVII of 1835.*

28. The Commission are aware that it is a favourite notion in some quarters to cause the English Sovereign to be issued as the representative of 10 rupees in a legal tender, and this

* Section 7 Act XVII of 1835.—And be it enacted that the undermentioned gold coins only shall henceforth be coined at the mints within the territories of the East India Company:—

First.—A Gold Mohur or 15-rupee piece of the weight of 182 grains troy, and of the following standard, *viz.*—

1-12 or 165 grains of pure gold.

3-12 or 15 grains of alloy.

Second.—A 5-rupee piece equal to a third of a Gold Mohur.

Third.—A 10-rupee piece equal to two-thirds of a Gold Mohur.

Fourth.—A 20-rupee piece or double Gold Mohur, and the three last-mentioned coins, shall be of the same standard with the Gold Mohur, and of proportionate weight.

view received the sanction of the Government of India in 1864 at the instance of Sir C. Trevelyan.

29. But according to the evidence submitted generally to the Commission, the conclusion can hardly now be resisted that the tendency in India is rather to raise a gold coin above par.

30. If the tables of prices* be consulted for past years, the fact is clearly shown that the real par of the Sovereign is somewhat above rupees 10:

31. If this be admitted, and the evidence is such that no doubt can be entertained with regard to the fact, the Commission may perhaps be excused for believing that the Government of India had not the advantage of exact information when it adopted the views imparted to the Secretary of State in 1864.

32. The Commission would therefore venture to suggest that, assuming what is stated with regard to the average value of the Sovereign to be correct, it is apparent that if such a tender, *viz.*, of an English Sovereign at Rs. 10, were affirmed by law, it would be to offer the Sovereign for sale at a price of from 2 to 3 annas less than it can be in general bought for at the ports of importations, or at the average rates in the country at large, that is to say, that with respect

* *Vide* Tables attached to Sir William Mansfield's Minute of August 1864, which was received by Government of India subsequently to its despatch to the Secretary of State in support of Sir Charles Trevelyan's proposals.

to the commodity of gold, with a view to the Gold Currency, a departure is proposed from the principles on which the supply of a commodity to a country is invariably found to rest.

33. It is then clear to all men of business who look to the principles on which alone trade can be carried on, that a trade in gold, with an effectual Gold Currency, could not exist on such terms.

34. Thus it would be impossible for any Mint to buy gold at a less rate than importers can afford to take. And in like manner, having bought gold at given rates, the Mint, in other words, the Government, could not afford to issue the new coins at a rate less than their intrinsic value, in which must be included a moderate seignorage.

35. As a matter of course, the same argument applies to the purchase of Sovereigns coined in the British or Australian mints, the intrinsic value of which is more than 10 rupees or so, nearly equal to that sum as to leave no margin for fluctuation or to pay the expense of mintage.

36. The force of this argument is the more apparent when attention is given to the point that the public debt and all other obligations in India have been contracted in rupees.

37. The practical inferences to be drawn from this statement of facts and reasoning become in-

finitely stronger, when it is recollected that the legal tender of gold will create a new large demand for the commodity; that is to say, by restoring to gold a very considerable part of the functions of money of the State, of which gold is now deprived.

38. It is indeed possible that, under such circumstances, *viz.*, of the restoration to gold of the legal function of money of the realm, the price of it may eventually rise as compared with that of the present day, which received the sanction of the Act of 1835.

39. But it is obvious that the increase of demand cannot occasion a fall in the price of gold, until the country shall have been absolutely flooded with it, the same being accompanied by the partial exclusion of silver from the Currency.

40. But when that shall have taken place, it will be for the legislature of the day to step in and fix the gold coinage on a single standard, by reducing silver to tokens for the payment of small sums, according to the example set by the United States in 1853.*

41. We have, therefore, in the new demand for gold, another powerful reason as above displayed for shunning the attempt to give an arti-

* *Vide* 5 and 6 Chapters of Sir W. Mansfield's Minute on the introduction of a Gold Currency into India dated 8th March 1864; also his minute of August 1864, in answer to Sir Charles Trevelyan's Minute of June 20th, 1864.

ficial depreciation to the metal, by forcing the Sovereign to run for less than it is actually worth.

42. The attempt is simply to ensure the defeat of a Gold Currency.

43. The Commission would again once more glance at the practical impossibility of increasing the public debt, and the obligations of all debtors which have been contracted in the rupee.

44. To raise the value of the rupee, however little, by artificially depreciating its gold representative is simply an act of injustice to all debtors, and a bonus to all creditors, whether of the State or of private parties.

45. As the two tenders, silver and gold, must run *pari passu* for some time to come, such an injustice would rectify itself by the defeat of the gold, and its ejection from the currency—the same resting on the clearest application of commercial principles as above indicated.

46. The Commission would close their Report with the remark that as the original institution of the Paper Currency in 1861 was eminently of a tentative character, extreme caution was observed with respect to the limitation of issues, the organization of circles, and the guardianship of the convertibility of the note.

47. It is, therefore, unreasonable in the extreme to expect large and perfect results from what has hitherto been but an experiment. Ne-

vertheless it is impossible not to observe that the universally unfavorable testimony is in truth founded on the expectation of a perfect and absolute success, which, with regard to the original arrangements and the nature of things and of native society in general, could not in fairness be looked for.

48. On the other hand, as shown in the body of this Report and the mass of evidence given in the addenda, the time had fully arrived for the review of the results of the experiment, and the application of such improvements or reforms as may be deemed expedient for the development of the Paper Currency which, amidst the demands of advancing commerce, has come to be a necessity for the people of the country.

(Signed) W. R. MANSFIELD,
 ,, H. S. MAINE,
 ,, W. GREY,
 ,, D. COWIE,
 ,, G. ROSS,
 ,, E. H. LUSHINGTON,
 ,, G. DICKSON,
 ,, W. HALFORD.

Simla, the 4th October 1866.

**Telegraphic and Postal Communication between
 India and England.**

The petition of the merchants of Calcutta to the House of Commons, praying for the appoint-

ment of a Select Committee of the House to enquire into the system of conducting the telegraphic and postal service between India and England, was presented on the 22nd of March, and ordered to be referred to the Committee which had been appointed to consider these matters: and about the end of July the Select Committee published their report, which contained the following recommendations:—

AS REGARDS THE POSTAL QUESTION.

1. That, while it has not been expedient hitherto to add to the expense of the postal communications with India, by establishing a more frequent service to Bombay, in addition to the existing services to Madras and Calcutta, yet having regard to the facilities already afforded by the railways under construction in India, and to the prospect of the early completion of the main lines of communication connecting the port of Bombay with the Presidencies of Calcutta and Madras, the North-West Provinces, and the Punjab, the time has arrived when tenders should be invited for a weekly service to Bombay alone, and the separate postal service between this country and Madras and Calcutta should be discontinued.

2. That such service should be on the footing of an express service, entirely unconnected, to the eastward of Suez, with any other mail services.

3. That the tenders should be either for the entire service to and from Bombay, or for the sections to the east and west of Egypt separately, the parties having the option to tender for either weekly or fortnightly services.

4. That the time table should be based on a prescribed speed of not less than 11 nautical miles per hour on the voyage between Marseilles and Alexandria, and 10 miles per hour between Suez and Bombay; but that the tenders be required to state also terms in each case for higher rates of speed of not less than one additional half mile per hour.

5. That in consideration of the outlay which must necessarily be incurred in the construction of new vessels, or adapting those now employed, for the efficient performance of the future service to India, it is expedient that the new contract shall be for a term of years certain, subject to a subsequent notice of two years on either side.

6. That Her Majesty's Government should take into their early consideration the arrangements to be made, in consequence of the proposed separation of the Indian service, for maintaining a fortnightly or half-monthly service to China, and a monthly or four-weekly service to Australia, having regard to any facilities which may be afforded by the monthly service to China now performed by the Messageries Imperiales from Marseilles.

7. That, in the opinion of your Committee, the arrangements under which India now defrays a moiety of the net cost of the China service, after deducting the postal receipts, will not, under the proposed arrangements, be equitable as regards that Government, and should be modified.

AS REGARDS THE TELEGRAPHIC QUESTION.

1. That, having regard to the magnitude of the interests, political, commercial, and social, involved in the connection between this country and India, it is not

expedient that the means of intercommunication by telegraph should be dependent upon any single line, or any single system of wires, in the hands of several foreign governments, and under several distinct responsibilities, however well such services may be conducted as a whole in time of peace.

2. That the establishment of separate lines, entirely or partially independent of the present line through Turkey, is therefore desirable; and, in that view, that means should be taken for improving the condition and facilitating the use of the lines of telegraph which connect the Persian system with Europe, by way of the Georgian lines of the Russian government, and for bringing, if possible, within the Turkish convention the line recently established through Syria for connecting Alexandria with the main line to India at Diarbekir.

3. That with the view to better security against accident in time to come, the communication by way of the Persian Gulf should be doubled, either by the laying of a second submarine cable or by continuing the land line from Kurrahee and Gwadel to Bunder Abbas, and thence, under arrangements with the government of Persia, to Isphan, by way of Kermaun and Yezeid.

4. That a proposition made to your Committee for the establishment of a direct communication between Alexandria and Bombay, by way of Aden, on the principle of a line practically under one management and responsibility, between London and the Indian presidencies in the first instance, and afterwards with China and the Australian colonies, is deserving of serious consideration and such reasonable support as the influence of Her Majesty's Government may be able to bring to its aid.

5. That, considering the great outlay of guaranteed railway capital already incurred in the establishment of the telegraph on the several lines of railway in India, it is expedient that means should be taken for affording the public the utmost benefit attainable from that expenditure, either by the Government of India sanctioning the use of the wires of the companies by a public company willing to rent the privilege on equitable terms, or by such an organisation of the several independent companies as will establish an unity of system, and bring the use of the lines fairly within the reach of the public.

6. That the magnitude of the interests involved in the trade of this country with China and Australia, and the rapidly-increasing development of the colonies in population, in commerce, and in the various elements of national greatness, render it desirable that arrangements should be made to bring these communities within the reach of telegraphic communication with Europe.

It will be seen from the following extracts from correspondence between the Chamber and the Director General of the Post Office that the Government of India are not yet in possession of the decision of Her Majesty's Government regarding the future arrangements for a weekly mail, and that the recent announcement by the Peninsular and Oriental Company has no reference to the Galle route being abandoned, or to the commencement of the change of system the early introduction of which is so urgently called for :

From the Chamber to the Director General.

"The supplement to the Gazette of India dated 17th March 1866 contained a correspondence relative to the

proposed weekly mail service between England and Bombay; and with reference to the recommendations of the Government of India and to the proceedings of the select Committee of the House of Commons in respect of that service, I am desired by the Committee of the Chamber of Commerce to say that it will be satisfactory to them to be made fully acquainted with the decision arrived at by Her Majesty's Government, if it has been communicated by the Secretary of State to the Governor-General in Council, and if His Excellency will permit them to receive it.

"A notice lately issued by the Superintendent of the Peninsular and Oriental Steam Navigation Company informs the public that the company have completed their plans for the carriage of the Indian mails weekly via Bombay, and that the steamers with the mails for England will leave that port on the 2nd, 14th, 19th and 29th of each month, commencing from the 14th January 1867. But that arrangement involves extremely irregular intervals between the departure of each mail packet, and does not appear calculated to promote the postal service as desired by the Government and the public, viz: the despatch of mails *once a week*.

The arrangement will probably be modified, as the dates fixed by the Peninsular and Oriental Steam Navigation Company will not admit of a weekly despatch from Calcutta; and the Chamber of Commerce will be glad to be informed in what light the Government of India regard it, and if it is to be considered as superseding the despatch of mails via Galle".

From the Director General to the Chamber.

"I have to inform you that the decision of Her Majesty's Government in regard to the mail arrangements

between the United Kingdom and India has not yet been communicated.

"The extra steamers, which according to the notice of the Superintendent of the Peninsular and Oriental Steam Navigation Company will be despatched from Suez and from Bombay, will convey mails, but as they will not be under any engagement as to speed or punctuality they cannot be considered as superseding the despatch of mails via Galle".

Bank of Bengal Charter.

Proposal to permit the Bank to issue loans on goods afloat.

On the 26th June the Committee represented to His Excellency the Governor General in Council the very peculiar position of the money market at this Presidency as exercising a most injurious influence on trade in all its branches, and threatening, if it continued, to lead to extensive commercial disaster, a state of things which, in the opinion of the Committee, demanded immediate attention on the part of the Supreme Government.

