

MERCHANT OFFICE.
PART I.

HOW TO WRITE Shipping Bill or Export Challan.

BANERJEE & CO.

FORM OF SHIPPING BILL.

| Ship's name. | Whether British or Foreign. If foreign, the country. | Master's name. | Port or place of destination. | Marks. | Numbers. | Description of packages. | Quantity, quality and description of goods. | Total value for duty. | Remarks. |
|--------------|--|----------------|-------------------------------|----------|----------|--------------------------|---|-----------------------|----------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Arabia. | British. | Cooper | London. | B. & Co. | 100 | Bales. | Jute weg. 200 mds. @ Rs. 12 | Rs. 2,400 | Country. |
| | | | | J. T. | | | | | |
| | | | | 1/100 | | | | | |
| | | | | B. & Co. | 50 | Bales. | Cotton weg. 90 mds. @ Rs. 20 | Rs. 1,800 | |
| | | | | C. T. | | | | | |
| | | | | 1/50 | | | | | |
| | | | | | | | | Rs. 4,200 | |

We declare the Value of the Goods above described to be Rs. 4,200.

Name of Exporter or Agent.

Name of Officer in Charge

Dated, 1st day of June, 1899.

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HOW TO EXPORT.

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receipt of the Customs Export Pass, Messrs. Bai & Co. would see which of the *two* ways of putting goods on board would suit them. They might ship the goods either (1) through the jetty, or (2) place the bales laden with the cargo alongside the Steamer "*Arabia*," for direct shipment. In the former case, having filled up a jetty challan, Messrs. Banerjee & Co. would pay the special toll and jetty charges to the Port Commissioners, and obtain permission of the Superintendent of the Jetties to ship the goods. The Shipping order, the Customs permit, and the Superintendent's orders, are then filed with the Export Shed officer, who receives the goods and grants receipts in the form annexed here-to. In the latter case the shipping order, together with the Export challan, is sent on board direct to the Chief officer, who receives the goods and grants a receipt, which is called the Mate's receipt. Its form is given below.

MATE'S RECEIPT FORM.

No- *Calcutta, 1st June, 1899.*

Received on board the S. S. "*Arabia*" from Messrs. Banerjee & Co., the undermentioned merchandize, in good order and condition, under shipping order, dated 30th May 1899.

| MARKS. | QUANTITY. | DESCRIPTIONS. |
|----------------------------|-----------|------------------|
| B. & Co. J. T. 1/100 | 100 | Bales of Jute, |
| B. & Co. C. T. 1/50. | 50 | Bales of Cotton. |

—0—

The Commissioners for the Port of Calcutta,
Jetty Export Department.

RECEIVED in outward good order and condition from *Messrs. Banerjee & Co.*, the packages of Jute and Cotton detailed below, *one hundred and fifty only*, for shipment on board the *S. S. "Arabia"* for *London*. Weight, contents and state of contents, unknown and not accountable for leakage or breakage.

HOW TO EXPORT.

| MARKS. | DESCRIPTION. | QUANTITY STATED IN WORDS. | RUNNING TOTAL. |
|-----------------------------|-----------------|---------------------------|----------------|
| B. & Co., J. T. 1/100 | Bales of Jute. | Hundred only. | 150. |
| B. & Co., C. T. 1/50. | Bales of Cotton | Fifty only. | |

Calcutta, 1st June, 1899

Shed Officer.

Jetty Superintendent

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When the goods have been thus shipped on board the Steamer *Arabia*, it becomes necessary to bind the Captain for their safe delivery to the consignees at the port of discharge. Accordingly a set of "*Bill of Lading*" generally in triplicate but very rarely also in quadruplicate is made out and signed by the Captain. The blank forms of the Bills of Lading are obtainable from the agents of the vessels, free ; but, chargeable with a stamp duty of annas four each. The Captain, before he signs the bills of Lading, collates the Jetty receipt or the Mate's receipt attached thereto by the shippers, with the filled up Bill of Lading forms, and in exchange thereof delivers the signed documents to the shippers. We have been speaking of Bills of Lading ; and now we shall consider

What is a Bill of Lading & how to write it

It is a document given by the master or agent of a ship, acknowledging the receipt of goods specified.

It is usual to make out three or four bills, one for the Shipper for office copy, the second to be held by the Captain, for his reference called Captain's copy and the rest to be sent to the person to whom the goods are consigned, by which he can claim them on their arrival.

Then an invoice (*Challan*) of the goods sent, is made out for the consignees. Now,

What is an Invoice ?

It is a list or account of goods, that have been so or sent, on a certain day, by one person to another stating all the particulars and the prices.

The invoice is sent by the seller to the buyer, either along with the goods or separately by post.

Specimen forms of Bill of Lading and of Invoice are sub-joined for reference.

HOW TO EXPORT.

Bill of Lading.



B & Co
J. T.
1-100.

SHIPPED in good order and condition, by *Banerjee & Co.*, on board the Steam-Ship *Arabia*, whereof is master for this present voyage *Cooper* lying in the port of CALCUTTA, and bound for *London*, say—

B & Co.
J. T.
1-50.

measuring Tons

at £ 1. 15s. per
of 50Cb. ft.
= £ 1 1s.

100 *Bales of Jute* and 50 *Bales of Cotton*, being marked and numbered as in the margin; and are to be delivered, in Port of *London*, or so near thereunto as she may safely get, unto order, or to or their assigns, on payment of Freight for the said s in cash, as per margin, in *London*. Average as ned.

ne following are the exceptions and conditions above rred to :—

eight, measure, quality, contents, and value unknown. he act of God; queen's enemies; fire and all very other dangers, and accidents of the seas, rivers, and navigations of whatever nature and kind, excepted.)

In Witness whereof, the Master or Agent of the said Ship has signed *three* Bills of Lading exclusive of the Master's copy, all of this tenor and date, one of which being accomplished, the others to stand void.

Dated at CALCUTTA, *1st June 1899*.

Not accountable for numbers and countermarks.

Graham & Co.

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INVOICE.

INVOICE of 100 Bales of Jute and 50 Bales of Cotton
bought by order of *Beatson & Co*, shipped per *S. Arabia* to *London* on account and risk of the concerned.

| Marks. | | R ^s . | A ^s . | P. | R ^s . | A ^s . | P. |
|--------------------------|--|------------------|------------------|----|------------------------|------------------|-----|
| B & C. J. T. 1/100 | 100 Bales of Jute weighing bazar mds. 200. @ R ^s . 12 per md. | 2400 | 0 | 0 | | | |
| C. T. 1/50 | 50 Bales of Cotton weg. bazar mds. 90 @ R ^s . 20 per md ... | 1800 | 0 | 0 | 4200 | 0 | |
| | Charges. | | | | | | |
| | ON JUTE. | | | | | | |
| | Screwing and marking &c. R ^s . 80-0-0 B/L Stamp, Cooly &c., R ^s . 2-0-0 | 82 | 0 | 0 | | | |
| | ON COTTON. | | | | | | |
| | Screwing and marking &c. Rs 50-0-0 B/L Stamp, Cooly &c., R ^s . 1-4-0 | 51 | 4 | 0 | 133 | 4 | 0 |
| | Insurance @ $\frac{3}{8}\%$... | 15 | 12 | 0 | | | |
| | Commission @ 5% ... | 210 | 0 | 0 | 225 | 12 | 0 |
| | | | | | Co's. R ^s . | 4559 | 0 0 |

*Errors Excepted,
Banerjee & Co.*

CALCUTTA, 2nd June 1890.

HOW TO EXPORT.

After the goods have been exported and the invoice has been made out, the next step for Messrs. Banerjee & Co., would be to realize the amount of the invoice from Messrs. Beatson & Co. In doing so Messrs. Banerjee & Co would draw up a set of Bills of Exchange (*Hoondy*) and negotiate it through one of the local Exchange Banks. If Messrs. Banerjee & Co., do not wish to draw the amount of their Invoice on the consignees, they will send the Bills of Lading direct to Messrs. Beatson & Co, and wait for the remittance from them. On the other hand Messrs. Beatson & Co. in remitting the proceeds of the invoice, would buy a draft on Calcutta in one of the banks in England, and forward the same to Messrs. Banerjee & Co, who, on presenting it to the Bank's agents in Calcutta, would receive the equivalent in the Currency of the place. The Currency of England is in Pounds sterling, as Rupees, annas and pies are with us. It is evident from this, that a Merchant of England, if he wants to pay a Merchant of India, would do so in English coins, for the equivalent of which the latter would give in Rupees, annas and pies. This is called *the Arbitration of Exchange*.

EXCHANGE.

"Exchange is the method of finding what sum of the money of one country is equivalent to any given sum of money of another, according to a given *course of exchange*."

The *Course of Exchange* is such a *variable or uncertain* sum of the money of one place, as is proposed to be given for a certain or constant sum of that of another ; thus for instance, one Rupee, a fixed sum or piece of money is

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given for a variable sum of English money *viz*, 1s. 11½d. 2s., or 2s. 1d., more or less according to circumstances.

The *par of Exchange* is such a quantity of the money of one country, as is intrinsically equal to a certain quantity of the money of another, thus 2s. is the *par* value of a rupee ; and when a rupee is exchanged for 2s., the exchange is said to be at *par*.

Exchanges are carried on by merchants and banks by means of written instruments, called **Bills of Exchange**.

A Bill of Exchange on Calcutta entitles the holder to obtain an amount of rupees in Calcutta for the value of the amount mentioned in the Bill.

As previously stated, if Messrs. Banerjee & Co., want to realize the value of goods sent by them to Messrs. Beatson & Co., the former would draw up a set of Bills of Exchange (*form annexed hereto*) in Pounds sterling on the latter or on their Bankers, and attach thereto the shipping documents, such as the Bills of Lading, the policy of Marine Insurance (*See Chapter on Insurance*), the Hypothecation (*see pages 13-15*), an Abstract of the Invoice (*in duplicate*) and sell them to one of the Exchange Banks of Calcutta (*say Agra Bank*) for which they will receive equivalents at the Current Exchange ruling at the time.

Let us see what will be the equivalent of Rs. 4,559 of invoice (*see ante*) in Pounds, when the rate of exchange is at 1s. 11½d.

$$1s. \ 11\frac{1}{2}d. = 23\frac{1}{4}d. = \frac{23}{4}s. = \frac{23}{8}s. = \pounds. \frac{23}{16}$$

By the question 1 Rupee = $\frac{23}{16}\pounds$.

$$\text{Rs. } 4559 = (4559 \times \frac{23}{16})\pounds = \pounds 441. \ 13s.$$

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No. 10

Bill of Exchange Form.

CALCUTTA, 2nd June 1899.

Exchange for £ 441. 13s.

At *Three Months* after Sight to this **FIRST** of Exchange (Second & Third unpaid) pay to the order of *ourselves* the sum of *Four hundred and forty one pounds and thirteen shillings sterling* Value in *ourselves* and place the same with or without advice to account of *Messrs. Beatson & Co., of London.* Bill of Lading for 100 Bales of *Jute* and 50 Bales of *Cotton per St. Arabia* attached to be given up on acceptance.

To the Bank of England. } BANERJEE & Co.
LONDON.

CALCUTTA, 2nd June, 1899.

Exchange for £ 441. 13s.

At *Three Months* after Sight of this **SECOND** of Exchange (First & Third unpaid) pay to the order of *ourselves* the sum of *Four hundred and forty one pounds and thirteen shillings sterling* Value in *ourselves* and place the same with or without advice to account of *Messrs. Beatson & Co., of London.* Bill of Lading for 100 Bales of *Jute* and 50 Bales of *Cotton per Str. Arabia* attached to be given up on acceptance.