In the early part of the previous month there was nothing in the position of the money market, or of the trade of this port, to lead to distrust, till intelligence was published of the panic in London, failure of Overend, Gurney and Co., and of other banking and commercial establishments. About the same time very serious failures took place in Bombay, leading to the stoppage of several native

firms here. These events created much anxiety and distrust, specially on the part of buyers of bills on London, but confidence seemed to be gradually returning, when the suspension of the Agra and Masterman's Bank was announced, producing a crisis wholly unprecedented in severity at this Presidency, under the effects of which trade continued paralyzed.

A very large amount of capital, invested in produce purchased for shipment, was locked up, owing to the impossibility of negotiating bills drawn against such produce; the market for exports was thus virtually closed, and also that for tonnage; and though the stagnation in the market for imports was mainly due to other causes, it was indirectly aggravated by the collapse of the market for bills of exchange.

Hitherto the great medium for negotiation of bills on foreign countries had been the exchange Banks; as a rule they were the buyers of document bills, private buyers preferring the greater security of bills of the local banks, or bills drawn under letters of credit from London. At the beginning of May there were upwards of ten of these Banks, amongst which a market for bills could invariably be found; but after the middle of the following month it may be said that only two of them were buyers, and that only to a very

limited extent; and so extreme was the caution exercised by these, as well as private buyers, that not only document bills of unquestionable security, but even credit bills of the highest class, proved wholly unnegotiable.

Under these circumstances, and apprehending very serious consequences should the distress continue, the Committee urged upon His Excellency the Governor General in Council the pressing necessity of action on the part of Government, of a kind which would bring immediate relief to the market from the only quarter whence it was then possible to obtain it, and without prejudice to any existing interest.

They drew attention to the very large balance of cash held by the Bank of Bengal, amounting to 162 lakhs, and suggested that the Directors be empowered, as a temporary arrangement, to make advances upon shipping documents, for such periods and under such precautions, as they deemed necessary for the protection of the interests of the Bank.

The Committee were informed that their application had been carefully considered, in conjunction with a communication on the subject subsequently received from the Bank of Bengal, and that in the opinion of the Governor General in Council the circumstances did not appear to

be sufficiently urgent to warrant the exceptional interposition of Government in the manner proposed.

East Indian Railway.

In their last report the Committee referred to the action taken by the Government and the Railway authorities and the Chamber, relative to the block of traffic on the East Indian Railway; and copies of the resolutions adopted at a special general meeting of the Chamber held on 4th April were forwarded to the proper quarters.

On this occasion the Committee have to submit for the consideration and approval of the Chamber a representation which they made to the Board of Agency on a point of material interest and importance: and as the matter will be best described by the letters which the Committee addressed to the Chairman, they place the correspondence before you:—

BENGAL CHAMBER OF COMMERCE,

Calcutta, 25th September 1866.

EDWARD PALMER, Esq.,

Chairman of the Board of Agency,

East India Railway,

Calcutta.

SIR,—I am desired by the Committee of the Chamber of Commerce to address you in reference to the greatly

enhanced rate of freight to be charged for the conveyance of cotton by the East Indian Railway after the 1st proximo according to the notice published by the Board under date 28th July last.

2. Hitherto freight has been charged according to weight only, and cotton has been carried from Delhi to Howrah at Rs. 2-6-2 per maund for well screwed, and 3-5 per maund for half screwed bales; but it is notified that henceforth, from the 1st proximo, freight will be charged according to measurement only, at the maximum rate of Rs. 59-6 per ton of 50 cubic feet from Delhi to Howrah, or about Rs. 3-11 per maund on well screwed bales, weighing say 3½ maunds each, and measuring say 11 cubic feet each bale, and about Rs. 6-10 per maund on half screwed bales, weighing say 3½ maunds each, and measuring say 20 cubic feet each bale.

3. From 1st proximo therefore the rate of freight between Delhi and Howrah (and proportionally for intermediate distances) will be enhanced by rupee 1-4-10 per maund on well screwed, and Rs. 3-5 per maund on half screwed bales; and as the great bulk of the cotton is unavoidably brought forward in that state, the latter rate will amount to an increase of 100 per cent. on the freight hitherto charged, and the Board can scarcely be surprised to learn that the mercantile community is not prepared to accept without remonstrance this excessive addition to the cost of bringing from the interior to the sea board an article the trade in which has now assumed such very great importance to this Presidency.

4. Had the increase of freight been extended to other produce besides cotton, it would have been rea-

dily concluded that the existing rates of freight had been found unprofitable, and that some enhancement of these had become absolutely necessary in order to protect the East Indian Railway Company from loss—but, seeing that the increase is limited to cotton only, remembering the block of traffic on the line in each of the two last cotton seasons, and considering how unequal the line is even now to bring forward all the cotton which may be offered for transport by it, should the value of the article in the English market rise as high as it did last winter, the Committee can arrive at no other conclusion than that the enhanced rate has been designedly adopted as a prohibitive one, in order to prevent thereby, if possible, more cotton being brought forward to the stations in the interior for transport to this city, than the line can provide accommodation for.

5. If the Committee is correct in this supposition, I am desired to state respectfully that in their opinion the mercantile community has a right to question the justice no less than the policy of the measure now under notice, and in the interests of the public to protest against it.

6. As to the policy of the measure, the Committee would remind you that the proposed increase of freight, say 3-5 per maund on the bulk of the crop, is equal to a tax of nearly 19 per cent. on cotton brought from Delhi to Calcutta at the present market value of good fair, say 18 per maund. They believe that should cotton rise again to the very high prices which it has fetched within the last few years, this tax will prove of no avail in preventing such a demand for Railway carriage as will again block up the line; but that, should prices continue at about their late average, which is not impro-

vable, the proposed increase in Railway freight will certainly drive those interested in the cotton trade, to return to the old modes of transit for this article by road and river and to abandon the Railway altogether.

7. Were such a result to effect no interests other than those of the shareholders, the Committee of the Chamber of Commerce might leave it to them to pronounce upon the policy of a measure so likely to bring it about as the one now complained of; but when it is remembered that, even by the cheapest modes of transit on road and river, cotton cannot be brought down from the producing districts except at a cost considerably in excess of that at which the Railway has hitherto carried it, that it has become a staple of trade in this Presidency of very great value to masses of the people, and which should be encouraged by every legitimate means; and that, in return for a monopoly of traffic with many other valuable privileges accorded to it, the public has a right to expect from the East Indian Railway Company that every branch of the trade of the country shall receive its fair share of the advantages to be derived from the presence of the Railway; the Committee consider that the policy which tends to impose undue restrictions upon any single branch of that trade (more specially such an important one as that of the cotton interest) is one, respecting which the public have a right to be consulted, and to express an opinion.

8. But the Committee consider that the measure proposed is most unjust in principle as well as impolitic. They cannot see why the grower of cotton in the upper provinces should not be allowed to forward it

to Calcutta by rail on terms as favourable (having due regard to weight and bulk) as those on which his neighbour forwards seed, or why the exporter of cotton from the Presidency should be required to pay so much more for its carriage from the interior to the sea board than the exporter of the same article from Madras or Bombay is understood to pay for carriage in these Presidencies, merely because the East Indian Railway Company declines to carry it at the ordinary rate for goods of its class. The measure will impose upon the cotton trade of Bengal an arbitrary restriction which the Committee deem to be wholly unwarranted by the circumstances.

9. While the Committee fully admit that the Board will have very great difficulties to contend with in providing for the cotton traffic should it prove as large next season as it did last season, and allow that in order to prevent the recurrence of a block on the line with all its serious consequences; every legitimate precaution should be adopted beforehand. They are of opinion that, if the Board has reason to believe that the line cannot adequately meet the demands which may be made upon its resource by the cotton traders, the fairest course to the latter will be not to levy a prohibitive freight on the article as is intended, but to give notice throughout the cotton-producing districts that, as the Company cannot undertake to carry all the cotton which may be offered for transport, the parties bringing it to the railway stations must accept the risk of finding neither accommodation nor carriage for it at the stations. The Committee believe that notices to this effect in the vernacular widely circulated throughout the country would tend

largely to prevent accumulations of cotton on the line, while it would leave no cause of complaint against the railway authorities on the part of the public for not giving proper warning as to the capabilities of the line.

10. In conclusion I am desired to express the earnest hope of the Committee that the Board of Agency will see the propriety of cancelling its notification of 25th July in consideration of the very grave objections to it urged by the Committee on the part of the mercantile community of this city.

I have the honor to be,

Sir,

Your most obedient servant,

H. W. I. WOOD,

Secretary.

No. 2879.

BOARD OF AGENCY,
EAST INDIAN RAILWAY.

Calcutta, 4th October 1866.

FROM

THE BOARD OF AGENCY,

East Indian Railway Company.

TO

THE SECRETARY, CHAMBER OF COMMERCE,

Calcutta.

SIR,—In reply to your letter of the 25th ultimo, I beg to state that the Board of Agency regret the Chamber of Commerce should imagine that they wish to prevent or impede the transport of cotton, the carriage of

which is remunerative to the Railway Company, and the supply of which has become almost necessary to the existence of a large class of the people of England. It is the earnest desire of the Agency to facilitate by every means in their power the transport of this important article. They believe, that the substitution of measurement for weight (if it should have the effect of excluding loose and half screwed cotton) will nearly double the power of the railway as regards the carriage of this produce. This change manifestly must be most beneficial to the public, both here and in England, it nevertheless forms one of the grounds of complaint brought forward by the Chamber.

As to the enhanced rate to which the Chamber of Commerce object the Agency would fall in their duty to the shareholders, to the investment of whose capital this branch of trade almost entirely owes its existence, if they did not claim for them a fair participation in its profits and they feel satisfied that the rate now charged is not excessive, because after the payment of that rate and all other present charges, cotton can be delivered in England so as to leave a fair profit to the trader.

It is to be regretted that the Chamber of Commerce did not make the Agency acquainted with their opinion on this subject at an earlier period.

Upwards of two months have elapsed since notice of the increased rate was published, and if it had been in the power of the agency to comply with the wishes of the Chamber, the time allowed for the alteration would not have been sufficient. In the present instance however the Agency, although always most desirous to meet the

views of the mercantile community, are prohibited from doing so by their duty to the shareholders of the Railway.

I have the honor to be,

Sir,

Your obedient servant,

EDWARD PALMER,

Chairman.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 11th October 1866.

EDWARD PALMER, Esq.,

Chairman of the Board of Agency.

East Indian Railway Company.

SIR,—I am desired by the Committee of the Chamber of Commerce to acknowledge receipt of your letter No. 2879 of 4th instant in reply to their representation on the subject of the excessive enhancement of freight on Cotton carried by the E. I. Railway, which was to take effect from 1st instant.

2. The Committee observe that you express a desire on the part of the Agency "to facilitate by every means in their power the transport of this important article" and you state their belief that the "substitution of measurement for weight will nearly double the power of the Railway as regards the carriage of this produce," adding that such a change "manifestly must be most beneficial to the public both here and in England," and yet that it forms one of the grounds of complaint brought forward by the Chamber.

3. The Committee cannot find that their representation on this subject, dated 25th ultimo, contains one word of complaint against the Agency for endeavouring to double the carrying power of the line, and they are surprised to find it attempted to put such a construction upon their remarks. What they did remonstrate against was, not the doubling of the carrying power of the line, but the doubling of the charge for carriage on the great bulk of the cotton likely to be brought to the line for transport to Calcutta, and the increase of about 50 per cent. to the freight on the remainder.

4. Were the alteration to involve no other change than the substitution of measurement for weight, in charging freight on cotton on such terms as to induce the dealers to forward their cotton in well screwed bales whenever practicable, the Committee would hail the measure as one likely to prove of very great value both to the public and to the shareholders; but as they find it coupled with such an enhancement of freight as will, in their belief, compel the majority of dealers to forward their cotton by other modes of transit than by the rail, the Committee on further consideration regret that they cannot withdraw their objections to the system.

5. As your letter seems to admit that its success will depend mainly on the extent to which it may have "the effect of excluding loose and half screwed bales," I am desired to inform you that the enquiries made by the Committee lead them to the conclusion that the difference of freight charged on well screwed, and on half screwed bales, in favor of the former, while offering no advantage whatever to the very large proportion of dealers residing in places where they cannot possibly

get their cotton bales well screwed, will not prove a sufficient inducement to those who can do so, to lead them to forward their cotton in the shape desired, unless when prices in Calcutta are very high; the Committee are therefore of opinion that, in order to give the utmost encouragement to the practice of forwarding cotton in this manner, while an enhanced rate of freight may fairly be charged on loose and half screwed bales, none whatever should be exacted on bales well screwed.

6. The Committee are unable to pass over without

"As to the enhanced rate to which the Chamber of Commerce object, the Agency would fail in their duty to the shareholders to the investment of whose capital this branch of the trade almost entirely owes its existence, if they did not claim for them a fair participation of the profits."

notice the sentence from your letter quoted in the margin. If "this branch of trade" alluded to means the trade in cotton between the North

Western Provinces and Calcutta, the Board of Agency

are singularly misinformed in their belief that its existence is almost entirely owing to the investment in this country of the capital of the shareholders of the East Indian Railway Company, and they are recommended to make further enquiry on this subject. But the Committee observe, with amazement, that the Agency in enhancing the freight on cotton profess to be acting under a sense of their duty to the shareholders to "claim for them a fair proportion of the profits" from this branch of the trade. Though the private trader, whose interests are always liable to suffer by the competition of others, may fairly be allowed to fix his charges for freight, with reference to the market value of the goods offered for carriage, the Committee cannot allow that a Company holding such a monopoly and such privileges as the East Indian Railway Company has any title to

such consideration; and, without pausing to enquire whether the market value of cotton will or will not leave a fair profit to the trader after paying the enhanced rate of freight now charged by the Company, they feel themselves called upon, in the interests of the public at large, to protest in the strongest manner against the right asserted by the Agency to enhance the freight on goods carried by rail whenever the market value of such goods seems likely to prove profitable to the owner.

7. In reference to the regret expressed in your letter that the Chamber of Commerce did not acquaint the Agency with their opinion on the subject at an earlier date, I am to add that the delay is owing to the desire felt by the Committee not to move in it till thoroughly satisfied that their doing so was in accordance with the views of that portion of the mercantile community which is chiefly interested in the cotton trade; and in reference to the concluding para. of your letter the Committee are unable to understand why an alteration in the new scale of charges should not be adopted after very short notice if the Agency desire it. But as you state that they are prohibited from meeting the views of the mercantile community on this subject by their duty to the shareholders of the railway, the Committee feel that nothing is now left for them but to submit this correspondence for the information of Government, and without delay.

I have the honor to be,
 Sir,
 Your most obedient servant,
 H. W. I. WOOD,
Secretary.

The Committee forwarded copies of this correspondence to the Government of Bengal and received the following reply:

No. 2689G.

FROM

THE JOINT SECY. TO GOVT. OF BENGAL,
 P. W. D. RAILWAY BRANCH,

TO

THE SECY. CHAMBER OF COMMERCE,

Fort William, 28th November 1866.

SIR,—I have the honor to acknowledge the receipt of your letter dated the 11th October 1866 on the subject of the greatly enhanced rate of freight charged by the East Indian Railway Company for the conveyance of cotton from the 1st instant which has been transferred to this office for disposal, and to state that the correspondence forwarded has been duly submitted to the Lieutenant Governor.

I have the honor to be,

Sir,

Your most obedient servant,

H. TAYLOR, CAPTAIN, R. E.,

Joint Secretary to Government of Bengal.

The Famine.

The Committee have to record the steps taken by them and the Chamber with regard to the deplorable distress which has so long prevailed in Orissa and other districts of Bengal.

On the 16th May they brought under the special notice of the Governor-General in Council the very grievous scarcity of food in Orissa and other densely populated parts of the country, amounting in some of them to positive famine; and as the condition of the people was understood to be such as to require immediate and abundant relief, the Committee earnestly moved His Excellency to place at the disposal of the Government of Bengal the surplus of the famine fund of 1860-61.

They were informed in reply that orders had already been given to appropriate £20,000 of it towards that relief, and that the necessity of applying a further sum from the same source would be considered in communication with the Lieutenant-Governor.

On the 28th May, the date of the last half yearly meeting of the Chamber, the following resolution was adopted:—

“That the Government of India be requested to publish an account of the sums received by it as balances of funds raised for relief of the sufferers by the famine of 1860, in the North-West Provinces, and expended therefrom; and that, in the opinion of this meeting, the arrangements for disbursement of the remainder towards relief of the sufferers by the famine now existing in Orissa, and by the scarcity, verging upon famine, which prevails in several other districts, should be placed without delay in the hands of a special Committee of gentle-

men, official and non-official, including leading members of the native community.”

Copies of this resolution were immediately despatched to the Government of India and the Government of Bengal.

The Lieutenant-Governor replied that “as the funds which have been placed at the disposal of this Government from the balance of the North-Western Provinces Famine Relief Fund are in course of distribution by the Board of Revenue to Local Relief Committees and in advances for the purchase of cargoes of rice for importation into Orissa under instructions which have already been issued, and as great hopes are entertained that it will not be necessary to make any further appeal to public charity, there would not in the Lieutenant-Governor's opinion be any thing at present for a Central Relief Committee to do. The Board of Revenue have been instructed to publish weekly reports of their proceedings in order that the public may be informed of the manner in which these funds are administered, and should it unfortunately be necessary to seek fresh contributions from the public for the districts suffering from scarcity of grain, His Honor will gladly avail himself of the assistance of a special committee as suggested by the Chamber of Commerce.”

On the 8th June the Committee telegraphed the following messages :—

To Government of India.

"Accounts of famine in Orissa and other districts most appalling. Committee of Chamber of Commerce entreat that the balance of famine fund in hands of Government may be immediately released for purchase of rice. At present crisis no appeal to public is likely to be successful. They urge that orders be sent by telegram."

To Government of Bengal.

"Committee of Chamber of Commerce urge that balance of famine fund may be immediately released for purchase of rice for Orissa and other places; famine appalling in Orissa, and steadily approaching elsewhere. No appeal to public likely to succeed at present crisis, or while Government holds any balance of famine fund."

On receipt of the former the Governor-General replied :—

"The entire balance of the North-West Famine Fund has been placed at the disposal of the Lieutenant Governor of Bengal for the relief of the existing distress in Orissa and Bengal."

On the 14th June the Committee sent the following reply to the letter of the Government of Bengal :—

"The Committee have learned with much satisfaction by a telegram from the Secretary to the Government of India that the Governor-General in Council had directed the entire balance of the former relief fund to be placed at the disposal of the Lieutenant-Governor, and they

trust that with this addition to the means previously lodged in his hands His Honor will be able to cover a large area of distress and extend material relief to the destitute people.

But as the character and extent of the distress, which it is the duty and anxious desire of all to mitigate to the utmost, do not appear to be sufficiently defined to enable the Chamber of Commerce to arrive at the conclusion that further assistance will *not* be needed, and as official reports and private advices vary materially as to the intensity of distress and its probable continuance, the Committee are of opinion that it is extremely desirable to appoint a special Committee in Calcutta without delay."

The Committee's letter was thus acknowledged :—

"I am directed to acknowledge the receipt of your letter No. ——— dated the 14th ultimo, received on the 2nd instant, and in reply to say that the Lieutenant Governor does not see what grounds the Chamber of Commerce have for supposing that a Central Relief Committee appointed by Government would have any better means of information regarding the character and extent of the distress which at present exists in Orissa and other districts in the Lower Provinces than Government now has at its disposal.

2. His Honor adheres to the opinion expressed in my previous letter No. 899T, dated the 6th June last. If it is necessary to raise fresh funds, the Lieutenant-Governor will, as he said before, avail himself of the services of a Central Committee. At present the expenditure is being carried on by means of advances from

the general revenues of the country, for the proper administration of which Government is and must be responsible.

On the 6th August the Committee proposed that a public meeting should be called for the consideration of measures necessary for the relief of the sufferers; thousands were flocking to Calcutta, and it was essential that steps should be taken without delay to provide shelter, food, and clothing for the unfortunate men, women, and children who were appealing at our very doors for help.

The result of the Committee's action was that, on the usual requisition to the Sheriff, a public meeting was held at the Town Hall on the 13th idem, when a Committee was appointed with the view of raising a public subscription and devising the best means of affording relief.

Revision of the Tariff, and transfer to the free list of articles of petty value and yielding little or no revenue.

The Committee appointed by Government in March last to consider these subjects have not yet been able to submit their report, but as soon as it has been communicated to the Chamber members will be made acquainted with the recommendations of the Committee.

Duty on old Copper.

It having been represented to the Chamber that the Collector of Customs levied a duty of $7\frac{1}{2}$ per cent. on old copper stripped off vessels originally metalled at this port, the same copper having already paid duty in Calcutta, and that the duty was levied under the sanction of some order of Government, the Committee communicated with the Government of Bengal, as they failed to perceive the justice or legality of such a tax; the Customs Act made no provision that any article on which duty had once been paid should be subject to its re-imposition, and the proceeding of the Collector, though fortified by an order of Government, appeared to be opposed to the law.

The Committee therefore placed this matter before the Lieutenant-Governor with their application that he would be pleased to direct the revocation of any departmental order which authorised the levy of duty in the manner represented, and a refund of duties so levied.

His Honor, having referred the question to the Board of Revenue for report, directed that where it could be proved that the ship from which the old copper had been removed was last coppered in this country, it might be assumed for the purposes of the Custom House that the copper had

already paid duty, and it might be allowed re-impotation as old copper free of duty.

Deposit of Government Paper as Security for Customs Duties.

The Committee's proposition that the Collector of Customs should be authorised to receive in deposit, from importers and others, Government paper as security for duties, with the view of accelerating the clearance of goods from the Custom House, was fully explained in their last report.

The Lieutenant-Governor was pleased to express his approval of the proposed arrangement, but at the same time attached a condition so singularly unusual that the Committee were under the necessity of referring the matter for His Honor's reconsideration.

The condition was conveyed in these words :—

The Lieutenant Governor is pleased to sanction the arrangement temporarily on the condition that the firms enjoying the privilege of clearance on deposit will guarantee any extra expense involved in an arrangement made entirely for their convenience, if it is found, after a fair trial, that an extra clerk is required for the purpose of keeping the deposit accounts.

While the Committee admitted that their proposition involved an undoubted convenience to

parties transacting business at the Custom House, they pointed out that the interests of Government would be equally served, and that by the deposit of paper in the hands of the Collector the security for payment of duty would be so perfect as to enable that officer to modify the existing system with positive advantage to Government; it therefore seemed scarcely equitable that the wages of a clerk employed for a special purpose, the convenience of which would be felt alike by the Government and the public, should be paid by the latter. The Committee at the same time brought to notice that in Bombay, where the plan worked so well, merchants were not subject to the charge which it was proposed to levy here; and they submitted that the trade of Calcutta, weighted as it was with excessive imposts, yielded a revenue which was well able to bear the wages of an additional Custom House clerk.

Having received no reply to their second representation, and as they were disappointed with the answer given by the Board of Revenue to their inquiry, they, again addressed the Government of Bengal. The correspondence is subjoined, and the Committee have the satisfaction to report that His Honor the Lieutenant Governor has been pleased to authorise the withdrawal of the condition to which they objected.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 30th November 1866.

THE HON'BLE A. EDEN,

Secretary to the Government of Bengal.

SIR,—In submitting the accompanying copy of correspondence relative to the deposit of Government Paper as security for customs duties as proposed in my letter of 2nd March last, I am directed by the Committee of the Chamber of Commerce to renew their application for the privilege referred to.

The Lieutenant-Governor was pleased to admit the reasonableness and expediency of the Committee's suggestion and to sanction the arrangement temporarily; but a condition was attached with which, as pointed out in my letter of the 9th June, the Chamber of Commerce was unable to comply.

The Committee recommended the measure as one of convenience both to Government and parties who might desire to adopt it; and I am to repeat that whatever arrangement tends to expedite business at the Custom House directly affects the interest of the former; and that in the instance under consideration the convenience of the public service would be promoted just as much as, if not more than, the convenience of those who might avail themselves of the privilege applied for.

The Committee have already stated that the system of depositing Government paper for duties payable in Bombay, where it originated and works so well, involves no additional charge to merchants who resort to it; and they trust His Honor will, on a review of their represen-

tation, be pleased to withdraw the condition which accompanied his approval of the Chamber's proposition.

I have the honor to be,

Sir,

Your most obedient servant,

H. W. I. WOOD,

Secretary.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 4th October 1866.

J. A. CRAWFORD, Esq.,

Collector of Customs.

SIR,—The Committee of the Chamber of Commerce direct me to request you will be so good as to state the result of the arrangement sanctioned by the Government of Bengal and communicated in its letter to the Board of Revenue No. 613 T of 19th May last, relative to the deposit of Government Promissory Notes for Customs duty as proposed by the Chamber in their letter of 2nd March 1866.

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 1618.