To the Bank of England. } BANERJEE & Co.
LONDON.

CALCUTTA, 2nd June, 1899.

Exchange for £ 441. 13s.

At *Three Months* after sight of this **THIRD** of Exchange (First & Second unpaid) pay to the order of *ourselves* the sum of *Four hundred and forty one pounds and thirteen shillings sterling* Value in *ourselves* and place the same with or without advice to account of *Messrs. Beatson & Co., of London.* Bill of Lading for 100 Bales of *Jute* and 50 Bales of *Cotton per Str. Arabia* attached to be given up on acceptance.

To the Bank of England. } BANERJEE & Co.
LONDON.

BANERJEE & CO.

BANERJEE & CO.

BANERJEE & CO.

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Later on is given in form a Bill made against the Ag Bank for the equivalent of £441 13s. at 1s. 11½d.

A set of Bills of Exchange usually consists of three and is chargeable with *advalorem* (see *Appendix A*) stamp duty.

In the usual course the agent, Bank of Calcutta, will send the Bill of Exchange to the corresponding firm in London, and present the same to Messrs. Beatson & Co. for *acceptance or payment*.

The readers would note here that, if the consignee be of established good credit, the Bills of Lading, and other documents relative thereto, are delivered by the Bank to them,—that is on whose account the draft is drawn,—on their undertaking to pay the amount of the bill on its maturity. If the consignees be otherwise, the documents are not made over to them unless and until they pay off the amount of the draft.

When the consignees get hold of the Bill of Lading they present it to the agent of the steamer for *delivery order*, get out Customs permit, and receive the goods in exchange thereof.

In case when drafts are passed through the Banks, it is customary with the drawer to inform in writing that he has done so. This is called *advising a draft*.

To advise a bill is to inform the drawee that he has been valued, at certain sum and at a usance, against shipment of goods per some steamer on account of a certain person mentioned therein, and request him to honor the draft on presentation. It is written in the following way :—

HOW TO EXPORT.

LETTER OF ADVICE.

Calcutta, 2nd June, 1899.

To

*The Bank of England,
London.*

Dear Sir,

We beg to advise, having this day made free to value upon your good selves for account and authority of Messrs. Beatson & Co. of London, against our shipment to them of 100 Bales of Jute and 50 Bales of Cotton & Steamer "rabia" to London,

o 4 for £441 13s. @ 3m/st. favoring ourselves and thank you to honor the same on presentation.

Bills of Lading and policy of Insurance are attached to aft to be given up on acceptance.

*Yours faithfully,
Banerjee & Co.*

LETTER OF HYPOTHICATION.

To

THE AGRA BANK LD.

Calcutta, 2nd June, 1899.

HAVING this day negotiated with you, one set Bills of Exchange drawn on Messrs. *The Bank of England*, the particulars of which are noted at foot, and having at the same time handed to you as collateral security for the due acceptance of the said Bills, the Bills of Lading and Shipping documents belonging to us of the several Goods also stated at foot, our agreement is understood to be as follows.

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The said *Agra Bank* are, on the said sever-
exchange being accepted by the Drawees, to
the latter the said Bills of Lading and Shipping docu-
ments.

But in case the said Bills of Exchange should be re-
fused acceptance, or in case of the suspension of payment
by the Drawees before such Bills are accepted, then we
hereby authorise the said Bank, or any Manager, or Agent
thereof, to sell the said Goods, and to apply the net pro-
ceeds (after deducting usual commission and charges) in
payment of such Bills with re-exchange and charges,
the balance if any, to be applied in liquidation of
other debt or liability of ours to the said Bank : a
ultimate balance to be at our disposal, and in case the
net proceeds of such goods shall be insufficient to pay the
amount of any such dishonoured Bills with re-exchange
and charges, we authorise the *Agra Bank* or the holder
thereof for the time being, to draw on us for the de-
ficiency ; and we engage to honour such drafts on presen-
tment or to pay to the said Bank the amount in Lond.

We also authorise the *Agra Bank* or any Manager or
Agent thereof, (but not so as to make it imperative) to
insure the above Goods from Sea risk, including loss by
capture, and also from loss by fire on shore ; and to add
the premium and expenses of such insurances to the
amount chargeable to us in respect of the said Bills, and
to take their recourse against the said Goods, or against
us for their reimbursement, and also to sell any portion
of the said Goods which may be necessary of payment
of freight, and the said Bank are to take such measures
generally and to make such charges for commission, and

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1.

to be accountable in such manner, but not further or otherwise, as in ordinary cases between a Merchant and a Correspondent, it being hereby declared that the Bank is not to be liable for the default of any Broker or Auctioneer employed in the sale of the Goods.

It is mutually agreed that the delivery of said collateral securities to your Bank shall not prejudice your position on said Bills in case of dishonour, nor shall any course taken thereon affect the title of the Bank to the securities to the extent of our liability to your Bank.

Your Bank, in case the Drawees of any Bill or Note of acceptance, is hereby authorised, at the discretion of the Directors, Manager or Agent, to give up the original and Shipping documents to any person presenting any Bill or Bills at maturity,

To value of our one set Bill
 of Exchange Documents for
 acceptance, 3 Months after
 Sight on the Bank of Eng-
 land £441 13s. @ 1-11 $\frac{1}{2}$ d.

₹ Rupee

RUP

The Drawer.

The person, who receives the specified sum, issuing out an order of payment on another.

The Drawee.

The party on or against whom the bill is drawn for payment.

The Acceptor.

The party on whom the bill is drawn, and who accepts it to pay the drawer's claim.

The Payee.

The party to whose order the draft is made payable.

The Indorser.

The party who signs his name on the back of the bill to realise the receivable sum.

The Indorsee.

The party to whom the bill is last indorsed.

Periods to Draw Bills.

Bills are generally drawn in *three* ways:—(1) On demand; (2) at sight; and (3) at a certain number of days or months, after sight.

- (1). Amounts of On Demand Bills are payable to the drawer whenever the money is demanded.
- (2). Amount of Bills of Sight, are payable at a time by the drawee when they are presented for payment.
- (3). Amounts of Bills of Sight after Date are payable on a specified date mentioned in the bill from the date of acceptance.

CHAPTER II.

THE NATURE AND NEGOTIATIONS OF BILLS OF EXCHANGE.

Bill of Exchange is an order given by a person, which to be drawn on another person at a distant place, requesting him to pay a certain sum of money to the person in whose favour the Bill is drawn, or to his order.

Bills of exchange are divided into two forms, *Inland* and *Foreign*.

Inland Bills.

When a Bill is drawn and payable in the same country, called an Inland Bill. Such bills are divided into *Order* and *Promissory Notes*. The former contains an order and the latter, a promise ; both being of equal obligation and privileges.

A Draft.

A draft is a bill written in the form of an order, signed by one party and addressed to another, directing the latter to pay a specified sum to the former, or to the order of a third person.

A Promissory Note.

A promissory note is a bill of promise, made by one party to pay a specified sum to another, within a specified time.

Parties generally concerned in Bills.

The Drawer, the Drawee, the Acceptor. the Payee

difficulties attending
merchandising office work. Those who know
of the duties jealously guard the doors against new
entrants who are always left helpless in the hands of their
predecessors. The few books, for the guidance of clerks that are
met with, are either too complicated or too limited in
scope to be of any practical use. The author has tried
in this volume to remove all obstacles from the path
of young learners.

The book is divided into two parts. In part I, attempt has
been made to elucidate all the different functions of work
done in a Merchant's Office; and to make the book useful
to all classes of readers, some of the processes have been
explained in Bengali. In part II, every care has been taken
to prepare young students for the Government Clerkship
examinations.

The Processes of *Docketing*, *Drafting* and *Précis-writing*,
have been illustrated by examples framed to help young
entrants of the arts.

Lists of model questions have been appended; of these,
in part II, are chiefly taken from the Government
Examination papers in various years.

the next

20, AMHERST STREET,
1st May, 1892.

PREFACE TO THE FOURTH EDITION.

In this edition an attempt has been made to further improve the book by adding some illustrations on Précis-writing, and answering fully the papers on Docketing, Drafting, Précis-writing set in the Clerk-ship and the Sub-Ser-Examinations.

CALCUTTA.
1st July, 1901.

}

The Author.

Foreign Bills.

Foreign Bills of Exchange.

A foreign Bill of Exchange is a written order, drawn by a party in one country on another party in a different country, requiring him to pay a certain order, or to a third, or fourth party, at a specified time.

N. B.—The same parties concerned in an Inland Bill are concerned in a Foreign Bill.

A set of Exchange.

A set of exchange signifies two or three copies of bills *i. e.*, 1st, 2nd and 3rd, drawn at a time, of same tenor and date. When one of them is accepted and paid the others become null and void.

N. B.—In case of Bills drawn after sight, the term or time is calculated from the date of acceptance.

Time allowed for Acceptance.

When a bill is presented for acceptance, the Drawee may keep it twenty-four hours in his possession for the purpose of examination.

If it be a Bill drawn after sight, the drawee is bound to accept the bill, from the day it was presented, or, at all events, the day following.

Should the Drawee refuse to Accept.

Should the Drawee refuse to accept a Draft, the Drawer may recover damages.

It not unfrequently happens that Bills are refused acceptance or payment by the Drawees. This is technically called *Dishonouring* bills. In such cases it is usual with the holders of the bills to solemnly make written declarations before competent authorities, called the Notary

Public in due from, setting forth therein all the particulars as to the non-acceptance or non-payment of bills, which the Notary Public affixes his seal. This is called *Protesting* bills. The charges incurred by the holders consequence dishonouring the bills, *plus* the amount of the bills, are afterwards recouped by the holders by the adoption of legal measures or other processes as the exigencies of the circumstances demand.

Should the holder neglect to protest.

"Should the Holder either neglect to protest in due time, or to give intimation of non-acceptance or non-payment, he forfeits all claims against the Drawers and Indorsers, because, by this neglect of his duty, he puts it out of their power to take legal steps for relief; even, although he can show, from the failure of the Acceptor or any other circumstances, that no loss has, in point of fact, ensued from his neglect."

MERCANTILE FORMS.

Inland Bill of Exchange.

The following *Inland Bill* is drawn by Mr. A. Gifford, on Mr. John Barron, Cawnpore, for Co.'s Rs 1000, payable to himself or his order at one month after date.

FORM No. 1.

Co.'s Rs. 1,000.

Calcutta, 1st May, 1899

One month after date, pay to me, or my order,
Rs. 1,000 (one thousand), for Value received.

Cawnpore.

A. Gifford.

NATIONAL LIBRARY, KOLKATA

An Acceptance.

The Bill being drawn by Mr. A. Gifford in the above name, Mr. Barron, on whom it is drawn, *accepts* it by signing his name either below that of Mr. Gifford, or across the face of the Bill,—hence he is called the *Acceptor* of the Bill. The Bill when accepted will appear

Rs. 1,000.

Calcutta, 1st May 1899.

One month after date, pay to me, or my order,
Rs. 1,000 (one thousand), for value received.

To Mr. John Barron,

Cawnpore

A. Gifford.

John Barron.

FORM NO. 2.

Promissory Notes.

Rs. 3,000,

Calcutta, 16th May 1899.

One month after date I promise to pay to Baboo Romath Ghose or order, the Sum of Rs. 3000 (three thousand), bearing Interest, at 12 per cent per annum, value received.

Wm. Dilworth.

FORM NO. 3.

Rs. 1500.

Calcutta, 18th May 1899.