FROM

R. L. MANGLES, Esq.,

Junior Secretary to the Board of Revenue, L.P.,

TO

THE SECRETARY TO THE BENGAL CHAMBER OF
COMMERCE,*Dated, Fort William, the 30th October 1866.*Customs.
A. Grote, Esq.

SIR,—With advertence to your letter to the address of the Collector of Customs, Calcutta, dated the 4th instant, I am directed to state that, since the receipt of the Government instructions referred to, the Collector has been prepared to accept deposits for duty on goods under clearance from the Custom House, but no such tender appears as yet to have been made to him in any case.

2. I am directed to suggest that in all such matters as the present, which affect the interests of the whole mercantile community, the Board, as chief Customs Authority (instead of the Collector) may be addressed.

I have the honor to be, &c.,

R. L. MANGLES,

Junior Secretary.

BENGAL CHAMBER OF COMMERCE,
Calcutta, 7th November 1866.

R. L. MANGLES, Esq.,

Junior Secretary to the Board of Revenue.

SIR,—I am directed to acknowledge the receipt of

your letter No. 1618 of the 30th ultimo, and to state that the Committee of the Chamber of Commerce believe that tenders to deposit Government Paper as security for duty would have been made if the Board of Revenue or the Collector of Customs had intimated by an official notification that such deposit for such purpose would be received: and they trust a notice to that effect may yet be given to the mercantile community so that they may avail themselves of the proposed plan if they desire it.

As no further allusion has been made to the condition on which the arrangement received the sanction of the Government of Bengal, the Committee request you will be so good as to inform them if they rightly understand that the purpose of making a separate charge for covering the additional establishment has been withdrawn?

I have the honor to be, &c.,

H. W. I. WOOD,

Secretary.

No. 1767.

FROM

R. L. MANGLES, Esq.,

Junior Secretary to the Board of Revenue, L.P.,

TO

THE SECRETARY TO CHAMBER OF COMMERCE,

*Dated, Fort William, the 13th November 1866.*Customs.
V. H. Schindler, Esq.

SIR,—With reference to your letter, dated the 7th instant, I am directed to forward herewith for the

Chamber's information copy of a letter this day addressed to the Collector of Customs, Calcutta.

2. The orders* of Government, in respect of any

* Extract para 4 from Government letter No. 411 F dated the 19th May 1866.
 "The Lieutenant-Governor is pleased to sanction the arrangement temporarily, on the condition that the firms enjoying the privilege of clearance on deposit will guarantee any extra expense involved in an arrangement made entirely for their convenience, if it is found after a fair trial, that an extra clerk is required for the purpose of keeping the deposit accounts."

extra expense which the arrangement for clearing goods on deposit of security may involve, are noted in the margin, and on the condition originally prescribed the privilege can alone be granted.

I have the honor to be,
 Sir,

Your most obedient servant,

R. L. MANGLES,

Junior Secretary.

No. 1766.

FROM

R. L. MANGLES, Esq.,

Junior Secretary to the Board

of Revenue, L. P.,

TO

THE COLLECTOR OF CUSTOMS, CALCUTTA,

Dated, Fort William, the 13th November 1866.

Customs,
 v. H. Schlich, Esq.,

SIR,—Referring to your letter No. 340, dated the 5th October last, I am directed to forward herewith copy of the correspondence noted in the margin*

* To Secretary Chamber of Commerce, dated 26th October 1866.
 No. 4048.

From ditto ditto 7th November,
 To ditto ditto of this date,
 No. 1147.

and to request that you will lose no time in preparing and submitting for the Board's approval a draft notification, as suggested in the letter of the Secretary to the Chamber of Commerce.

I have, &c.,

(Sd.) R. L. MANGLES,

Junior Secretary.

No. 3309.

FROM S. C. BAYLEY, Esq.,

Junior Secretary to the Government of Bengal.

TO THE SECY. TO THE BENGAL CHAMBER OF
 COMMERCE.

Fort William, the 14th December 1866.

Customs.

SIR,—I am directed to acknowledge the receipt of your letter No.—, dated the 30th ultimo, and in reply to state that the Lieutenant-Governor is pleased, in compliance with the request of the

Chamber, to authorise the withdrawal of the condition* under which the plan originally proposed by them of depositing Government Promissory Notes as Security for Customs duty, was sanctioned.

I have the honor to be,

Sir,

Your most obedient servant,

S. C. BAYLEY,

Junior Secretary to the Government of Bengal.

Adhesive Stamps.

The Board of Revenue having called upon the Committee for their opinion of the working of the plan of using special adhesive stamps, the following reply was submitted :—

“How far the experimental trial of that plan has succeeded in checking fraud—to which end it appears to have been primarily directed—it is not in the power of the Committee to report; but the scheme presented a fair and reasonable prospect of protecting the revenue against fraud; and the Collector, with whom it originated, will be able probably to state his experience of its working in that respect.

“The Committee believe however that the adoption of the change has been attended with convenience to the public in all cases where the application of adhesive stamps and their defacement by the cold steel die in the Collector's Office has been resorted to in preference to impressment by steam machinery in the Superintendent's Office.

“The latter process is manifestly more expeditious, and consequently more convenient, where a number of papers are required simultaneously, bearing stamps of one denomination of value, bank cheques and bills of lading, for instance;—but where single documents or a set of documents

require to be stamped,—a set of bills of exchange or of policies of insurance for example—the affixing of adhesive stamps and defacing them by the hand press is unquestionably an improvement, as the operation need not involve a detention of more than a few minutes, and the saving of time to applicants is a strong recommendation in its favor.

“While the Committee therefore are inclined to appreciate the merits of the system on trial, they would again urge upon the Board's attention the point which they have frequently pressed in previous correspondence, and the importance of which they feel to be sufficient ground for their assertion that, unless that point is yielded for the convenience of trade, the business operations of the mercantile community will find no relief from any system however well it may be found to work for the convenience of Government, or as a preventive of fraud against the revenue. The concession for which the Committee now renew their application is simply that, in respect of all bills of exchange, letters of credit, policies of insurance, charter parties and other contracts, and generally documents in ordinary commercial use, which the law requires to be stamped, the issuer of such documents shall have the power of affixing adhesive stamps thereon subject to the provisions of Section VIII. of Act X. of 1862.

"The Committee have no doubt whatever that the convenience of trade would be materially promoted if the cancellation of stamps as proposed were sanctioned by the Government of India, and if the use of adhesive stamps or having stamps impressed were left altogether optional to the mercantile community."

This letter has not yet been acknowledged.

**Time allowed for Application for refund of
Export Duty.**

The 132nd Section of the Consolidated Customs Act provides that "upon an application being made to the officer in charge of the Custom House, the duty levied upon goods not shipped, or upon goods shipped and afterwards relanded, shall be returned to the person on whose behalf such duty was paid. Provided that no such refund shall be allowed unless application to reland shall have been made, or notice of non-shipment shall have been given, before the vessel on which such goods were intended to be shipped, or from which they were relanded, shall have left the port."

With reference to the stipulation contained in the concluding clause, the Committee represented to the Government of Bengal that the object of the first clause might be defeated if the unreasonably strict provision of the latter was observed, and proposed that *three clear working days*

after a vessel's departure should be allowed instead of the time fixed by the Act.

The Committee did not object to the principle of the proviso, which was introduced probably in the belief that before a vessel left the port her agents had plenty of time to comply with all necessary formalities; formerly this may have been the case, but it was not so at the present time.

As a rule ships are now dispatched with as little delay as possible after clearance at the Custom House. Having secured a pilot and engaged a steamer to tow her to sea a vessel starts at a very early hour the day after she clears, and is half way down the river before a shipper can be aware that a portion of his goods has been shut out.

A master of a vessel may engage to take on board more than he finds at the last moment the ship can carry, and is unable to receive a portion of the cargo with which he clears out: but his ship cannot be detained, and the vessel leaves the port before application for reland of short shipment can be made within the period limited by the Act.

The only mode of removing the difficulty, inconvenience, loss and hardship to the shipper which attend the strict observance of the law is by

extending the time within which application to reland may be made and notice of non-shipment given. Three clear working days after a vessel has left the port would not be an unreasonable time, and the Committee trusted the Lieutenant-Governor would approve of their recommendation and give effect to it by directing the Collector to relax Section 132 to that extent.

In reply to this reference the Committee were informed that the Lieutenant-Governor concurred with the Board of Revenue in thinking that it was not desirable to relax the provisions of the Section; the Board being of opinion that it would be unwise to do so, and that there was no necessity for doing so, it having been found that shippers, as a rule, had no difficulty in conforming to the law, which, though strict, was not by any means oppressive. The Board added that it seldom occurred that parties were refused a refund owing to a breach on their part of the provisions of the law, while the probabilities were that any relaxation of the law would be attended, as is too frequently the case, with greater if not corresponding neglect on the part of shippers.

As the Committee are not inclined to yield the point that the opinion of the Board should outweigh their recommendation of a very reasonable concession, they have invited His Honor the

Lieutenant-Governor to re-consider the question, which they have again submitted, with a reply to the Board's report, in the following letter :—

BENGAL CHAMBER OF COMMERCE.
Calcutta, 7th December 1866.

THE HON'BLE A. EDEN,

Secretary to the Government of Bengal.

SIR,—Your letter No. 2931 of the 8th ultimo, with its enclosure, has been submitted to the Committee of the Chamber of Commerce, and I am desired to express the regret with which they receive the result of their reference to the Government of Bengal regarding the provisions of Section 132 of the Consolidated Customs Act.

In the report furnished by the Board of Revenue the opinion is recorded that it would be unwise to relax that section, and that there is no necessity whatever for doing so; and the Board endeavour to support that opinion by stating, "it seldom occurs that parties are refused a refund owing to a breach on their part of the provisions of the law, while the probabilities are that any relaxation of the law would be attended, as is too frequently the case, with greater if not corresponding neglect on the part of shippers."

In answer to these remarks I am directed to state that it is at all times the desire of the Chamber of Commerce to see the law upheld in its integrity, and even in its severity, so long as it inflicts no injustice; but the Chamber would fail in its duty if it did not endeavour to obtain an amendment of the law if its operation was found to be attended with even the appearance of oppression.

What the Chamber contends for is not that any infraction of the law should be excused, but that the law should not exact more than can reasonably be performed that while the law properly prescribes sufficiently deterring penalties it should also convey privileges beyond the control of official interpretation and the uncertain results of appeal from subordinate authority.

To the Board's statement that "it seldom occurs that parties are refused a refund" the Committee reply that such occasions should *never* occur, and they could not arise if the provision of the law was not unreasonable.

The section of the Act contains two clauses, one of them conveying a valuable privilege—that is, a merchant can claim a refund of duty paid on goods entered for exportation but not shipped; the other containing a condition which may deprive him of that privilege if he is inadvertently unable to comply with the terms of the Act.

If a merchant satisfies the Government demand for duty in the first instance, and subsequently asks for a refund of the whole or a portion of it, the Government is bound to restore it; but if, by any inadvertence or neglect on the part of himself or of his servants, he oversteps the very narrow limits assigned by the section he may suffer a loss greater in amount perhaps than a penalty which may attach to a wilful transgression of the law.

The Committee have already illustrated how difficulties may arise and suggested a course by which their occurrence may be obviated; and they respectfully invite

His Honor the Lieutenant Governor to reconsider the subject.

I have the honor to be,
Sir,
Your most obedient servant,
H. W. I. WOOD,
Secretary.

To this communication no reply has yet been received.

Bills of Lading.

The Collector of Customs having drawn the Chamber's attention to a notice issued by him requiring the delivery of all bills of lading or copies thereof at the time of a ship's entry, the Committee expressed their inability to understand why the surrender of those documents was called for, and they hoped the Collector would state his reasons for enforcing the 47th Section of the Customs Act, and the circumstances under which the notice was issued.

The Collector replied that he made the demand,—

1st,—because the law empowered him to make it; and

2nd,—because he had found that manifests were not, as a rule, made strictly according to the terms of the bills of lading; and he concluded with the following paragraph:—

"I would beg leave to remark that, in making known my reasons for issuing the notice, I do not admit the authority of the Chamber to question any act of mine which is in accordance with the law; and that in addressing the Chamber on the subject I did so as a mere matter of courtesy, so that a public body like it might give publicity to my notice among its members, and thus prevent their being taken by surprise."

The Committee deemed it their duty to place before the Government of Bengal the Chamber's letter to the Collector and the reply which had been given to it; and the result of their reference was that the step taken by the Collector was disapproved, the Lieutenant-Governor ruling that the discretion of calling for such documents vested in the Collector by section 47 of Act VI. of 1863, was intended to be used only on full and sufficient grounds in any particular case in which he considered it necessary that he should see the bills of lading or copies, and was not intended to permit of a general order, such as that contained in the notice issued by the Collector, for the production of such papers without reference to the merits of the case.