On demand I promise to pay to Baboo Shyam Lal Sen or order, the sum of Rs. 1,500 (one thousand and five hundred), bearing Interest at 12 per cent. per annum for value received

FORM No. 4.

Promissory Note by two or more Persons.

Rs. 800.

Calcutta, 1st May,

*One demand we jointly and severally promise to p.
D. Smith, Esq., or order, with Interest at 8 per cent
annum, Rupees Eight Hundred only for value receiv*

James Lyall &

Henry Freem

FORM No. 5.

Receipt for money on account.

Rs. 500.

Calcutta, 15th June 18

*Received of Messrs. T. Milner & Co., F
Rupees, in part of their account of Eight Hundred
due to us.*

James Lyall & C

FORM No. 6,

General Receipt, or Receipt in full.

Rs. 850.

Calcutta, 15th June, 18

*Received of Hari Dass Ghose Eight Hundred and
Rupees in full of all demands.*

James Lyall &

FORM No. 7.

Receipt for an Indorsement on a Note.

Rs. 80.

Calcutta, 15th June, 18

*Received from Mr. John Watson, Eighty Rupees
which is indorsed on his note, January 6th 1899.*

James Lyall &

FORM No. 8.

An Indorsement.

Messrs. Brown, Milton & Co., grant a promissory note days' after date, in favour of Mr. James Nelson, for Rs. 2,000, which he indorses, or makes payable to a party, viz., Messrs. Harry & Co.

Co's Rs. 2000.

ack, —
Messrs. Harry
order
James Nelson.

(Due 9-12th June.)

Calcutta, 10th May, 1899.

Thirty days after date, We promise to pay to Mr. James Nelson, or order, the sum of Company's Rupees two thousand for value received.

Brown, Milton & Co.

FORM No. 9.

Mercantile Drafts.

LEHEN,

Calcutta 1st July, 1899.

ase to pay to Mr. D. Smith, or order, the sum of s 850 (Eight hundred and fifty) only, and debit meount.

JOHN HUTMAN & Co.

H. Pickford.

Calcutta, 2nd July, 1899.

three days' sight please to pay to Baboo Gonesh dra Mukerjee, or order, the sum of Rupees 1,530 thousand five hundred and thirty only), and place me to the debit of my account.

HENRY LYNCH, Esq.

John Edward.

Bills of Exchange Form.

(A set of Exchange.)



£150. Sterling

No. 5. Calcutta, 3rd July, 18

At *six months* after sight of this my **FIR**
of Exchange (Second and third of the sa
tenor and date being unpaid) pay to *Mess*
Osler & Co. or order: the sum of £150 (*s*
hundred and fifty pounds sterling) with
without advice, for value received.

To MESSRS. LAMBURN & Co. } JOHN WATSON
Bankers, London.



£150. Sterling.

No 5. Calcutta, 3rd July, 18

At *six months* after sight of this my
of Exchange (First and Third of
tenor and date being unpaid) pay to
Osler & Co. or order, the sum of £ (*s*
hundred and fifty pounds sterling) with
without advice, for value received.

To MESSRS. LAMBURN & Co. } JOHN WATSON
Bankers, London.



£150. Sterling.

No. 5. Calcutta, 3rd July, 18

At *six months* after sight of this my **TH**
of Exchange (First and Second of the s
tenor and date being unpaid) pay to *Mes*
Osler & Co. or order, the sum of £150 (*s*
hundred and fifty pounds sterling) with
without advice, for value received.

To MESSRS. LAMBURN & Co. } JOHN WATSON
Bankers, London


BANK CHEQUE.

25


FORM No. 12.

In drawing money from a Bank out of one's deposit, cheque is written in the following manner:—

*BANK CHEQUE—(1).

| | | |
|---------------|---|--|
| 100. |  Agra Bank Co. Ld. | <i>Calcutta, June 25th, 1899.</i> |
| ne 25th 1899. | | No. 100. |
| in Brown. | | To the Manager of the Agra Bank Limited. |
| 's Rs 2,000. | | Pay John Brown, Esq., or order the sum of Rupees two thousand. |
| | | <i>John Bird & Co.</i> Rs. 2,000. |

*BANK CHEQUE—(2).

| | | |
|--------------|--|---|
| 200. |  National Bank of I. Ld. | <i>Calcutta, June 30th, 1899.</i> |
| e 30th 1899. | | Co.'s Rs. 2,000. |
| mer. | | On demand pay to R. Palmer, Esq., or order, Rupees two thousand, and charge the same to the deposit account of <i>John Brown.</i> |
| ls. 2,000. | | The Manager, National Bank of India Ltd. |
| | | No. 200. |

The left hand side of the cheque, called *counterfoil*, is retained by the drawer and the right hand portion is handed over to the payee for presentation to the Bank.

FORM No. 13.

RECEIPT—(1).

No. 40.

Calcutta, 2nd July, 1

Received for the Bank of Bengal
sum of Rupees five hundred for the cred
David Simpson, Esq., in floating deposit
any other account as the case may be).

Co.'s Rs. 500.

John Brown,
Manag

RECEIPT—(2).

Calcutta, 1st August

No. 50.



Co.'s Rs. 800.

Received from A. Scholven, Esq., the s
of Company's Rupees Eight hundred in p
ment of account rendered (or of an ann
account, or of account to this date).

Thomas Reid &

LETTER OF CREDIT.

It is a letter by which a person can obtain mone
the Credit of another.

* Letters of Credit are essentially Bills of Exchange
differ only in the form in which they are granted.

The use of a Letter of Credit, of which a form is
below, is to en sure the drawer that the bill drawn by

er the credit will be met duly on maturity, and that further gives every facility to the merchants unknown to another, to transact business irrespective of their position and standing, on the guarantee of the credit.

FORM NO. 14.

Letter of Credit Form.

20

London, 1st. May, 1899.

Messrs Banerjee & Co. of Calcutta, is hereby authorised to value on the Bank of London, at three months after sight on account of Messrs. Beatson & Co., of London, for any sum not exceeding Five hundred pounds sterling. The Bank of London hereby agree with the Messrs, endorsers and *bonâfide* holders of bills drawn in compliance with the terms of this credit, that the same shall be duly honored on presentation at their counting house.

When negotiating drafts under this credit, it is specially requested that the Bill of Lading be made out to the order of the Bank of London, a copy of which, together with the policy of Insurance, duplicate copy of abstract of Invoice and the Letter of advice should be sent direct to us.

This bill must be drawn within 6 months from date. Parties negotiating bills under this credit are requested to endorse particulars of the sum drawn for on the back hereof. (Sd) AGENT, BANK OF LONDON.
£500.

P. B.—Please write in the draft and the Letter of advice, as drawn under credit No. 20, dated 1st May 1899.

FORM No. 15.

Correspondence relating to Inland Letter of credit

Calcutta, 1st July, 18

To MESSRS. PALMER & Co.,

Merchants and Agents,

Calcutta.

DEAR SIRS,

I beg to open a credit with you in the Name of John Milton, Esq., for Rupees 5,000 (five thousand) from the 1st of the next month, which will continue in force till further notice.

Yours faithfully,

S. SANDER

FORM No. 16.

Correspondence relating to Foreign Letter of credit.

Calcutta, 15th July, 18

To

W. FRANK, Esq.

Manager.

"Bank of London, Ltd."

DEAR SIR,

I beg to establish a credit with you in favor of Messrs. Brown Reid & Co., for the equivalent here in Rupees the exchange of the day in London of £300 pounds sterling per annum, which will continue in force for a period of two years from the date hereof.

Yours faithfully,

E. MORRIS.

CHAPTER III.

HINTS ON IMPORT DEPARTMENT.

Goods, or Merchandise imported or brought into a country from foreign Ports are called the Import.

The Department, in which transactions relating to import goods are conducted, is called the Import Department.

It has been recorded in the preceding chapter, that when a merchant in a Foreign Port sells or consigns goods to another in India, he recovers the value thereof

through the Exchange Bank or direct from the consignee. In case of consigned goods, the consignee makes an Account Sale of goods, sent to his care, deducting the charges and commission due to him. A form, showing how Account Sales are prepared is given in page 39. When a merchant receives the Bill of Lading from the shipper or seller in a Foreign Port, the procedure, he adopts in clearing the goods imported, is worth noticing.

Procedure on clearance of Import Goods.

The following practice obtains in Calcutta, when goods are cleared. The Importer first enters the particulars of Goods in a *Bill of Entry* in duplicate, (see page 32) and takes the *original* Bill of Entry to the *Noter*, who records whether the goods are mentioned in the Import Manifest or not. It is then taken to the *classifying officer*, who assigns the class of goods to their proper ratings and sees that the market value of goods has been correctly declared. If the market rate is not

correctly mentioned, he returns it for rectification. When the goods are free, the original Bill of Entry is delivered to the *Free Register writer*, who, enters it in the proper book, calls for the *duplicate* and passes it on to the *Pass Examiner*. If the goods, on the contrary, are dutiable the original Bill of Entry is taken to the *calculator*, who notes on it the amount of duty payable by the Importer. It is then registered in the General Register of Receipts in the Account Department and the number of the account is put thereon and countersigned by the Assistant Accountant in charge. This document is then presented in the Cash Department and the *Poddar* receives the amount of Duty specified in the challan for the Cashier. The *Cash Register writer* then records the particulars of the Bill of Entry in the Cash Register book and puts the Cash number on the Bill of Entry. The receipt of money is then acknowledged by the Cashier by his signature. He also grants receipt, if asked, at the time of payment. The *original* Bill of Entry together with its *duplicate* is then presented to the Import Department for Entry in the *proper Register*. The Bill of Entry is then presented to the Import Supervisor, who examines the documents and passes them over to the *Pass Examiner*, who compares them and puts the *Red Ink* stamp (Appraise and Pass) on the duplicate in case of dutiable goods, and in *Blue Ink* on free goods. Then the documents are finally attested by the signature of the Assistant Collector. The pass is then taken to the Jetty, where the goods are appraised and the expression "Appraised in full" is endorsed on the Bill of Entry by the appraiser. Then the Je

arges and Landing charges, according to the scale of arges in force, are levied by the Port Commissioner r which a *Jetty challan* is made out by the consignees (see page 33) and ultimately the goods are made over o the Importer in exchange for the delivery order on the ack of the Bills of Lading. If the Importer wishes to ake delivery of the goods overside, he, instead of paying he charges to the jetty, sends the boat alongside the teamer, and takes delivery of the goods direct from the Chief Officer of the steamer, in exchange of Delivery rde . When freight is due on Imported goods it is ble before the Delivery order is obtained from the uts, who have a lien thereon in terms of the Bill of ing.

ubjoined are the specimen forms of Bill-of-Entry and etty-Challan with instructions to fill them up. Take for xample,—5 Bales of Paper marked M & C arrived in the tr. "Roselta" to the consignment of Mookerjee & Co. of alcutta. How the consignees would fill up the Bill of Entry and the Import Jetty-Challan forms, and how they ould pass through all the preliminaries prior to the elivery of goods to them, are shown in the next pages.

When the goods are brought into the Importer's go- down, samples thereof are circulated through the brokers o the purchasers. The Bazar dealer then enters into ontract with the merchant or Importer for purchase of he goods, signs the Contract and takes delivery in terms f the stipulation. Say, for example,—Ram Chunder isser purchases 5 cases of shirtings from Messrs. R. G. rown & Co. The Contract form will be drawn up in he manner showed in Page 35.

BILL OF ENTRY FORM.

TO THE COLLECTOR OF GOVERNMENT SEA CUSTOMS.