The correspondence on the subject is annexed :
The Hon. Ashley Eden, Secretary to the Government
of Bengal.

SIR,—The Collector of Customs having drawn the

Chamber's attention to the notice issued by him on the 4th instant, which requires the delivery of all bills of lading or copies thereof at the time of a ship's entry, the Committee expressed their inability to understand why the surrender of those documents was called for, and they hoped the Collector would state his reasons for enforcing the 47th Section of the Customs Act, and the circumstances under which the notice was issued.

The Collector replied that he made the demand,—

1st,—because the law empowered him to make it; and
2nd,—because he had found that manifests were not, as a rule, made strictly according to the terms of the bills of lading.

And he concluded with the following paragraph :—

"I would beg leave to remark that, in making known my reasons for issuing the notice, I do not admit the authority of the Chamber to question any act of mine which is in accordance with the law; and that in addressing the Chamber on the subject I did so as a mere matter of courtesy, so that a public body like it might give publicity to my notice among its members and thus prevent their being taken by surprise."

The Committee deem it their duty to bring this matter under the consideration of the Lieutenant Governor; and in placing before his Honor the Chamber's letter to the Collector, and the reply which has been given to it they desire to submit the correspondence with the following remarks :—

1st.—As to the law under which the Collector has the power of calling for a ship's bills of lading or copies thereof.

The 47th Section of the Consolidated Customs Act VI. of 1863 provides, *inter alia*, that "the master or commander of every vessel arriving from any foreign port or place shall, at the time of applying for entry inwards at any port in British India, deliver to the officer in charge at the Custom House, if required so to do, the bill of lading, or a copy thereof, for every part of the cargo laden on board." From this it is quite clear that the collector has the power to demand the delivery of the papers referred to; but it is equally clear that special and peculiar circumstances alone justify the exercise of such power; for while the master or commander is bound to deliver bills of lading if required by the Collector so to do, there is a strongly implied obligation on the Collector that he shall not demand those documents unless a reasonable necessity exists for their production; and that this is the true intent and meaning of the Act is obvious from preceding sections.

Section 33 declares that it shall not be lawful for any ship to pass certain limits within the river or port until a report or manifest containing a true specification of the cargo shall have been delivered to parties authorised to receive the same; and the three following sections further declare under what circumstances such delivery of report or manifest shall be compulsory.

The law thus peremptorily demands delivery of the manifest; its production is a *sine qua non* before a vessel can pass a certain limit, or remain twenty-four hours in port, or break bulk.

Not so, however, with regard to bills of lading; and the provision of the Section is not that those documents shall under all circumstances be produced, but they shall

be produced if the Master or Commander is required to deliver them. The law does not regard their delivery, as it does a ship's manifest, essential to a ship's entry; it certainly gives the officer in charge of the Custom House the power to call for them; but it is as certainly intended that that power shall be employed if a reasonable necessity existed for its exercise, and not if its arbitrary application is prompted by the mere fact of such power being vested in such official.

2ndly.—The Collector states he demands the bills of lading, because he has found that manifests are not, as a rule, made strictly according to their terms.

The Committee receive this statement with much surprise, and cannot but believe that it has been made, inadvertently, in error.

This is the first time any such irregularity has been brought to the Chamber's notice; and the Committee are unable to admit that the practice of presenting imperfectly prepared manifests has at any time existed, or that manifests have not, as a rule, been made strictly according to the terms of bills of lading. A master of a vessel has no other materials for the manifest than his copies of bills of lading; consequently no specification of his cargo as required by law, can be made unless made from the bills of lading which represent that cargo. The manifest is merely a recapitulation in another form of the particulars contained in bills of lading, and, in the absence of any fraudulent intent, it is inconceivable that so simple a process as preparing an abstract of the contents of commonplace papers should be attended with any difficulty, or that the terms of the latter should not be accurately transcribed in the former. Always assuming the absence

of any fraudulent intent, what motive has a master of a vessel to prepare an incorrect manifest? He is well aware that the law provides a penalty for his neglect, and under the 34th Section of the Act, if his report or manifest shall not contain a true specification of all goods imported in his vessel, he is liable to a heavy fine: it is therefore not only his duty but his interest to deliver a manifest strictly according to his bills of lading.

But allowing that instances of irregularity *may* have occurred through carelessness or oversight, the Committee submit that the Collector's demand for the delivery of every ship's bills of lading is an arbitrary exercise of authority; and that it would have been sufficient if, in such instances, notice had been given that a repetition of irregularity would bring the offender within the penal provisions of the Act, as well as a general notice to that effect. As for the delivery of bills of lading *when required*, the Committee think that these documents should not be detained, but returned after the manifest had been compared with them.

Finally, the Collector informs the Committee that he does not admit the authority of the Chamber to question any act of his which is in accordance with the law.

The Chamber's letter to the Collector having been placed before the Lieutenant-Governor, it is scarcely necessary for the Committee to explain that they had no intention whatever of questioning the legality of his proceeding; they simply inquired under what circumstances an unusual enforcement of the law had been made, and they submit that their reference afforded no ground whatever for the gratuitous affront which the Collector's remarks convey.

The Committee, therefore, trust the Lieutenant Govern-

nor will take such notice of the case as he may think it demands, and that His Honor will issue such orders to the Collector as will limit the power vested in him by the 47th Section of the Customs Act to such cases only as may properly require its exercise.

I have, &c.,

H. W. I. WOOD, *Secretary*.

Bengal Chamber of Commerce,

Calcutta, 26th May 1866.

J. A. Crawford, Esq., Collector of Customs.

SIR,—With reference to your notice of the 4th instant, the Committee of the Chamber of Commerce are unable to comprehend the necessity for the delivery of a ship's bills of lading or copies of them at the time of entry.

The manifest being prepared from bills of lading, and repeating in another form the particulars contained in those documents, it is difficult to understand why the latter should be required in addition to the former.

However, if you will oblige the Committee by stating the grounds upon which you desire to enforce Section 47 of the Customs Act, and can satisfy them of the expediency of that measure, they will be glad to be favoured with the circumstances under which your notice was issued.

I have, &c.,

H. W. I. WOOD, *Secretary*.

Bengal Chamber of Commerce,

Calcutta, 16th May 1866.

No. 529,

From J. A. Crawford, Esq., Collector of Customs, Calcutta, to H. W. I. Wood, Esq., Secretary to the Bengal Chamber of Commerce.—Dated 16th May, 1866.

Sir,—I have the honor to acknowledge the receipt of your letter of this day regarding my notice of 4th instant, calling for the delivery of either the bills of lading or copies thereof on first entry of a vessel.

2. In reply to your letter under acknowledgment, I beg to state, that I make this demand.

1st.—Because the law under Section 47, Act VI. of 1863, empowers me to make it.

2nd.—Because I have found that manifests are not, as a rule, made strictly according to the terms of the bills of lading.

3rd.—I would beg leave to remark further that, in making known my reasons for issuing the notice, I do not admit the authority of the Chamber to question any act of mine which is in accordance with the law; and that in addressing the Chamber on the subject, I did so as a mere matter of courtesy, so that a public body like it might give publicity to my notice among its members, and thus prevent their being taken by surprise.

I have, &c.,

J. A. CRAWFORD, Collector of Customs.

No. 1662T.

From the Secretary to the Government of Bengal, to the Junior Secretary to the Board of Revenue, Lower Provinces.—Dated Darjeeling, 22nd August 1866.

Sir,—I am directed to acknowledge the receipt of your

letter No. 833, dated the 28th ultimo, submitting the views of the Board of Revenue on the Notice issued by the Collector of Customs requiring the delivery of bills of lading or copies thereof at the time of a ship's entry at the Custom House.

2. In reply I am to say that the discretion of calling for such documents vested in the Collector by Section 47 of Act VI. of 1863, is intended to be used only on full and sufficient grounds in any particular case, in which he considers it necessary that he should see the bills of lading or copies, and is not intended to permit of a general order, such as that contained in the Notice issued by the Collector, for the production of such papers without reference to the merits of the case,

I have, &c.,

A. EDEN,

Secy. to the Govt. of Bengal.

No. 1663 T.

Copy of the foregoing forwarded to the Bengal Chamber of Commerce in reply to their letter on the subject, dated 26th May last.

A. EDEN,

Secy. to the Govt. of Bengal.

Darjeeling, 22nd August 1866.

Reduction of usance of Bills drawn in India and China on Europe.

At a meeting of the representatives of Indian Banks held in London on the 29th June, it was resolved that the following circular be issued:—

It being considered advisable to shorten the usance of bills drawn in India and China on Europe, the under-

signed hereby give notice that from the 1st January 1867 their Branches and Agencies in the East will only buy and sell bills of exchange at a term not exceeding four months sight.

A copy of the resolution having been sent to this Chamber by the Chairman of that meeting, the subject was submitted for the consideration of members; and on the 28th September the Committee issued a circular of which the following is a copy:—

“With reference to the Resolution adopted at a meeting of Indian Banks in London to shorten the usance of bills drawn in India and China on Europe from six to four months sight after the 1st January 1867, and in order to ascertain the opinions of members of the Chamber on a question of so much interest and importance to the trade of this port, the Committee forwarded a copy of the resolution to each member requesting his written vote for or against it, considering that in this way the sense of the whole Chamber on the subject would be ascertained in a more satisfactory manner than by convening a general meeting of members at which probably there might have been an insufficient attendance.

“The result of the reference is that the members of the Chamber have declared against any alteration of the present six months' sight usance by thirty-nine votes, against thirty-one in favour of the adoption of a four months' sight usance.”

Railway communication between Lahore and Peshawar.

Colonel Elphinstone, Agent for the Punjab Railway,

lately drew the attention of the Punjab Government to the many important advantages that would follow the establishment of railway communication between Lahore and Peshawar, thereby connecting the capital of the Punjab with the extreme frontier station of the Indian empire beyond the Indus.

Colonel Elphinstone proposed a scheme by which these advantages may be secured, and supported his proposition by statistical returns of traffic collected personally with great care and verified by the matured experience of an English merchant long resident in the Punjab, and who has made the commercial resources of the province his constant study for several years.

The cost of constructing the proposed railway was estimated at 5 millions sterling, and the proximate amount of the traffic on that line placed at about £100,000, showing a return of 8 per cent; but that return only represented the result of a minimum amount of traffic, which it was confidently expected would rapidly expand and attain to a measure far exceeding the proportions now assumed, and yield a revenue equal to 10 per cent. on the capital.

Calculating the working expenses at 5 per cent, the estimated minimum traffic would yield a present net return of 3 per cent; but the facilities of railway communication would unquestionably be attended by a progressive development and expansion of trade, its manifold advantages would be felt throughout that country, and an impetus imparted to the commercial industry and enterprise of its population; the prospects therefore of increased traffic and of a corresponding increase of revenue were not unreasonably entertained, and the anticipations

of a net return of 5 per cent. appeared to have a favourable basis.

The scheme thus seemed to contain elements of eventual success, and to deserve all the support that can be given to it by Government.

In a political point of view the importance of speedy communication between Peshawur and the seat of the Punjab Government cannot be overestimated, and the advantages of a rapid conveyance to the frontier of troops and military stores are so strikingly obvious that a reference to them is scarcely necessary: at the same time the construction of the line cannot but result in great commercial advantages, connecting as it would the most distant limits of the empire—the Hooghly with the Indus—and establishing an unbroken line of railway Transit between Calcutta and the North West frontier. By such a route the merchandise of Europe and the production of India would find their way without difficulty into countries where at present they are scarcely known.

All these considerations induced the Committee to recommend Colonel Elphinstone's proposed scheme to the Government of India and they were informed in reply that the subject was receiving the attention of the Governor General in Council.

Detention of Overland Mails.

The Committee have again been under the necessity of addressing Government relative to the unnecessary detention of overland mails: and the correspondence in connection with another instance in which the detention occurred and might have been obviated is given at foot.

The facility with which this public annoyance and inconvenience may be prevented has been exemplified in two recent cases, where, by the exercise of a proper discretion and of the authority given by Government, the mails were sent up several hours in advance of the mail steamers.

BENGAL CHAMBER OF COMMERCE,

Calcutta, 7th August 1866.

E. C. BAYLEY, ESQ.,

Secretary to the Government of India,

Home Department, Simla.