SIR,

Be pleased to grant a permit to pass into Town the undermentioned goods landed from the S. S. "*Rosetta*" Captain *Thomson* under *British* colours, and arrived from London *via* Suez Canal.

| Number and Description of Packages | Marks and Numbers upon Packages. | Description of Goods and Contents of each Package. | Total quantity of goods | Rate of value in Rupees of each class and Description of goods. | Total value in Rupees of each class and Description of goods | Declared real value under Section 23. Act VIII, 1878. | Name of Proprietor, Importer or Consignee |
|------------------------------------|----------------------------------|--|-------------------------|---|--|---|---|
| Five Bales | M. & C. | Paper containing 25 Reams each = 125 Reams | Five | @ Rs. 4. P Ream | Rs. 500 | ... | Mookerjee & Co. |

We do hereby declare that the goods specified above are of the growth, produce and manufacture of *England* and are of the value of Rs. 500 as entered above. Witness our hands, this 4th day of July, 1899.

Witness to signature.

Declared value Rs. 500

D. authorised to act on behalf of

(Sd). MOOKERJEE & ~

JETTY CHALL.

Memo. of Landing Charges on, and receipt for, Goods signed to Mookerjee & Co.,

Ex. St. Rosetta Captain *Thomson* Landed at the Jetties.

Import duty Register No....188 .

Bill of Lading No....

MEMO OF CHARGES.

| Marks and Number of Packages. | Number and Description of Packages. | Description and quantity of Goods. | Item in Schedule A. | Rate. | Amount | | |
|-------------------------------|-------------------------------------|---|---------------------|----------------|--------|---|---|
| M & C. | Five bales. | Paper containing each 25 Reams = 125 reams. | | @1 anna p bale | ... | 5 | 0 |
| | | | TOTAL Rs... | | ... | 5 | 0 |

DETAIL OF DELIVERY AND RECEIPT.

| Date. | Daily Total. | Number and Description of Packages. | Running Total. | Received in Good Order and Condition. |
|-------|--------------|-------------------------------------|----------------|---------------------------------------|
| | | | | |

Be pleased to deliver the above-mentioned Packages to the bearer, who is authorized to grant a receipt on our behalf.

Shed Officer.

Register No.

Registrar.

What is a Contract ?

A contract is a written agreement between two parties by which, one of them agrees, for a certain consideration to abide by some conditions, which the other imposes. A specimen form of contract, as prevails in mercantile usage, is subjoined for reference and information.

After the Contract is signed by the purchaser, an order to deliver the goods purchased under the Contract is given to the purchaser, who presents the same to the Godown Sircar and receives the goods from him. The Godown Sircar takes back the delivery order from the receiver with due acknowledgment of the receipt of goods on the back of it.

When goods are sold on credit the value thereof comes due after a certain time called technically the *due date*. The time of payment varies according to the system in force in the local bazars. It generally graduates from 45 to 60 days besides the Days of Grace.

The Promissory Notes are then drawn up and sent through the Bazar Sircars, for the buyer's signature. Then the process of realization of the amount goes on in the usual course. When the full amount of the 'Note' is paid off, the Promissory Note is returned to the dealer duly receipted. For specimen of the Promissory Note, see page 37.

CONTRACT FROM.

*Calcutta, 29th July, 1899.**Contract No. 10.*

It is mutually agreed between Messrs. R. G. Brown & Co., hereinafter called "the sellers" on one part, and *Ram Chunder Misser* hereinafter called "the buyers" on the other part as follows:—

1. The sellers sell and the buyers buy the under mentioned ready goods or such of them may arrive and be deliverable at the godowns of the sellers at the rates and on the terms hereunder specified.

TE. 204/8, 5 Packages Grey Shirtings.

2. The buyers shall pay cash on delivery for the goods, interest at 12 per cent. per annum to be charged on the portion of the price of the goods unpaid after, and at the same rate to be allowed on any portion of the price paid before the expiration of, 45 days from the date of delivery.

3. The buyers shall take delivery of and remove the goods within 45 days from the date hereof and in this respect, time shall be of the essence of the Contract.

4. The goods shall be at the buyers' risk after 45 days from the date hereof, should they remain in the sellers' godowns. If the goods are not removed within the said period the sellers shall not be liable for any loss or damage thereto from fire, theft, mildew or however, occurring after the expiration of the said period.

5. Any writing on this Contract in the vernacular of the buyers beyond their plain signature shall be null and void, &c.

(Sd). Ram Chunder Misser.

DELIVERY ORDER FORM.

36

No. 1

No. 1

29th July 1899.

Calcutta, 29th July, 1899.

Ram Chunder Misser.

DELIVER TO RAM CHUNDER MISSEK.

Clerk's Guide.

| C. No. | Packages &c. | C. No. | Mark. | No. | Case. | Goods. | Pieces. | Yards. |
|--------|--|--------|-------|-------|-------|---------------------------------------|---------|--------|
| 10 | TE. 204/8, 5 cases, Grey Shirtings. | 10 | TE. | 204/8 | 5 | Grey Shirtings, quality No. 5,000. | @. 60. | 40 |

R. G. BROWN & Co.

Calcutta, 29th July, 1899.

Rs. 1,200-3-6.

BABOO RAM CHUNDER MISSER.

On demand I promise to pay to MESSRS. R. G. BROWN & Co., or order, the sum of Rupees *twelve hundred, annas three and pies six only*, being the value of goods bought of and delivered by them, with interest at the rate of 12 percent. per annum from 12th September 1899.

| Mark. | No. | Packages. | Goods. | Pieces. | Rate. | Rs | As. | P. |
|-------|-------|-----------|-----------------------------------|---------|-----------------------------|------------|--------|--------|
| T.E | 204/8 | 5 | Grey Shirtings, Quality No. 5000. | @60=300 | at Rs. 4 per p.c. | 1,200 | 0 | 0 |
| | | | | | * Brokerage at ans. 6% | 4 | 3 | 6 |
| | | | | | Less chafage | 1,204 2 | 3 0 | 6 0 |
| | | | | | Allowance for cut pieces... | 1,202 2 | 3 0 | 6 0 |
| | | | | | | 1,200 | 3 | 6 |

Contract No.

N. B.—No part payment will be recognised unless endorsed on the back of this by the buyer. It is customary to deduct *choot* from brokerage at one anna per Rupee.

R. G. BROWN & Co.

HINTS ON IMPORT DEPARTMENT. •

If a purchaser pays off the value of his purchased goods before the due date, he receives discount or abatement for payment of money in advance. On the other hand, if he puts off payment on the due date, interest is charged on the amount due from him.

It sometimes happens that a dealer fails to take delivery of the goods in terms of the contract; in that case the seller, demands the fulfilment of the contract from him and advertises in the local papers (The Calcutta Exchange Gazette is the medium generally resorted to thus :—

Mr. A. has failed to take delivery of 4 bales of goods marked

| |
|---|
| B |
|---|

 $\frac{1}{4}$ Ex Str. *Lasshi* in terms of the contract. Should he refuse to take delivery of 4 bales within three days, they will be sold by public auction at his risk and responsibility.

In default, the goods are then put to auction and sold to the highest bidder. If the proceeds fall short of the contracted value, the difference is realized from the first purchaser.

When sellers of Imported goods try to force upon purchasers stuff inferior to the sale sample, the latter frequently demand compensation, otherwise called mercantile convention *allowance*; and this may sometimes result in litigation. To avoid the latter course, a *medium* is resorted to; both the seller and the purchaser refer the settlement of the issue to the Arbitrators whose award they bind themselves to abide.

HINTS ON IMPORT DEPARTMENT.

ACCOUNT SALE.

The statement of account rendered by the Agent to consigner, showing the exact sale amount of the goods signed with all other charges incurred thereon.

FORM OF ACCOUNT SALE.

Account sale of goods per. *S. S. India*, received from *Henry Liston & Co.* and sold for his account and risk by *Lyall & Co.*, Calcutta.

| | Rs. | As. | P. | Rs. | As. | P. |
|----------------------------|-------|-----|----|-------|-----|----|
| 50 bales demy paper 16 lbs | | | | | | |
| @ Rs 60 ... | 3,000 | 0 | 0 | | | |
| 10 packages grey Shirtings | | | | | | |
| @ Rs. 240 ... | 2,400 | 0 | 0 | | | |
| 50 pieces Grass Cloth | | | | | | |
| @ Rs. 20 ... | 1,000 | 0 | 0 | | | |
| 30 packages Longcloth | | | | | | |
| @ Rs. 100 ... | 3,000 | 0 | 0 | | | |
| | 9,400 | 0 | 0 | 9,400 | 0 | 0 |
| CHARGES. | | | | | | |
| Landing charges and | | | | | | |
| godown rent ... | 106 | 10 | 0 | | | |
| Commission on Rs. 9,400 | | | | | | |
| @ 5% ... | 470 | 0 | 0 | | | |
| | 576 | 10 | 0 | 576 | 10 | 0 |
| Net proceeds Rs. | | | | 8,823 | 6 | 0 |

Calcutta, }
July 1899. }

Errors and Omissions Excepted

LYALL & Co.

BILLS OF PARCEL.

Calcutta, 15th June, 1890

R. Watson, Esq.,

BOUGHT OF R. N. SHAW & BROTHERS,

Wine Merchants and Commission Agents.

Terms Cash—When credit is allowed, interest will be charged after one month at the rate of 12% per annum.

| | Rs. | As. | |
|--------------------------------------|-----|-----|--|
| To 5 doz. Tennent's Beer @ Rs. 6 ... | 30 | 0 | |
| 8 doz. Offley's Port, @ Rs. 25 ... | 200 | 0 | |
| 2 doz. Raspberry Wine @ Rs. 20 | 40 | 0 | |
| 4 jars of do. Jam @ Rs. 4 ... | 16 | 0 | |
| 8 doz. Exshaw's Brandy @ Rs. 25 | 200 | 0 | |
| Co.'s Rs. | 486 | 0 | |

E. E. Received Paym^t

R. N. SHAW & BROTHER

Calcutta, 20th June 1891

JAMES NELSON, ESQ.

BOUGHT OF MESSRS. BEATSON & CO.,

Tea Ware house and Miscellaneous Depôt.

| | Rs. | As. | |
|-----------------------------------|-----|-----|--|
| To 6lbs Black tea @ Rs. 2 ... | 12 | 0 | |
| 400 Manilla Cigars @ 5 per 100... | 20 | 0 | |
| 2 Boxes Hyson tea @ Rs. 15 ... | 30 | 0 | |
| Co.'s Rs. | 62 | 0 | |

E. E. Received Paym^t

BEATSON & CO.

CHAPTER IV.

HINTS ON INSURANCE DEPARTMENT.

Insurance is an agreement or contract, for a certain period, entered into between two parties whereby for a stipulated consideration one party undertakes to indemnify the other against loss by certain risks.

The parties who take upon themselves the risk are called the Insurers ; the person protected is called the Insured ; the sum paid to the insurers is called the Premium ; and the paper on which the contract is written is called the Policy of Insurance . The person who subscribes the Policy of Insurance is called the Underwriter.

The business of an Insurance office is divided into three different branches,—(1) Marine, (2) Fire, (3) Life. The agreement, under which an Underwriter binds himself, or the Company he represents, to pay to the insured, for damages done to his goods or the loss sustained by him for destruction of his cargo at sea during a voyage from one port to another, on receipt of a certain consideration, is usually known as the Marine Insurance.

The Indenture, indemnifying a godown, a building or warehouse like in the event of a loss or damage arising from fire on goods stored therein or the godown itself, underwritten by an Insurance Company for a fixed period and for a contracted sum specified in it, on receipt of certain consideration, is termed Fire Insurance.

The contract, of indemnity for the payment of a certain sum, to the legal heirs or the nominees of an insured person, after his demise or to himself during his life after

ten, fifteen or twenty years as bargained for, agreed upon by an Insurance Company on receipt of a stipulated sum or percentage, payable at certain intervals by the insured person, is called Life Insurance.

Life Insurance is divided into different classes *viz.*
 (1.) Ordinary Life Plan, (2.) Limited payment Life Plan,
 (3.) Endowment Life Plan.

(1.) *Ordinary Life Plan.*

On this plan the premiums are continued during the life-time of the Assured, and the amount is payable at death.

(2.) *Limited Payment Life Plan, policies paid up by 10, 15 or 20 years' payments.*

On these plans the premiums cease in 10, 15 or 20 years (according to plan originally chosen), the amounts being payable at death.

These Policies continue to participate in bonuses, after all the premiums have been paid on them.

(3.) *Endowment, payable in 10, 15 or 20 years, at death if prior.*

On these plans the amounts are payable in 10, or 20 years (according to the plan originally chosen) to Assured, or in case of previous death, to their representatives.

The Funds, such as "The Hindu Family Annuity Fund of Calcutta" and "The Hindu Provident Fund of Simla" which make Provisions for wife, children or any near relative of a deceased member, who during his life contributed sums to the fund for the furtherance of the same, though they do not strictly come under the category, may be placed under the head, Life Insurance.

RATES OF PREMIUM.

Marine.

The rate of Marine Insurance varies according to the condition of the vessels in which the goods are shipped, the length of her voyage, the dangerous situations of the rivers and canals through which she would pass and the class in which the vessel has been put down in the Lloyd's Register.

The usual rates of premium of Marine Insurance on goods shipped on board a steamer bound to London and Liverpool *via* Madras and Colombo are usually from $\frac{3}{8}\%$ to $\frac{1}{2}\%$; by which it is meant that an Insurance company takes upon itself the risk of 100 Rupees on receipt of only 6 annas or 8 annas as premium.

Fire.

The rates of Fire Insurance are calculated on altogether different basis. The rates of premium for godowns exposed to fire are lower than those in which highly inflammable substances such as Petroleum and Jute are stored. It is also regulated by the length of duration. A piece good godown may be insured at $\frac{1}{8}\%$ for one year, whereas a Jute godown will be charged for at $2\frac{1}{2}\%$ to 3% premium for the same term. Similarly if the policy is for two years or a longer period, a higher rate will be charged.

The keen competition as it now stands among the different insurance companies has had the effect of lowering rates of premium for insurance. An attempt has often been made to form a Guild of Underwriters with a view to put a stop to the undue elasticity of the market.

But this alliance will work to influence the rates,

time will reveal. It is feared that, underhand means will be at work in the shape of Return Premium, over which the guild will have no control, to secure customers. In the absence of any effectual checks, the compact will be more honored in the breach than in the observance.

Life.

The rate of Life Insurance becomes high or low in as much as the age of the assured is more or less. The rate for the Ordinary Life Plan is the lowest, that of the Limited Life Plan lower, and that of the Endowment Life Policy the lowest. Again the rate of Premium for Endowment Life Policy is regulated according to the extent of time. The term of *ten* years is chargeable with a higher premium than *fifteen* years, and so on at a graduated scale. The lives of diseased persons, or persons in weak health, or of those who are addicted to evil habits or drunkenness are seldom insured. It is mainly for these reasons that the examination of the health of a proposer becomes necessary. The lives of persons in weak health are sometimes insured, but at an exorbitantly high rate of premium.

Elsewhere will be found a Table shewing the rates of premium chargeable on a Life Policy for the reference of the readers.

Stamping Policies.

The rate of stamp duty in the case of Sea Insurance when the amount does not exceed Rs 1,000, is *annas four* if drawn singly; if drawn in duplicate, for each part *annas two*; and for every further sum of Rs. 1,000 or part thereof in excess of Rs. 1,000, if drawn singly, *annas four*, and if in duplicate, *annas two additional*.

rding to age and length of duration on a Life
New York Life Insurance Co.

| Age. | Quarterly Premiums for an Assurance of Rupees 1,000 payable at death. | | | | Quarterly Premiums for an Assurance of Rs. 1,000 payable in 10, 15 or 20 years, or at previous death. | | |
|------|--|--|-----------|-----------|---|------------|------------|
| | Ordinary life plan— | Limited payment life plan, Policies paid up by— | | | Endowment, payable in— | | |
| | for life. | 10 years. | 15 years, | 20 years. | 10 years. | 15 years. | 20 years. |
| | Rs. A. P. | Rs. A. P. | Rs. A. P. | Rs. A. P. | Rs. A. P. | Rs. As. P. | Rs. As. P. |
| 25 | 8 15 6 | 16 5 0 | 13 4 4 | 11 9 11 | 29 10 5 | 19 13 11 | 15 4 6 |
| 30 | 9 3 11 | 17 10 1 | 14 5 1 | 12 9 0 | 29 15 8 | 20 3 6 | 15 10 5 |
| 35 | 11 0 8 | 19 4 2 | 15 10 5 | 13 11 11 | 30 6 8 | 20 11 2 | 16 2 11 |
| 40 | 12 9 7 | 21 4 8 | 17 5 1 | 15 4 2 | 31 0 10 | 21 6 5 | 16 15 6 |
| 45 | 14 11 6 | 23 13 5 | 19 7 4 | 17 4 2 | 32 8 6 | 23 0 4 | 18 11 2 |
| 50 | 17 10 5 | 27 1 5 | 22 4 8 | 19 15 4 | 34 11 6 | 25 5 0 | 21 2 3 |

In the case of Fire Insurance—

(1) The rate in respect of an original policy for a month or any shorter term, when the amount insured does not exceed Rs. 1,000, *two annas*; and for every additional Rs. 1,000 or part thereof in excess of Rs. 1,000 additional *two annas*.

(2) In respect of original policy exceeding *one month* but not more than *three months* for every Rs. 1,000 annas *three*.

(3) In respect of original policy exceeding *three months* but not more than *six months* for every Rs. 1,000 or part thereof in excess of Rs. 1,000 annas *four*.

(4) In respect of original policy above *six months* for every Rs. 1,000 or part thereof in excess of Rs. 1,000 annas *six*.

The stamp duty chargeable on renewing a policy of Fire Insurance for purpose of keeping in force, a policy which has been granted for six months or any shorter period, the same duty as would be payable for any original policy.

In the case of Life Policy the stamp duty for every Rs. 1,000 insured or part thereof in excess of that amount is annas *six*.

Those who procure business of an Insurance Company are called Insurance brokers. They are paid on commission. The usual rate of brokerage is 5% on the premium realized.

EXAMPLE.

Marine Policy.

Let us illustrate by an example :—Haridas Chun Merchant of Calcutta, when exporting, say—300 b

Rice to Madras, which he values including all charges and profit at Rs. 3,000, will, to ensure against loss during the voyage, effect insurance on his goods. He takes a "Letter of Cover" from the Universal Marine Insurance Co., by which they undertake to deliver to the assured the policy of Insurance and arranges to insure his bags of Rice at a premium of $\frac{1}{2}\%$. To be more explicit, let us show a practical calculation of the amount of premium to be paid by H. C. Chunder.

Rs. 100 Re. $\frac{1}{2}$ or 8 annas.

Rs. 3000 x

100 : 3000 :: $\frac{1}{2}$: x

$\therefore x = \frac{3000}{100} \times \frac{1}{2} = \text{Rs. } 15.$

Thus it will be found that the Marine Insurance Co, on receipt of Rs. 15 take upon themselves the risk of Rs. 3,000 in event of a total loss or partial damage of the cargo.

Marine policy Form.

THE UNIVERSAL MARINE INSURANCE CO.

WHEREAS *Babu Haridass Chunder* hath represented to the *Universal Marine Insurance Co.*, that he is interested in or duly authorized as Owner, Agent or otherwise, to make the Insurance, hereinafter mentioned and described with the said Company, and hath promised or otherwise obliged himself to pay to the said Company the sum of Rs. 15 as a premium or consideration, at and after the rate of $\frac{1}{2}$ per cent for each Insurance.

NOW THIS POLICY OF INSURANCE WITNESSETH, that in consideration of the promises, and of the said sum of *Rupees Fifteen Only*, the said Company promises and agrees with the above-named Insured, his Executors, administrators, and Assigns that, the said Company will pay and make good all such losses and damages herein-

after expressed, as may happen to the subject-matter of this policy, and may attach to this Policy in respect of the sum of *Rupees three thousand Only* hereby insured, which Insurance is hereby declared to be upon

H. D. 450 bags Rice Valued Rs. 3,000.

Free of particular average.

In the Ship or Vessel called the *S. S. "Hochheimer,"* whereof Mr. Walker is at present Master, or whoever shall go for Master of the said Ship or Vessel, lost or not lost, at and from Calcutta to Bombay. Including risk of craft to and from the Ship.

And the said Company promises and agrees that the Insurance aforesaid shall commence upon the Freight and Goods, or Merchandise, aforesaid, from the loading of the said Goods or Merchandise on Board the said Ship or Vessel at *Calcutta*, and continue until the said goods or Merchandise be discharged and safely landed at *Madras*.

In case of loss arising, the same to be payable in Calcutta by the *Undersigned* Agents for the Company, at the expiration of one month after proper notice and proof thereof has been given.

Warranted free from capture and seizure and retention, and all the consequences thereof, or of any attempt thereat, anything hereinbefore contained to the contrary notwithstanding.

IN WITNESS whereof the said Company have hereunto set their hands in Calcutta, this 19th day of March 1899.

By order of the Board,

(Sd.) F. N. MOOLJIE & Co.

Agents for the said Company

Examined-

(Sd.) A. MITTER.

EXAMPLE.

Fire Policy.

Now for the Fire Policy. We will also try here to be practical. Ramdyal Shaw, a piece-goods dealer, for probable loss from fire effects, makes insurance of the godown in which his goods are stored, for Rs. 1,00,000. In the next page will be found a form of policy which has to be drawn up in his favour for the engagement.

It is a practice among the merchants, before the policy is drawn up and delivered to them, to take out Letters from the insurance Company, in which they undertake to deliver to the assured the policy of Insurance. It is usually known as the Letter of Cover.

Letter of Cover.

THE LONDON FIRE INSURANCE COMPANY,

Calcutta, 28th July, 1899.

To BABOO

RAMDYAL SHAW.

DEAR SIR,

With thanks for your offer of date we hereby hold you cover to the extent of Rs. 1,00,000 only, on *piece goods in bales or in cases, stored in the pucca built Godowns of premises No. 36, Armenian Street, Calcutta,* for 12 months from 31st July 1899.

The policy shall be sent to you as soon as possible.

Yours faithfully,

(Sd.) KING LAWRENCE & Co.

Agents.

Fire Policy Form.

THE LONDON FIRE INSURANCE CO.

SUM INSURED Rs. 1,00,000.  Premium @ $\frac{1}{2}\%$ Rs. 125.
Capital £3,500,000 Sterling.

WHEREAS Baboo Ramdyal Shaw, Calcutta, hath paid the sum of Rupees *One hundred and twenty five only* to the Undersigned as authorised Agents of the "London Fire Insurance Company" for Insuring from Loss or Damage by Fire the property, hereinafter described, not exceeding the sum specified on each article, *viz* :—

One lac of Rupees only; on piece-goods in bales or in cases, the property of the assured or held by him in trust on Commission or on joint account with others, stored in the pucca-built godowns of premises No. 36 Armenian Street, Calcutta.

Warranted that no hazardous goods be deposited nor hazardous trade carried on therein.