SIR,—The Committee of the Chamber of Commerce desire me to submit for the information of His Excellency the Governor-General in Council another instance in which the overland mails may have been brought up to Calcutta by a River Tug several hours in advance of the mail steamer.

It appears from a statement of the Commander of the *Mary Grant* that he met the mail steamer *Nemesis* at 11 A. M. of the 27th ultimo, close to the Upper Gaspar Light, and signalled; but no notice being taken, passed within thirty or forty yards, and wrote on a board "shall I take mails up for you?", but received no reply,—going dead slow at the time.

At about 1 o'clock the *Nemesis* anchored abreast of Saugor, where the *Mary Grant* also anchored at 4 P. M.

The *Nemesis* did not leave Saugor till $\frac{1}{2}$ past 8 the next morning, and arrived off Garden Reach about 3 P. M.

The mails reached the Post Office at $\frac{1}{2}$ past 4, and letters were delivered between 7 and 8.

If the *Mary Grant's* offer had been accepted the mail boxes might have been transferred at Saugor, and the Tug could have got up to Calcutta by midnight: it was a fine moon light night and the Tug could have come up with the greatest ease: but if her proceeding at night had been objected to, she could at all events have come up as far as Hooghly Point before dark, anchored there for the night and starting at day-break would have delivered the mails at the Post Office by 8 o'clock or before the *Nemesis* left her anchorage at Saugor.

I have, &c.,

H. W. I. WOOD,

Secretary.

No. 3981.

FROM

E. C. BAYLEY, Esq.,

Secretary to the Government of India,

TO

THE SECRETARY TO THE BENGAL
CHAMBER OF COMMERCE

Dated Simla, the 24th August 1866.

Home Department.

SIR,—I am directed to acknowledge the receipt of your letter dated the 7th instant, bringing to notice another instance in which it is alleged that the overland mails might have been brought up to Calcutta by a tug steamer several hours in advance of the mail steamer;

and in reply to state that the case will be enquired into under the orders of the Lieutenant Governor of Bengal.

I have the honor to be,

Sir,

Your most obedient servant,

E. C. BAYLEY,

Secretary to the Government of India.

No. 5257.

FROM

A. M. MONTEATH, Esq.,

Under Secretary to the Government of India,

TO

H. W. I. WOOD, Esq.,

Secretary to the Bengal Chamber of Commerce.

Dated Simla, the 9th October 1866.

Home Department,
Post Office.

SIR,—In continuation of my letter No. 3981, dated the 24th August, I am directed to

forward for the information of the Chamber, the accompanying copy of the communication

noted in the margin,* regarding the alleged detention of the Mails on board the *Nemesis* and to observe that with reference to the terms of the order of the 4th of June 1859, Mr. Revett seems to have exercised a proper discretion on the occasion.

* From Mr. B. K. Revett, Inquest Branch Pilot, to Officiating Master Attendant, dated 5th September 1866.

2. The order of 1859, I am to add, was framed on the assumption, which is believed to be correct, that Tug Steamers will not, any more than larger steamers, run up the river during the night.

I have the honor to be,

Sir,

Your most obedient servant,

A. M. MONTEATH,

Under Secretary to the Government of India.

To

CAPTAIN H. HOWE,

Offy. Master Attendant.

SIR,—I beg to acknowledge receipt of your letter No. 2543, dated 4th instant, forwarding a memo, No. 3977 from the Assistant Secretary to the Government of Bengal, referring to an alleged detention of the mails on board the "Nemesis," and in reply respectfully beg to state the steamer arrived off Saugor on the first quarter of a spring ebb tide in the freshes, and by no possibility could the "Mary Grant" have landed the mails that evening. The circular dated 13th June issued to the officers of the service from your office particularly specifies that the services of a Tug Steamer are to be engaged, provided the steamer will undertake to land the mails on the evening of the day she receives them on board. With reference to the safety of running the mails at night between Saugor and Hooghly Bight I consi-

der it would be running a very great risk, even in a light drafted Tug.

The papers are herewith returned.

I have, &c.,

(Sd.) B. K. REVETT,

Brevet Branch Pilot.

(True Copy.

A. M. MONTEATH,

Under Secretary to the Government of India.

CALCUTTA,
5th September 1866. }

BENGAL CHAMBER OF COMMERCE,

Calcutta, 31st October 1866.

A. M. MONTEATH, ESQ.,

Under Secretary to the Government of India,

Home Department.

Simla.

SIR,—I am desired by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter No. 3237 of the 9th instant, enclosing copy of a letter addressed to the Master Attendant by Mr. Revett in pilotage charge of the mail steamer "Nemesis" on 27th July, on which occasion the overland mail was, as the Committee believed, unnecessarily detained.

It was submitted by the Committee that had the services of the Tug which offered to bring up the mails been availed of, the mails would have reached Calcutta several hours in advance of the "Nemesis" arrival at her moor-

ings: but Mr. Revett states that by no possibility could the "Mary Grant" have landed the mails that evening, points to the order of 1859 as his reason for not engaging that vessel, and considers it would have been incurring a very great risk to convey the mails at night even in a light drafted Tug.

The Committee desire me to repeat, what they have already remarked, that had the services of the Tug been availed of at the time they were offered she would have proceeded up the river sufficiently far that day before night fall to have enabled her to reach Calcutta early the following day. Mr. Revett avoids this point of the case and contents himself by saying that by no possibility could the mails have reached Calcutta the same day, and therefore, in strict compliance with the order, he declined the Tug's offer.

The commander of the Tug contends that he could have reached Calcutta with the greatest ease by midnight, but if her running at night had been prohibited, at all events he would have landed the mails at Calcutta early the next day before the "Nemesis" left her anchorage at Saugor.

Although by a strictly official construction of the terms of the order of 1859 Mr. Revett appears to Government to have exercised a proper discretion, the Committee desire me to mention two recent occasions when the mails were brought up to Calcutta by steam tugs which ran up during the night.

On the 26th August the "Bengal" anchored off Saugor and remained there nearly 24 hours; but the mails were sent up in the tug "Cyclone" which ran up during the night.

And early yesterday morning the Tug "Mercury" landed the mails per "Golconda," having received them overnight at Saugor and run up with them during the night.

Numerous instances could be given by which it could be clearly shewn that where private and personal advantages are involved, difficulties disappear which a timid apprehension of official censure for exceeding official limits sometimes hesitates to remove; and the two cases now specially noticed practically illustrate the fallacy as to the danger and risk of running the mails at night.

I have the honor to be,

Sir,

Your obedient servant,

H. W. I. WOOD,

Secretary.

Proposed introduction of the system of sorting letters on board Mail Steamers.

A memorandum relative to the question of expediting the delivery of mail letters appeared in the local papers last May, the greater part of it being devoted to the proposition to introduce the system of sorting letters on board the mail steamers—as is done on the other side of Suez; and the Committee were of opinion that the sorting of letters, as therein suggested, would be attended with convenience in their delivery.

The other propositions in the memorandum, viz: sending conveyances from Calcutta to Diamond

Harbour, to bring up the mails by land, in the event of the mail steamers being detained, and establishing a branch of the Post Office on the premises of the Peninsular and Oriental Company, did not recommend themselves to the judgment of the Committee, who did not therefore enter into a discussion of them.

The question was referred to the Director General of the Post office, who in reply gave it as his opinion that any system of sorting which could be adopted on board the Calcutta and Suez steamers would not expedite by half an hour the delivery of English letters in Calcutta, while it would expose the correspondence of the country, and especially of the mercantile community, to much risk of being damaged with, as it would remain at the disposal of one or two clerks for a period of three weeks.

The memorandum appeared to him to have been written by a person unacquainted with the subject, and the Director General was satisfied that if the suggestions, as far as he understood them, were carried out, the result would be anything but improvement.

Report of grounding of Vessels.

On the application of the Committee, the Master Attendant has furnished the Chamber with a weekly statement of vessels taking the ground while proceeding to sea.

In July last it was reported that an unusually large number of vessels had grounded in various parts of the river and gone to sea notwithstanding; and as such grounding or stranding might possibly give rise to questions with underwriters the Committee were of opinion that an official record of such accidents should be available, in order that shippers and others might take such steps as they thought necessary for the protection of their property.

The returns are filed by the Chamber and available to any member who may wish to refer to them.

Postal and Telegraph service at Diamond Harbour and Mud Point.

The arrangements made by the Government of Bengal for delivering and receiving letters at Diamond Harbour, and having boats stationed at Mud Point for the conveyance of telegraphic messages, appear sufficient to insure, in these respects, the convenience of inward and outward bound shipping.

Returns of Silver Coinage.

On the recommendation of the Committee the Government of India directed the publication in the Gazette of daily returns of silver tendered to the mint for coinage, the certificates issued, and the amount remaining to be coined at the

end of the week. Although these returns do not embrace all the information applied for, they contain the most material points, and will no doubt be found extremely useful to importers of bullion and merchants generally.

Seceded Members of the Chamber.

The resolution passed at the last general meeting relative to the secession of six firms from the Chamber was communicated to them by the Committee, to whom it would have been a source of much satisfaction if they could have reported that the resolution had resulted in the return of those old members to the Chamber; but they regret that the endeavour which had been made to bring the negotiation to a successful issue failed in its object.

The Committee's letter was replied to as follows:—

CALCUTTA, 30TH MAY 1866.

H. W. I. WOOD, Esq.,

Secretary, Bengal Chamber of Commerce,

DEAR SIR,—We have to acknowledge receipt of your communication of 28th instant addressed to our respective firms, handing copy of a resolution passed at the general meeting of the Chamber as also of the minute therein referred to.

Before replying to the proposal thereby conveyed we deem it necessary to advert for a moment to the previ-

ous unofficial communications out of which it appears to have originated.

Sometimes ago we were invited by requisition of certain members of the then existing Committee in their individual capacity to meet them at an informal conference, at which it was proposed that the Honorable Mr. David Cowie should be present, with the view, if possible, of arranging a basis on which we might rejoin the Chamber as members.

This invitation was frankly responded to by us—because we ourselves entertained any desire to alter our existing position—but solely from respect to the members of the Committee, to Mr. Bullen, the late President, by whom the conference was suggested, and to Mr. Cowie, and because we were willing and anxious to promote, as far as we consistently could, any measure tending to strengthen the harmony and coherence of the mercantile body in Calcutta.

At the conference which ensued the draft of a resolution prepared by Mr. Cowie, identical in its terms with that now submitted, was accepted by us as a basis on which, sinking all minor questions and differences, we were willing to rejoin the Chamber—and, as we understood, it was accepted by the members of the Committee, then present, equally unreservedly. In short, we believed that the arrangements, though necessarily informal, were virtually concluded, so far as we and the Committee were concerned, that the minute would be recorded by the Committee, and that we should re-enter the Chamber at once, subject only to the confirmation of the ensuing general meeting, which, according to the rules, was necessary in point of form.

It appears, however, that the terms of the draft minute were not acceptable to some of the members of the Committee who were not present at the conference—and an amended draft was subsequently circulated amongst us through the intervention of Mr. Cowie. To the tenor of the latter, however, we could not agree—and Mr. Cowie was so advised by Mr. Claud Hamilton Hamilton on our behalf.

At this point we considered that the negotiations were finally closed. We entered upon them originally in the hope and belief that there might be some approach to unanimity between the Committee, the Chamber generally, and ourselves, as to the basis on which we could rejoin; but as the subsequent proceedings indicated a different state of feeling it would not, after that had become apparent, have been our desire to return to the Chamber even upon the footing arranged in the course of the private and friendly communications to which we have adverted—still less would we, at any time, have consented that the matter should have been made the subject of public discussion in the Chamber or elsewhere.

It was not without considerable surprise, therefore, that we learned that the original resolution had been submitted to the general meeting of the Chamber for discussion without any previous notice to or communication with us on the subject, and having regard to all that had previously taken place, to the circumstances under which the resolution in question was passed and to the proceedings by which it was immediately followed at the meeting of the Chamber, we much regret that we cannot accept of the Committee's invitation to have our names re-placed upon the list of members.

Our best thanks are due to the Hon'ble Mr. Cowie and the other gentlemen who, with him, have endeavoured to arrange for our return to the Chamber, but, while regretting that their exertions have not been attended with success, we cannot accept the responsibility of their failure.

We are,

Dear Sir,

Your most obedient servants,

Jardine, Skinner & Co.

Gladstone, Wyllie & Co.

Lyall, Rennie & Co.

Gillanders, Arbutnot & Co.

Pp. Wattenlach, Heigers & Co.

Herm Rhodius.

Williamson Brothers & Co.

New Members.