Smoking and cooking strictly prohibited in or about the said godowns except in places specially set apart for such purposes only.

Further Insurance to be declared in the event of loss, subject to the condition of average.

NOW BE IT KNOWN, that from noon on the 31st day of July 1899, until noon on the 31st day of July 1900, the Funds and Property of the said Company shall be subject and liable to pay or make good to the Assured, his Executors and Administrators, all such loss or damage by Fire as shall happen to the Property above mentioned, subject to the conditions hereon endorsed.

In witness hereof this Policy has been signed by the authorised Agents of the said Company at Calcutta this 29th day of July 1899.

By authority of the
LONDON FIRE INSURANCE COMPANY,

Examined—

KING LAWRENCE & CO.

(Sd.) A. MANDY.

Agents

The following is the form of Letter sent to the Assured enclosing the Policy of Insurance.

The London Fire Insurance Company.

Calcutta, 29th July, 1899.

To

BABOO RAMDYAL SHAW.

DEAR SIR,

With reference to your Letter of Cover dated the 28th instant, we have the pleasure to enclose Policy No. 894 for Rs. 1,00,000, which we trust will be found in order. Our Bill for the premium shall be presented in due course.

WE ARE, DEAR SIR,

Yours faithfully,

King Lawrence & Co.

Agents.

On the expiration of the term originally agreed upon, the duration may be extended for the purpose of keeping in force the original policy. This is known by the name of Renewal of Fire policy. The following endorsement then becomes necessary.

POLICY No. 894.

The insurance by this policy to the extent of Rs. 1,00,000 is hereby renewed for a further period of 12 months *viz.*, to 31st day of July 1901, at a premium of Rs. 125 only.

DATED, CALCUTTA,

1st day of August, 1900.

{ (Sd.) *King Lawrence & Co.*

Agents.

Jute Insurance.

In Insuring Jute godowns the following conditions, among others, are inserted in the Policy of Insurance.

On Jute, Jute cuttings and Jute rejections, in bales or in process of baling or assorting and on heckles, tarpaulins, scales, weights and wooden blocks, the property of the Assured or held by them in trust on commission or on Joint account with others, stored in the pucca-built Press House and godowns of the Chitpur Hydraulic Pressing Company Limited, at Chitpur in the Suburbs of Calcutta, as well as on Jute, Jute cuttings and Jute rejections in bales only lying in the compound of the above-mentioned Press House, awaiting despatch.

Warranted that no Jute, Cotton, Hemp, Flax or other fibres, in a loose state, be allowed to remain over-night in the open compound or upon the roofs of the premises, that the compound be swept clean every evening at dusk and that the doors and windows of the said premises be kept closed at night.

Warranted also, that no work be conducted by artificial light except by permission previously obtained from the Company and on payment of such customary extra premium as may be levied thereon. Necessary repairs to machinery being permitted at nights with strong closed lanterns under European Superintendence only, it being understood that the lanterns are not to be opened within the premises hereby insured.

Smoking and cooking strictly prohibited in or about the said premises, except in godowns specially set apart for such purposes only.

Further insurance to be declared in the event of loss.

Life Policy Form.

The Manchester Life Insurance Company Limited.



ORDINARY

Life plan, Rs. 1,000.

Whereas *Babu Hira Lall Mukerjee* of No. 30 *Mirzapur Street, Calcutta*, the person hereinafter Assured, hath proposed to effect an Assurance for the benefit of his wife-*Sreemoy Haridasi Devi* with the *Manchester Life Insurance Company Limited*, in the sum of *Ruppes one thousand only*, upon his own life for the whole continuance thereof, and hath delivered at the office of the said company at Manchester a statement in writing, signed by himself, and bearing date the *31st day of May 1899*, thereby declaring that the age of the said Assured on his next birth-day would not exceed *twenty-five years*, and setting forth the past and present state of health, and other circumstances touching the habits and life of the said Assured, which Declaration and relative Personal Statement made to the Medical reference of the Company the said Assured hath agreed, shall be the basis of the contract between him and the said Company.

And whereas the said Assured hath paid at the offices of the said Company at Manchester the sum of *Ruppes eight, annas fifteen and pies six only*, as a premium for

the said Assurance, from the *17th day of June 1899*, until the *16th day of September 1899*.

Now this policy witnesseth, that if the said Assured shall die before or upon the *17th day of September 1899* or shall live beyond such day, and he or his Assigns shall on or before that day, and on or before the *17th day of December* in the present *March, June, September and December*, in every succeeding year during which the said Assured shall be living, pay at the office of the said Company at Manchester, the quarterly premium of *Rupees eight, annas fifteen and pies six only* then the said Company shall be subject and liable to pay to the Executors, Administrators, or Assigns of the said Assured within one calender month, after proof to the reasonable satisfaction of the Directors of the death of the said Assured shall have been received at the office of the said Company at Manchester, the sum of *Rupees one thousand only*.

Provided always, and these presents are upon this express condition, that in case any statement or allegation, contained in the Declaration herein before mentioned be untrue, or of the Assurance hereby made shall have been made through any misrepresentation, concealment, or untrue avertainment whatsoever, or in case the said Assured shall within Twelve calender months after the date hereof commit suicide, this Policy shall be void, and all moneys paid in respect thereof shall be forfeited to the Company; but in case of death by suicide, this policy, if the same shall have been assigned *bonâfide* for a valuable consideration, shall, immediately after the date of such Assignment, be valid to the extent of the interest of Assignee thereunder.

Signed, sealed and stamped on behalf of the Manchester Life Insurance Company Limited, this *third day of July 1899.*

Examined,—

(*Sd*) GEORGE GORDON,

(*Sd.*) G. Marstan.

Manager

Re-insurance.

Re-insurance is the method of distributing risks taken by one Company among the members of other Companies by parcels.

Take, for example, that the New Zealand Insurance Company insured jute godowns belonging to Sahoo & Co., for Rs. 50,000. As the taking of risk of such a considerable sum is not only a hazardous undertaking but may eventually end in ruin of the Company, the Company, with a view to reduce the risk and at the same time to reap the advantage, will insure the whole or part of that sum with the other Insurance Companies in small portions, and at a less premium into the bargain. The system is advantageous both to the Insurer, and the assured, and as such, the practice is generally adopted.

CHAPTER V.

HINTS ON SHIPPING DEPARTMENT.

The department, in which the direction of such business, as entry and clearance of vessels, the loading and discharging of cargo is controlled, is designated the Shipping Department.

When a ship is reported at *Saugor*, the duty of an agent is to take necessary steps for her safe mooring, for which purpose he will write to the Jetty Superintendent for her berth in the following way.

To *Calcutta, 1st August, 1899.*

THE SUPERINTENDENT OF THE JETTIES.

DEAR SIR,

We beg to inform you that the Str. *India* left Madras yesterday and is expected to arrive here on the 6th instant. We would thank you to reserve Jetty for her berth immediately on her arrival.

Please grant an order to keep in readiness usual number of cranes for discharge of her import cargo.

Yours faithfully,

(Sd.) *Macneill & Co.*

It is customary for Merchants to secure freight before arrival of a Steamer, to avoid disappointment or take advantage of the rate of freight, when it is thought to be low. The form of Shipping Order is shown below.

Shipping Order.

It is an engagement to convey goods on board a ship from one place to another on receipt of certain consideration, called *freight*.

Shipping Order Form.

No. 152.

Calcutta, 30th May 1899.

To

THE COMMANDING OFFICER OF THE S. S. "*Arabia*."
LOADING FOR LONDON.

Sir,

Please receive on board from Messrs. Banerjee & Co. the undermentioned goods, and grant a receipt for the same.

100 Bales of Jute & 50 Bales of Cotton.

Freight at £2. 5s. per ton as customary.

(Measurement to be taken on the custom House wharf, or other Shipping wharf within the limits of the Port of Calcutta.)

To be Shipped *on our notice*.

N. B.—All packages in bad order to be returned.

(Sd.) GRAHAM & Co.

Agents.

When a Steamer brings on board, Gunpowder or any explosive substance, she is not allowed to proceed up the river beyond Budge-Budge. In case of Kerosine oil, the goods are stored in the Port Commissioner's Godowns there.

In case of Gunpowder, it is the practice of the Port to inform the Traffic Manager of the Port Commissioners to store the powder and cartridges at the Myapore Magazine. With this end in view, it is also necessary to write to the Port Officer to issue instructions to the Pilot in charge of the vessel to land the powder to the Magazine boat, when passing by the Myapore Magazine.

The necessary applications are given in the next page.

To

THE TRAFFIC MANAGER,

Port Commissioners.

DEAR SIR,

Please arrange to store at the Myapore Magazine the following 5 cases of Cartridge and Gunpowder, coming forward in the Steamer "India" from London, and instruct the Superintendent to place the Magazine Boat alongside the steamer as soon as she is there.

Yours faithfully.

L. 2 Cases Cartridge.

(Sd.) MACNEILL & Co.

L. 3 Cases Gunpowder.

To

THE PORT OFFICER,

Calcutta.

SIR,

Please issue instructions to the Pilot, who will be in charge of the vessel "India" from London, to discharge Gunpowder on the boat, which will be ready at Myapore to receive packages of Gunpowder and cartridges.

I have &c.

Entry and Clearance of Vessels.

When a steamer arrives in the Port of Calcutta, the first thing which an agent would do, is to prepare a list of the cargo which she has taken in some Foreign Port or Ports.

Manifest.

The list of cargo, otherwise called Manifest, in duplicate, together with the two copies of the Store List and a few necessary applications, the details whereof will be given hereafter, are required for the entry of the vessel.

Time allowed for entry of a Vessel.

A vessel arriving at the Port of Calcutta must, according to the rules of the port, be entered in the Custom House within 24 hours of her arrival. A breach of this rule makes the Captain liable to fine according to the gravity of the offence.

Berthing of a Vessel.

The steamer arriving at the port may either take her berth at one of the Port Commissioner's Jetties, or at one of the Moorings. In the former case, an arrangement is entered into with the Traffic Manager the Jetties for the discharge of the vessel's Import Cargo, or loading her Export Cargo, through the Jetties. In either case the Port Commissioners levy certain charges from the consignees of the cargo, or the shippers of the goods, for their trouble.

SPECIMENS OF APPLICATIONS.

The following specimens of applications, usually adopted when entering the vessels at the Custom House, may help the readers to form an adequate idea how the things are done. I would, therefore, at the risk of being tedious, give below some forms of application for their reference,

Application for breaking bulk.

To

Calcutta, 1st July, 1899.

THE COLLECTOR OF SEA CUSTOMS,

Sir,

Calcutta.

Under section 59 of Act VIII of 1878, be pleased to grant an order to break the bulk of the Steamer, "Abala" before her entry inward. She takes her berth at the Jetty, on arrival.

I have the honor, &c.

The above application becomes necessary for ready discharge of Import Cargo and thus saves the vessel of the port charges and demurrages.

Now what is Demurrage?

It is an allowance payable for undue delay in port.

It further becomes necessary, to facilitate discharge and loading of cargo, that the vessels should work before and after regulation hours, for which certain fees according to the fixed scale, are payable to the Preventive officers, who attend during the time.

A deposit of a certain sum to meet the fees of the officers, is made along with the application for over-time work.

Application for over-time work,

To

THE COLLECTOR OF SEA CUSTOMS,

SIR,

Calcutta.

Be good enough to allow the Steamer "*Abala*" to work before and after regulation hours, on receipt of Rs. 50 as deposit, during her stay in the port.

I have &c,

It must be borne in mind, that the above application is not sufficient for the working of vessels, whenever necessary. Separate applications for each day's night work, or holiday work, are to be made when necessary.