Messrs. Wolff, Wilmans and Co., Mr. R. O. Sawers, Manager of the National Bank of India, and Mr. J. J. Cogswell, Manager of the Bengal Credit Mobilier, have been elected members, and the Agent of the Oriental Bank Corporation has been re-admitted by the Committee, subject to the usual confirmation.

Members retired.

The Committee regret that the number of members has been materially diminished by the withdrawal of the following names:—

Mr. E. A. Flinders, Manager, Bank of Hindustan.

Mr. W. Halford, Manager, Central Bank of Western India.

Mr. R. Nimmo, Acting Agent of the Commercial Bank Corporation of India and the East.

Messrs. Heron and Co.

„ W. C. Stewart and Co.

„ Potter and Co.

„ Hormusjee Bomanjee Cama and Co.

„ Mair and Co.

and by the death of Mr. T. O. Watson and Mr. R. Gentle.

MOFUSSIL MEMBERS.

Mr. Henry Deverell, of Ackregunge Factory, has retired from the Chamber; and under the operation of Rule VI of the Chamber the name of Messrs. Henry Cope and Co., Umritsur, has been removed from the list of Mofussil members.

Funds of the Chamber.

The half-yearly balance of the funds of the Chamber amounts to Rs 1,149-11-3, exclusive of the reserve of Rs. 10,000, in 4 per cent. Government Securities.

Revised Rules of the Chamber.

In accordance with a resolution passed at the last general meeting, the Committee revised the rules and regulations of the Chamber and submitted their proposed amendments, together with a report, to a special meeting held on the 10th July, when they were duly considered and adopted.

The revised rules have been published and copies of them furnished to members.

FERDINAND SCHILLER,

President.

CALCUTTA,

31st October 1866. }

APPENDIX.

COTTON CULTIVATION IN THE NORTH WESTERN
PROVINCES.

No. 615 of 1866.

From

W. CHICHELE PLOWDEN, Esq.,

Secretary to the Board of Revenue of the

N. W. Provinces:

Allahabad,

To

R. SIMSON, Esq.,

Secretary to the Government of the

N. W. Provinces,

Dated Allahabad, the 1st of October 1866.

REVENUE,

Present,

C. D. Thornhill, Esquire, C. S. I.,

Senior Member, and

R. N. East, Esquire,

Junior Member.

Sir,—With reference to para. 1st of the orders of Government, No. 2495 A, dated 28th July last, I am desired to submit for the information of His Honor the Lieutenant Governor a tabular statement exhibiting the actual out-turn of the cotton crop for 1865, as compared with the estimate submitted with my letter, No. 723, dated 4th November last.

2nd.—Generally, as before reported, the area under cotton cultivation for the year had fallen to what it used to be before the

A

American war. In the districts of the Meerut Division the produce was considerably below the estimate, and the deficiency was particularly noticeable in Moozafferungger and Meerut. The causes are said to be untimely falls of rain and destruction caused by insects which attacked the pods. In Rohilcund the difference is not so marked. In the Agra Division the out-turn has also fallen far short of the estimate, but only in the districts of Purruckabad, Etawah and Etah. The deficiency is ascribed to the ravages of insects, and to blight occasioned by want of rain. In the Jhansio Division, notwithstanding an inconsiderable deficiency in Lullitpoor, caused by frost, the produce was in excess of the estimate. The same may be said of the Allahabad Division, although the produce of the crop in the district of Allahabad did not attain to what was anticipated. There was no material variation in the Benares Division, but the entire cultivation was so small as not to require any notice. The Board have failed to receive any return from Dehra Doon, but the estimated produce of this district was so trifling, that the aggregate results are only affected in a very slight degree by its absence.

3rd.—The total actual out-turn was 7,93,293 maunds against 8,17,513 estimated; being 24,220 less than was expected. In bales of 425 lbs. the entire quantity obtained was 1,49,326. A copy of this report has been furnished to the Chamber of Commerce.

I have the honor to be, &c.,

(Sd.) W. C. PLOWDEN,

Secretary.

(True Copy)

Geo. G. BILLINGS,

Off. Assistant Secretary to the Board
of Revenue of the N. W. Provinces.

ENCLOSURE.

Comparative Statement of estimated and actual out-turn of the Cotton crop for 1865.

(Cont.)

Comparative Statement of the estimated and actual out-turn of the Cotton crop during the year 1865 in the Districts of the N. W. Provinces.

DISTRICT.	Estimated Out-turn of Cotton in 1865.	Actual out-turn of Cotton in 1865.	REMARKS.
Meerut Division.	Maunds. S. C.	Maunds. S. C.	
Dehra Doon ...	0 0 0	0 0 0	No particulars supplied.
Scharanpore ...	24,583 0 0	21,622 0 0	The deficiency was caused by want of rain in the early part of the season, and too heavy rain subsequently when it was not required.
Moozafferungger...	42,618 0 0	32,520 0 0	Deficiency caused by untimely falls of rain.
Meerut ...	52,700 0 0	32,937 0 0	Deficiency caused by the ravages of some kind of insect which attacked the pods and prevented them from ripening, this seems to have been general on irrigated as well as on unirrigated lands.
Boolundshuhur ...	41,060 0 0	36,716 0 0	Deficiency caused by scantiness and early cessation of the rains.
Allypurrh ...	73,549 0 0	70,483 0 0	
	2,44,516 0 0	2,05,278 0 0	

DISTRICTS.	Estimated Out- turn of Cotton in 1865.		Actual out-turn of Cotton in 1865.		REMARKS.
	Maunds.	S. C.	Maunds.	S. C.	
Bohileund Division.					
Bijnour ...	27,524	0 0	26,510	0 0	
Moradabad ...	35,520	10 0	39,402	10 0	
Budon ...	21,000	0 0	21,000	0 0	
Etawilly ...	26,734	0 0	23,868	0 0	
Shahjhanpore ...	14,969	0 0	14,555	0 0	Deficiency caused by heavy rains in September 1865.
Terrai ...	781	0 0	781	0 0	
	1,29,538	10 0	1,26,356	10 0	
Agra Division.					
Muttra ...	45,112	0 0	48,231	0 0	
Agra ...	84,459	0 0	85,666	0 0	
Farrukhabad ...	6,955	0 0	5,569	0 0	Deficiency attributable to want of rain at the latter end of the rainy season which caused the pods to be small and they were also destroyed by insects.
Mynpoory ...	9,006	0 0	9,009	0 0	
Etawah ...	55,787	0 0	42,672	0 0	Decrease attributable to smallness of pods which perished from want of rain when the crop was fit for plucking.

DISTRICTS.	Estimated out- turn of Cotton in 1865.		Actual out-turn of Cotton in 1865.		REMARKS.
	Maunds.	S. C.	Maunds.	S. C.	
Etah					
...	18,494	0 0	12,326	0 0	Decrease caused by frost and ravages of insects.
	2,19,903	0 0	2,03,473	0 0	
Jhansie Division.					
Jalou ...	21,120	23 0	39,148	21 9	
Jhansie ...	16,115	0 0	21,842	0 0	
Lullitpore ...	1,977	0 0	1,179	0 0	Decrease caused by frost in December and January.
	39,212	23 0	62,169	21 9	
Allahabad Division.					
Cawnpore ...	52,907	0 0	56,028	0 0	
Fatehpore ...	23,781	0 0	23,260	0 0	
Banda ...	50,777	0 0	54,904	0 0	
Allahabad ...	23,358	3 4	25,179	29 4	
Hamceerpore ...	22,591	0 0	23,971	0 0	
Jounpore ...	552	0 0	495	0 0	
	1,78,966	3 4	1,85,837	29 4	
Benares Division.					
Goruckpore ...	5,124	29 0	4,821	10 0	
Butee ...	54	0 0	234	0 0	

DISTRICTS.	Estimated out- turn of Cotton in 1865.	Actual out- turn of Cotton in 1865.	REMARKS.
	Maunds. S. C.	Maunds. S. C.	
Azingurh ...	355 30 12	260 1 0	
Mirzapore ...	2,290 0 0	2,299 0 0	
Benares ...	0 0 0	263 37 0	
Chazeepore ...	2,675 3 0	2,300 10 0	
Total ..	16,508 22 12	10,178 18 0	
Grand Total	8,22,638 19 0	7,93,292 38 13	

(Signed) W. C. PLOWDEN,

Secretary.

(True Copy.)

Geo. G. BILLINGS,

Officiating Assistant Secretary to the Board
of Revenue of the N. W. P.

BOARD OF REVENUE,
N. W. P., Allahabad,
1st October 1866.

Copy forwarded for information and record
To THE SECRETARY TO THE BENGAL CHAMBER
or COMMERCE,
CALCUTTA,

By order of the Board of Revenue of the N. W. P.

(Signed) W. C. PLOWDEN,

Secretary.

Dated 1st October 1866.

FUNDS OF THE CHAMBER.

Statement of the Funds of the Bengal Chamber of Commerce from 1st May
to 31st October 1866.

To Office Rent	Rs. 1,030 0 0	By Balance of 30th April 1866:—	Rs. 3,641 3 3
" Establishment	5,914 8 0	" Balance of 30th April 1866:—	10,000 0 0
" Charges General	4,244 8 0	Government Paper	12,641 3 3
	11,273 8 0		
		" Subscriptions	7,081 0 0
		" Net profits of Price Current during the half-year	1,500 0 0
		" Interest on Government Paper paid to Government Paper for Rs. 10,000,	200 0 0
			8,784 0 0
To Balance:—			
Cash in Bank of Bengal 1,149 11 3			
Government Paper	11,149 11 3		
		Rs. ... 22,425 3 3	
		Rs. ... 22,425 3 3	

E. E.

H. W. I. WOOD,
Secretary.CALCUTTA,
31st October 1866.

SCHEDULE OF COMMISSION CHARGES,

Revised and adopted by a Special General Meeting of the Bengal Chamber of Commerce held on the 18th June 1861,—with effect from 1st January 1862.

1. On the sale, purchase, or shipment of Bullion, Gold Dust, or Coin ... 1 per cent.
2. On the purchase (when in funds) or sale of Indigo, Raw Silk, Silk Piece Goods, Opium, Pearls, Precious Stones or Jewellery ... 2½ "
3. On purchasing ditto when funds are provided by the Agent 5 "
4. On the sale or purchase of all other goods—the commission in all cases to be charged upon the gross amount of sales, and in regard to purchases upon both cost and charges ... 5 "
5. On returns for Consignments if made in produce 2½ "
6. On returns of Consignments if in Bills, Bullion, or Treasure ... 1 "
7. On accepting Bills against Consignments..... 1 "
8. On the sale or purchase of Ships, Factories, Houses, Lands, and all property of a like description ... 2½ "
9. On goods and treasure consigned, and all other property of any description referred to Agency for sale, whether advanced upon or otherwise, which shall afterwards be withdrawn; and on goods consigned for conditional delivery to others and so delivered, on invoice amount at 2s. per rupee. half com.
10. On making advances or procuring loans of money for commercial purposes, when the aggregate commission does not exceed 5 per cent..... 2½ per cent.

11. On ordering or receiving and delivering goods, or superintending the fulfillment of contracts, or on the shipment of goods, where no other Commission is derived ... 2½ per cent.
12. On guaranteeing Bills, Bonds, or other engagements, and on becoming security for administration of Estates, or to Government for the disbursement of public money ... 2½ "
13. On *del-credere* or guaranteeing the due realization of sales ... 2½ "
14. On the management of Estates for Executors or Administrators ... 2½ "
15. On chartering ships or engaging tonnage for constituents for vessels to proceed to outports for loading ... 2½ "
16. On advertising as the Agents for Owners or Commanders of ships for cabin passengers, on the amount of passage money, whether the same shall pass through the Agents' hands or not ... 2½ "
17. On procuring freight for a ship by a shipping order or charter, or on procuring employment for a ship on monthly hire, or acting as Agents for owners, Captain, or charterers of a vessel upon the gross amount of freight, brokerage inclusive 5 "
18. On engaging Asiatic Emigrants for a ship to the Mauritius, the West Indies, or elsewhere, upon the gross amount of earnings ... 5 "
19. On engaging troops for a ship to Great Britain or elsewhere, on the gross amount of passage money for rank and file ... 2½ "
20. On realising inward freight, inward troop, Emigrant, or Cabin passage money ... 2½ "
21. On landing and re-shipping goods from any vessel in distress, or on landing and selling by auction damaged goods from any such vessel, and acting as Agent for the Master on behalf of all concerned on the declared value of all

- such goods as may be re-shipped, and on the net proceeds of all such goods as may be publicly sold 5 per cent.
- If Opium, Indigo, Raw Silk, or Silk Piece Goods $2\frac{1}{2}$ "
- If Treasure, precious Stones or Jewellery ... 1 "
22. On effecting Insurances, whether on lives or property $\frac{1}{2}$ "
23. On settling Insurance claims, losses and averages of all classes, and on procuring returns of premium $2\frac{1}{2}$ "
24. On drawing, purchasing, selling or negotiating Bills of Exchange 1 "
25. On debts or other claims when a process at law or arbitration is incurred in claiming them ... $2\frac{1}{2}$ "
- Or if recovered by such means 5 "
26. On Bills of Exchange returned dishonored ... 1 "
27. On collecting House Rent $2\frac{1}{2}$ "
28. On ships' Disbursements $2\frac{1}{2}$ "
29. On realising Bottomry Bonds, or negotiating any Loan on *respondentia* $2\frac{1}{2}$ "
30. On granting Letters of Credit 1 "
31. On sale or purchase of Government Securities and Bank or other Joint Stock Shares, and on every exchange or transfer not by purchase from one class to another $\frac{1}{2}$ "
32. On delivering up Government Securities and Bank or other Joint Stock Shares, on the market value $\frac{1}{2}$ "
33. On all amounts debited and credited within the year (less the balance brought forward) upon which no Commission amounting to 3 per cent. has been charged $\frac{1}{2}$ "
- ☞ Brokerage when paid is to be separately charged.

H. W. I. WOOD,
Secretary.

TONNAGE SCHEDULE for the Port of CALCUTTA adopted at the General Meeting of the Bengal Chamber of Commerce held on the 28th May 1859. The Schedule came into operation from 1st January 1860.

ARTICLES.	Cwt. per Ton Net.	Cubic Feet per Ton.
Aloes, in Bags and Boxes	20	.....
Alum, in Ditto	20	.....
Amisced, in Bags	8	.....
Arrowroot, in Cases	20	50
Asafetida, in Bags and Boxes	20	50
Apparel in Boxes	8	.....
Bark, in Bags	20 cwt. gross.	.....
Bees Wax	20	.....
Barilla	20	.....
Bedel-nut	20	50
Books	20	.....
Boxes or Tinned	20	.....
Brimstone	.....	at per cent.
Bullion	16	.....
Cake-lae, in Bags	.....	50
Camphor, in Cases	8	.....
Cardamoms, in Robins	.....	30
Boxes	.....	50
Cassia, in Boxes	12	.....
in Bags	.....	50
China Root, in Bags	11	.....
Boxes	.....	50
Chiretta	.....	50
Cigars	8	.....
Cloves, in Bags	.....	50
Boxes	.....	50
Coals	20	.....
Cookineal	15	.....
Coffee, in Bags	16	.....
Casks	20	.....
Coral, Rough	.....	52
Cotton, in Bales, 5 to the ton, not to exceed	20	.....
Cowries	18	.....
Cutch, in Bags	18	.....
Dates, Wet	16	.....
Dry	20	.....
Dholl	20	.....
Elephants' Teeth, in Bulk	.....	50
Furniture	.....	.....
Garlic and Onions	12	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Ginger	16	.....
Graun	20	.....
Gums, in Cases	50	.....
Gunny Bags and Gunny Cloth	50	.....
Gunjah	50	.....
Hemp, in Bales, per ton of 5 Bales, not to exceed	52	.....
Hides, Buffalo or Cow, Cured	14	.....
Horns, Horn Shavings and Tips	20	.....
Horns, Cow, Buffalo or Deer	20	.....
Indigo	50	.....
Jute, 5 Bales to the Ton, not exceeding	52	.....
Lac Dye	50	.....
Lard	20 cwt gross.	.....
Linseed	20	.....
Mace	50	.....
Machinery .....	.....	.....
Metals	20	.....
Mirabolams	16	.....
Molasses	2 puncheons or 4 hhds.	.....
Mother o' Pearl, in Bags	20	.....
" Chests	20	.....
Mumjeed,	50	.....
Mustard or Rape Seed	20	.....
Nutmegs, in Cases or Casks	50	.....
Nux Vomica	16	.....
Oats	16	.....
Oil, in Cases	50	.....
" Casks	4 bogsheads, per chest.	.....
Opium	16	.....
Paddy	20	.....
Pean	12	.....
Pepper, Long	14	.....
" Black	14	.....
Planks and Deals	50	.....
Poppy Seed	20	.....
Puteluck	10	.....
Raw Silk, in Bales	10	.....
Rattans for Dunnage	20	.....
Red Wood, Ditto	20	.....
Rhen, in Bales, per Ton of 5 Bls. not exd'g	52	.....
Rice	20	.....
Roping in Coils	16	.....
" Lines and Twines, in Bundles	50	.....
Rum, in Casks	2 puncheons or 4 hhds.	.....

ARTICLES.	Cwt. per Ton Nett.	Cubic Feet per Ton.
Safflower, in Bls. p. Ton of 5 Bls. not exd'g	52	.....
Sago, in Cases	50	.....
Sal-amoniac, in Bags	20	.....
" Boxes	20 cwt gross	.....
Saltpetre	20	.....
Salt	20	.....
Sapan Wood for Dunnage	20	.....
Sealing Wax, in Cases	50	.....
Seed-lac, in Cases	50	.....
" Bags	16	.....
Senna	50	.....
Shells, Rough, in Bags	20	.....
Shell-lac, in Cases	50	.....
" Bags	16	.....
Silk Piece Goods	50	.....
Skins	14	.....
Soup, Country, in Cases	50	.....
" Bags	15	.....
" Bar	20	.....
Stick Lac, in Cases	50	.....
" Bags	16	.....
Sugar	20	.....
Tallow, in Cases or Casks	20	.....
Talc	20	.....
Tamarind, in Cases or Casks	20	.....
Tapioca	50	.....
Tea	50	.....
Teel Seed	20	.....
Timber, Round	40	.....
" Squared	50	.....
Tobacco, in Bales	16	.....
Tortoise Shells, in Chests	50	.....
Tumeric	16	.....
Wheat	20	.....
Wool	50	.....

N. B.—Goods in Casks or Cases to be calculated gross weight when paying freight by weight ; and where freight is made payable on measurement, the measurement be taken on the Custom House wharf, or other shipping wharf within the limits of the Port of Calcutta.

H. W. I. WOOD,

Secretary.

MEMBERS OF THE CHAMBER OF COMMERCE.

Agabeg, Joseph.
 Agent and Co.
 Argenti, Secchini and Co.
 Atkinson, Tilton and Co.
 Barton, Baynes and Co.
 Begg, Dunlop and Co.
 Balfour and Co.
 Borradaile, Schiller and Co.
 Camin, Lamouroux and Co.
 Carlisle Nephews and Co.
 Cogswell J. J., *Manager, Bengal Credit Mohitor.*
 Colvin, Cowin and Co.
 Crooke, Rome and Co.
 Choisy, F., *Acting Manager, Complois D'Escompte de Paris.*
 DeSouza, Thos. and Co.
 Dault, Thos., *Agent, Barceoo Company.*
 Durischmidt, Grob and Co.
 Ernshtausen and Oesterley.
 Ewing and Co.
 Elliott, John and Co.
 Ferguson, J. H. and Co.
 Fiorano and Buni.
 Galloway J., *Sub-Agent, Oriental Bank Corporation.*
 Gisborne and Co.
 Gird and Baueger.
 Gordon, Smart and Co.
 Graham and Co.
 Henderson and Co.
 Henderson, George and Co.
 Hoare, Miller and Co.
 Kettlewell, Bullen and Co.
 Kelly and Co.
 Ken, Dobb and Co.
 Mackillop, Stewart and Co.
 Mackinnon, Mackenzie and Co.
 Mackenzie, Lyall and Co.

MEMBERS.

Becher, Wm.—*Gowhatty, Assam.*
 Gale, John—*President.*
 Hamilton Brown & Co.—*Mirzapore.*
 Hay, J. O. and Co.—*Ajyab.*
 Howard Brothers.—*Mirzapore.*
 Kenny, Thomas—*Solanwooditch.*
 Todd, Findlay & Co.—*Meatkein*

RULES AND REGULATIONS
OF THE

BENGAL CHAMBER OF COMMERCE.

Revised and adopted at a Special General Meeting held on Tuesday, the 10th July 1866.

- First*..... That the Society shall be styled "THE BENGAL CHAMBER OF COMMERCE."
- Second*..... That the object and duty of the Bengal Chamber of Commerce shall be to watch over and protect the general commercial interests of the Presidency of Bengal and specially those of the port of Calcutta; to employ all means within its power for the removal of evils, the redress of grievances, and the promotion of the common good; and, with that view, to communicate with Government, public authorities, associations, and individuals; to receive references from, and to arbitrate between, parties willing to abide by the judgment and decision of the Chamber; and to form a code of practice to simplify and facilitate transaction of business.
- Third*..... That merchants, bankers, ship-owners, and brokers shall alone be admissible as members of the Chamber.
- Fourth*..... That candidates for admission as members of the Chamber shall be proposed and seconded by two members, and may be elected by the Committee provisionally, such election being

subject to confirmation at the next ensuing General Meeting.

- Fifth* That the subscription of firms and banks shall be 16 rupees per mensem, of individual members 10 rupees per mensem, and of mofussil members 32 rupees per annum.
- Sixth* That any member of the Chamber whose subscription shall be three months in arrears shall cease to be a member, and his name shall be removed by the Committee from the list of members after one month's notice of such default.
- Seventh*..... That the business and funds of the Chamber shall be managed by a Committee of seven Members, consisting of a President and Vice-President and five Members, to be elected annually at a General Meeting of the Chamber in the month of May; the President, or, in his absence, the Vice-President being ex-officio Chairman of the Committee, and in the absence of the President and Vice-President, the Committee to elect its own Chairman. Four to form a quorum.
- Eighth*.... Annual elections of President, Vice-President, and members of the Committee shall be determined by a majority of votes of members, such votes being given in voting cards to be issued by the Secretary,—numbered and bearing his signature; and no voting card shall be received for such purpose unless so authenticated: and all vacancies created by the absence of the President, Vice-President, or

- any of the members of the Committee from the Presidency for three months, or by departure for Europe, or by death, shall be forthwith filled up, and the election determined by votes to be taken as above and declared by the Committee.
- Ninth* That parties holding powers of procuration shall, in the absence of their principals, be eligible to serve as members of the Committee.
- Tenth* Two members of a firm or representatives of a bank shall not serve on the Committee at the same time.
- Eleventh*..... That the Committee shall meet for the purpose of transacting such business as may come within the province of the Chamber at such times as may suit their convenience, and that the record of their proceedings be open to the inspection of members, subject to such regulations as the Committee may deem expedient.
- Twelfth* ... That all proceedings of the Committee be subject to approval or otherwise of General Meetings duly convened.
- Thirteenth*.... That a half-yearly report of the proceedings of the Committee be prepared, printed, and circulated for information of members 3 days previous to the General Meeting, at which such report and proceedings of the Committee shall be submitted for approval.
- Fourteenth*... That the Secretary shall be elected by the Committee; such election to be subject to

confirmation at the next ensuing General Meeting.

- Fifteenth...* That General Meetings of the Chamber shall be held at such times as the Committee may consider convenient for the despatch of business.
- Sixteenth...* That any number of members present shall be held to constitute a General Meeting, called in conformity with the Rules of the Chamber for the despatch of ordinary business.
- Seventeenth.* That on the requisition of any five members of the Chamber the President, or, in his absence, the Vice-President, or Chairman of Committee, shall call a Special General Meeting to be held within 15 days subsequent to receipt of such requisition.
- Eighteenth...* That every subscribing firm or bank shall be entitled to one vote only, and that the Chairman of Committee and Chairman of General Meetings and Special General Meetings shall have a casting vote in cases of equality of votes.
- Nineteenth...* That parties holding powers of procuration shall, in the absence of their principals, be entitled to vote.
- Twentieth...* That voting by proxy shall be allowed: provided proxies are in favour of members of the Chamber.
- Twenty-first...* That the Chamber reserves to itself the right of expelling any of its members; such

expulsion to be decided by the votes of three-fourths of members present in person or by proxy at any Special General Meeting of the Chamber convened for the consideration of such expulsion.

- Twenty-second...* That strangers visiting the Presidency may be admitted by the Committee as honorary members for a period not exceeding two months.
- Twenty-third...* That no change in the rules and regulations of the Chamber shall be made except by the votes of a majority of the members of the Chamber present in person or by proxy at a Special General Meeting to be held after previous notice of three months.