Application for Night work.

To

Calcutta, 1st July, 1899,

THE COLLECTOR OF SEA CUSTOMS,

SIR,

Calcutta.

Be good enough to allow that the Str. "*Abala*" may

work to-night, from 6 P. M. to 6 A. M., on usual terms, against our deposit.

I have &c.

Application for Sunday work.

TO THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

I have the honor to request that you would be pleased to allow the Str. "*Abala*" to work on Sunday or Holiday (say on the *Dasahara day*) the (—) instant, on usual terms, against our deposit.

I have &c.

The above application holds good only for day-work on holidays; but for night-work, a separate application in the form shown above, is to be made out for submission to the Collector of Customs in taking out his usual permission.

The readers should note here, that for discharge of coal either on Holiday or at night, permission is granted to work the vessel free of charges, otherwise leviable, for officers.

Application for Entry of Vessels.

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

I have the honor to request you to be good enough to allow the entry of the vessel "*Abala*," Captain Ramsay Registered 600 Tons, with general cargo from London and Liverpool *via* Suez Canal.

I have &c.

An application in the foregoing form praying for the vessel's entry together with the shipping documents, to

wit, Port Clearance, Manifest of cargo, Store List, Registered tonnage of the vessel, Bills of Lading (Captain's copy) of cargoes if they be dutiable, is submitted to the Collector of Customs, through the Supervisor of the Import Department of the Customs Collectorate. The Collector of Customs, on receipt of the necessary papers, satisfies himself personally, by questions put to the Captain of the Vessel, that the cargoes entered in the Manifest are correct to the best of his belief and the papers have been duly attested by his signatures. After this, he declares the vessel entered.

Here are some of the forms of applications which become necessary to be made out.

Application for discharge of Free Import Cargo.

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

Please allow the vessel "*Abala*" to discharge her free Import Cargo, without the interference of the Preventive Officers.

I have &c.

Application for discharging Dutiable Import Cargo.

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

Be good enough to depute on board the Str. "*Abala*" an officer to-morrow, to watch the steamer's discharge of dutiable Import Cargo.

I have &c.

The Import goods are discharged either at the Jetty or overside, on boats. In the latter case it becomes imperative on the agents to give every facility to the consignees for taking delivery of goods, on boats, to render which, the following application is made,

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta,

Please grant an order that the Str. "*Abala*" may discharge her Import overside Cargo into the boats, to be kept along side the steamer, pending receipt of the Bills of Entry, by the officer on board.

I have &c.

What is a Bill of Entry ?

It is a list of goods, entered at the Custom House, to be taken delivery of, from a vessel which has duly filed its manifest. Here it must be noted that no Import Cargo is delivered, without the Bill of Entry, to the consignees. The Bill of Entry is first compared with the vessel's Import manifest; and if found correct it is attested by the Noter. It is then taken to the Appraiser who classifies the goods and puts his signature, after which due entry is made in the Proper Registers. In case of dutiable cargo, duty is realized and finally signed by the Collector of Customs, and permit is granted. If by a mistake any cargo is omitted to be mentioned in the manifest, the agents of the vessel are bound to make an application to file a supplementary manifest to supply the omission. A fee of Rs. 5 is charged for a supplementary manifest, if the application is submitted after 24 hours of the vessel's entry.

Application for a Supplementary Manifest.

To

THE COLLECTOR OF SEA CUSTOMS,

SIR,

Calcutta.

I have the honor to request you to be good enough to allow me to file a supplementary manifest of Cargo of the Str. "*Abala*." The particulars are as below :—

A.B.
2 One case Paper from London.

I have &c.

As a portion of the Ship's Stores on board will be required for the consumption of her crew during the vessel's stay in the Port, a permission is to be obtained from the Customs authorities to keep the stores open.

Application to keep the Stores open.

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

I have the honor to beg that you will be pleased to allow a portion of the ship's stores to be kept open for the steamer's use during her stay in the Port.

I have &c.

The above notes, on the entry of vessels, succinctly compressed within the narrow space at our command, may be presumed to be exhaustive and, we have no doubt, will enable the reader to form an idea of the nature of business requisite for the import discharge of a vessel.

Vessel's outward Entry and Clearance.

We shall here attempt to dwell on matters, referring to the export cargo and the vessel's clearance. After

the vessel has discharged her Import Cargo, it is usual for agents to make application for her outward voyage in the following way :—

Application for outward Entry.

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

Be good enough to grant an order for outward entry of the Str. "*Abala*" Captain Ramsay, registered 600 tons bound for London and Liverpool *via* Suez Canal.

I have &c.

When the vessel is entered outward, the shippers are allowed to make out Export Challans of goods, which they intend to ship and for which they have taken out shipping orders previously. We need not here enter into all the details as to how goods are exported, as they have been dwelt upon elaborately in the first chapter of the book. It would however not be foreign to the subject if we attempt to explain what is meant by *The Charter Party*.

The Charter Party.

It is an agreement as to the hiring or chartering of a vessel for a voyage, subject to certain terms, at a fixed rate of freight. It is chargeable with a stamp duty of Rupee one only.

When the steamer is ready to take her Export Cargo, it is necessary to make certain applications, the forms of which are given below.

Application to receive Export Cargo.

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

Please grant an order that the steamer "*Abala*" may take her free Export Cargo, without the interference of the Preventive Officers.

I have &c.

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

Please grant an order to send on board the vessel "*Abala*" an officer, to watch the taking in of dutiable Export Cargo.

I have &c.

EXPORTING CARGO.

When goods are shipped in vessels, the shippers receive a receipt for the goods either from the Superintendent of the Jetties or the Chief Officer of the Vessel. This receipt together with the Bills of Lading, duly filled up, is sent to the Agents of the steamer, in which the goods have been shipped, for the Captain's signature.

The vessel, being full, becomes ready for her outward voyage. She is then said to be *under clearance*.

The *clearing of the vessel* is the taking out of *Port clearance* from the proper authorities by entering the name of the vessel and an inventory of Cargoes taken by her, at the Custom House, previous to her departure.

It is necessary to state for the information of the readers, how the *Port clearance* is obtained.

When the vessel has discharged her Import Cargo, an application is made to the Collector of Customs for an Import Certificate. As by the Customs Rules, the above certificate is not allowed till the agents have accounted for all the vessel's cargo entered in the manifest, it has become the custom of the Port, with a view to avoid unnecessary detention of a vessel in the Port, to grant such certificate under a letter of guarantee, duly stamped with one Eight-anna court-fee stamp.

Application for Import certificate

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

Please grant an order for the Import clearance certificate of the "*Abala*," Captain Ramsay, Registered 600 tons, with general cargo from London and Liverpool.

Form of letter of Guarantee.

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

In consideration of your granting us Import clearance certificate of the Str. "*Apala*," we hereby undertake to account for all her Import Cargo, within two months from the date hereof, and to make good any penalty which the vessel may incur in default.

We have &c.

The Port clearance is not granted unless Light Dues are paid in the Custom House, for the payment of which an application is made; and the Inward Light Due Bill is attached thereto

Application to pay Light Dues.

To

THE COLLECTOR OF CUSTOMS,

SIR

Calcutta.

Please take Light Dues of Str. "*Abala*," Registered 600 tons, Captain Ramsay, bound for London and Liverpool *viâ* Suez Canal.

The Collector of Customs on this application orders for payment of outward Light Dues. If the Inward Light Due Bill is not produced, both import and outward Light Dues are realized and Bills granted.

After these papers have been secured, an application for the *Port clearance* is made in the following form.

To

THE COLLECTOR OF CUSTOMS,

SIR

Calcutta.

Be pleased to grant *Port clearance* of the vessel "*Abala*" Captain Ramsay, Registered 600 tons, bound for London and Liverpool *viâ* Suez Canal.

I have &c.

To this application the Captain of the vessel attaches his signature and declares whether any passengers will be taken from the port, and when taken, their numbers.

At the time of submission of the application for the *Port clearance*, the Import certificate of the vessel and the Light Due Bill are attached thereto. Manifest of Export Cargo, in duplicate, is also filed at the same time in the Custom House. If the manifest could not be made ready at the time of the *Port clearance*, a letter of guarantee, duly stamped, is then filed instead. The

printed form of the letter of guarantee can be had at the Custom House, free of charge.

As however no *Port clearance* is granted unless all the Port Dues are paid in full and a "No Demand" certificate is produced before the Collector of Customs absolving the vessel of all claims, it becomes necessary to make deposits of the probable costs of the port charges at the Bank of Bengal, on receipt of the note of charges from the Port Commissioners.

Form of application for a memo of Port Dues.

To

THE TRAFFIC MANAGER,

Port Commissioners.

SIR,

Please supply us with a memo of charges for Port Dues of S.S. "*Abala*" gross tonnage 640, Registered tonnage 600. She draws 14 feet of water, will be cleared on the 5th July and leave the port the day following.

I have &c.

In reply to the above, a memo of charges together with a certificate that the vessel may be granted Port clearance on production of the Bank of Bengal Receipt for a certain sum mentioned therein, is sent to the Agents.

The receipt of money deposited and the certificate are submitted along with the application for the *Port clearance*.

So far for the Customs clearance. Then follows *Consul clearance*. This clearance is necessary when the vessel is of Foreign colors and is bound to a Foreign port. This is very simple. The Customs clearance is sent to the Consul of the Government, which the vessel belongs to

or is bound for. He endorses on the *Port clearance*, the Captain's compliance with all the rules and regulations of his Government, for which he levies a fixed fee according to the scale of his Government.

After *Consul clearance*, the *Port clearance* is taken to the Port Officer to whom an application for appointment of a Pilot was previously made. The *Port clearance* is then entered in a Register and the Clerk in charge of the book makes certain enquiries regarding the vessel's mooring and the exact time, when she will be ready to weigh anchor to enable the Harbour Master to take charge of the vessel up to Garden Reach, and to issue instructions to the Pilot the time when he will relieve the Harbour Master at Garden Reach and take the vessel out as far as the *Saugor Island*. The application for appointing a Pilot is made 24 hours before the vessel's clearance. The Captain also calls at the Port Office and arranges with the Harbour Master as to the time, when the vessel will drop down.

There is another rule of the Port of Calcutta, among others, which forbids a vessel, under heavy penalty, to leave the Port without the Bill of Health.

Bill of Health.

It is a certificate from the proper authorities, as to the state of the health of the Ship's Company and the sanitary condition of the city, granted to the Master of vessels when leaving Port.

In the Port of Calcutta, an application is made to the Health Officer to the port of Calcutta 24 hours before the vessel's departure and according to the Government circular, the "Blue Peter" is hoisted

Blue Peter.

It is a flag, partly blue and partly white, raised by the Masters of vessels, when they are under clearance.

Application for Bill of Health.

To

THE HEALTH OFFICER,

SIR,

Port of Calcutta.

I have the honor to request that you would be pleased to attend on board the vessel "*Abala*," Registered 600 tons, Captain Ramsay, with 24 (12 Indian and 12 European) crew bound for London and Liverpool. The Steamer will leave the port on the 6th instant. Please also arrange to examine the Ship's stores.

I have &c.

On receipt of the above application the Health Officer appoints a time, when he would be present on board the vessel, and gives intimation of the same. Then the crew, Captain and the passengers, if any, are obliged to be present on board the vessel for the Health Officer's examination.

When the examination is over, if the Health Officer is satisfied, he grants the vessel a certificate under his seal and signature.

The Bill of Health is a provision against Quarantine.

What is Quarantine?

It is the time, originally forty days, now restricted to an indefinite number according to circumstances, during which a vessel, arriving in a port and suspected of being infected with malignant disease likely to injure the health of the Port, is obliged to forbear intercourse with the shore.

In case the vessel is bound to a Foreign Port, the Bill of Health is to be countersigned by the Consul of the Government to which the port belongs. In such cases the certificate is taken to the Consul who attests the authenticity of the certificate, or, if he likes, issues a separate certificate. This is called obtaining the *Visa* of the Consul. After this the vessel sets sail.

It has been previously stated that when Export Manifest could not be got ready for submission to the Collector of Customs, the usual practice is to clear the vessel outward on the strength of a Letter of Guarantee by which the agent is bound to deliver a correct Manifest of the Export Cargo to the Collector of Customs.

It always happens that the Export passes are taken out for a larger quantity than the actual packages shipped on board. When the vessel has sailed, it becomes the duty of the shippers to apply for reland of those packages which have been shut out or not shipped on board. In default, the shippers are made to pay penalty for breach or neglect of procedure. The following is the form of

Application for Reland of goods.

To

THE COLLECTOR OF CUSTOMS,

SIR,

Calcutta.

Please grant an order to reland two Bales Cotton short shipped in the Str. "*Abala*" bound for London and passed under your E. F. R. No. 24 of 17th February 1899

I have &c.



2 Bales Cotton.

each 400lb

@ Rs 400 per Bale = Rs. 800.

LETTER OF CALL.

According to the terms of the Letter of Guarantee given by the Agents of the vessels when the Import certificate was granted to them, they are bound to account for the missing packages. Accordingly a list of short and unaccounted packages is sent to them for their explanation. This list is called the *Letter of Call*.

The Agents, on receipt of this, fill up the column of explanation, if the packages were landed by them under the Sea Customs Act, or forward it to the Superintendent of the Jetties if landed under the Port Commissioner's Rules at one of the Jetties, for his explanation. If the Agents fail to account for any package they are subjected to penalty according to the option of the Collector up to Rupees 500, and in case of dutiable cargo duty levied.

Vessels are sometimes exposed to the dangers of sea during their voyages. They may strike on a hidden rock and spring a leak, may come into collision with another vessel and may strand on shallow water, or may suffer heavy seas. In such cases, the masters of ships, for the safety of the vessels, may throw overboard a portion of cargo, lighten the vessel by landing cargo in lighters and do other acts calculated to save the vessels.

JETTISON.

The throwing of goods overboard, in a case of extreme peril, to lighten a vessel, is called *Jettison*.

The voluntary throwing in of goods over-board may be classed under three heads:—(1) Jetsam, (2) Flotsam and (3) Ligan.

Jetsam.

When goods are cast into the sea, and there sink, and remain under water.

Flotsam.

Where goods are lost by shipwreck and are found floating on the sea.

Ligan.

Where goods are sunk in the sea, but are tied to a cork or *buoy*, in order to be found again.

When owing to some unavoidable or unforeseen incidents, stranding, collision or wreck happens to a ship, the damages thus caused to the vessel are recovered by the agent or ship's husband by general contribution from the consignees, the ship and the underwriters bearing their proportions, each according to the rules in force for the time being, after the final adjustment of the General Average.

When a ship has suffered damages of the nature indicated above, the duty of the master of the vessel on reaching the nearest port, is to make a formal declaration before competent authorities and then on arrival of the vessel at the port of discharge before a Notary Public, the nature of the damages and the cause or causes that led to them.

Protest by the master of a ship is the written declaration before a Notary Public of the particulars of a voyage drawn up by him, with a view to the adjustment of losses or the calculation of averages.

After the protest has been noted, a certain percentage is fixed for levying from the consignees against delivery of goods, the ship having absolute lien upon the cargo in case the deposits are not made for the General Average.

General Average.

. It is a contribution made by all parties concerned in a sea adventure, towards a loss, by the voluntary sacrifice of the property of some of the parties for the benefit of all.

Particular Average.

It signifies the damage or partial loss, happening to the ship or cargo, owing to some accidental or unavoidable causes, and it is borne by the individual owners of the articles damaged or by the insurers.

After the delivery of goods to the consignees, against General Average deposits, a statement, showing the deposits of each consignee and marks and numbers of the goods against which such deposits have been made, is prepared and sent to the General Average Adjusters, for the preparation of the General Average accounts. They are also furnished with the note of charges incurred by the ship in repairing the damaged portions and making good the shortages of cargo and damages due thereon together with the Note of Protest, copies of the Ship's Log Book and other papers in connection therewith. The Adjusters, in the usual course, prepare the account and settle the contributions to be borne by the owners of the vassel and the underwriters.

The consignees are then refunded those portions of the amounts, which are due to them by the owners of the Ship, as per General Average and adjustment account; and Debit Notes are handed over to them at the same time, for the realization of the balances of their deposits from the Insurance Companies to which their goods respectively were insured.

BOOK-KEEPING.

—00—

CHAPTER VI.

Book-Keeping is a science of keeping accounts by a set of books in such a systematic order as to exhibit the affairs of any profession, in true, clear and satisfactory manner.

The principal books used in Book-Keeping for recording the transactions are the Day-Book, Journal, and Ledger. Besides these, there are several auxiliary or subsidiary Books, required for avoiding difficulties from keeping an account quite correctly. They are as follow :—

- | | |
|-------------------|----------------------------|
| 1. The Cash-Book. | 5. The Account-Sale Book. |
| 2. „ Bill-Book. | 6. „ Account-Current Book. |
| 3. „ Sale-Book. | 7. „ Invoice-Book. |
| 4. „ Stock-Book. | 8. „ Bank-Book. |

There may be other Subsidiary Books necessary to keep accounts minutely ; as the Purchase-Book, Contract-Book, Payment-Book, Cheque-Book, Diary or Due-Book, Postage Book, &c.

The Day Book.

The Day-Book is a book of memoranda, in which the accounts of all the daily transactions are entered with their particulars, in an intelligible form.

The Journal.

The Journal is a collection of accounts so arranged with reference to Debit (বরাদ্দ) and Credit (জমা) as to render previous preparation for posting a Ledger.

The Ledger.

The Ledger is an abstract of all the accounts recorded under their proper heads, to show the Debit and Credit of each account collectively.

The Subsidiary Books.

1. The Cash Book.—It is a Book, in which the daily transactions are noted for cash received and paid.
2. The Bill Book.—It is a book, in which all the bills receivable and payable are entered.
3. The Sale Book.—It contains all the accounts and descriptions of the goods sold.
4. The Stock Book.—Contains all the goods received, sent out and on hand.
5. The Account Sale Book.—Contains all the copies of account sales rendered to the consigner.
6. The Account Current Book.—It contains all the accounts of Debit and Credit given to the person, with whom the account exists.
7. The Invoice Book.—Contains all the invoices of goods sold or sent out.
8. The Bank Book.—It contains an account of all the sums deposited in and withdrawn from the bank.

Divisions of Book-Keeping.

Book-Keeping is divided into two parts:—First, by *Single Entry*, second, by *Double Entry*.

Book-Keeping by single entry denotes that an entry is made *once* only, to an account in the Ledger.

Book-Keeping by double entry denotes that an entry is posted *twice* to two different accounts in the Ledger.

Book-Keeping by single entry is generally adopted by retail merchants.

DEBIT AND CREDIT.

Every transaction involves a giver and a receiver. The giver is always a creditor (*Cr.*) and the receiver, always a debtor (*Dr.*)

When a person gives something, he becomes a creditor of one to whom something is paid. When something is received by a person, he becomes debtor to one, from whom something is received.

The technical terms *Dr.* and *Cr.* are always preceded by the words *To* and *By*; that is *To* follows *Dr.* and *By* follows *Cr.* and is represented as Debtor *To* and Creditor *By*.

In every account the left hand side of a Ledger is called the Debit side, and right hand side the Credit side. To enter on the Debit side of account, is called to debit the account, against the person for money received by him; and to enter on the Credit side of it, is to credit the account, in favour of a person for the money paid by him.

Classes of Accounts.

In the Ledger, the accounts are classified in *three* forms. Namely (1) The real account, (2) The personal account and (3) The imaginary account.

1. Real Accounts are the accounts of goods and things which may be a person's property.
2. Personal Accounts are the accounts of the persons with whom the business is transacted.
3. Imaginary Accounts are the accounts of fictitious titles in recording all the losses and gains in the business.

Dr. and Cr.

APPLIED TO THE THREE CLASSES OF ACCOUNTS.

1. *Real Accounts.*

| | | |
|--------------------------------------|-----------|--------------------------------|
| When a thing becomes mine | } It is { | For its cost or value. |
| When it costs me anything | | Dr. { For that cost. |
| When it ceases to be mine | } It is { | For its price. |
| When it brings me in anything | | Cr. { For the value it brings. |

2. *Personal Accounts.*

| | | |
|--|-----------|---|
| When a person gets into my debt | } He is { | For what he then contracts. |
| When I get out of his debt | | Dr. { For what I pay or cease to owe him. |
| When I get into his debt | } He is { | For what I then Contract. |
| When he gets out of my debt | | Cr. { For what he pays or ceases to owe me. |

3. *Imaginary Accounts.*

| | | |
|---|---|---|
| When I lose and have no real or personal account to charge or debit. ... | } | One of the imaginary ac- counts is made Dr. for the loss. |
| When I gain and have no real or personal account to charge of credit. ... | | One of the same accounts receives Cr. for the gain. |

The same Rules otherwise Expressed.

" By journal laws what you receive
 Is Dr. made to what you give.
 Stock for your debts must Dr. be,
 And Creditor by property ;
 Profit and loss accounts are plain
 You debit loss and credit gain

CH. N. COOKE.

POSTING.

This term is used to express the recording or transferring of the entries from one book of accounts into another. *i. e.* from Journal or subsidiary books to the Dr. and Cr. sides of the Ledger.

Writing the Cash Book.

When money is received, it is entered the Dr. or left-hand side of the book, with the word "To," before the name of the creditor or person who paid the money.

When money is paid it is entered in the Cr. or right-hand side of the book with the word "By" before the name of the Debtor or person who received the money.

The reason for the order of Entries being reversed in the Cash Book. Why cash received is entered on the Dr. side and cash paid is entered on the Cr. side, while such entries are posted to the opposite sides of the Ledger, will be obvious from the consideration that, Cash-Book takes the place, as representative of the Merchant, who, when he Credits a party on receiving Cash, by an ingenious fiction, *Debits himself* through his Cash Book, or becomes Debtor to the person paying him Cash; but on the contrary, when he Debits a party on paying away Cash *Credits himself* or becomes Creditor to the person receiving the Cash.

Posting the Cash Book.

The Debit Side of Cash Book is posted into the Ledger, to the Credit of the persons from whom the Cash has been received, and the Credit Side of the Cash Book to the Debit of the persons to whom the Cash has been paid.

Writing the Day Book.

The Day Book has not necessarily two sides or pages of Dr. or Cr. as in the Cash Book. It has one page or side only,—ruled with a small margin on the left side for Ledger folio and a single column on the right for money. The entries are made with their proper dates in it.

Posting the Day Book.

The Entries in the Day-Book, on account of goods bought, are posted into the Ledger to the Credit of the person, from whom they were purchased ; and those on account of goods, sold to the Debit of the person, to whom they were sold.

Bill Book.—The Bills are arranged under two heads, *Bills receivable* and *Bills payable*.

"*Bills Receivable*, are Bills, which a merchant receives from persons indebted to him in lieu of Cash, and the Amount of which he has to realize afterwards when they become due.

Bills Payable, on the contrary, are Bills, which a merchant grants to those to whom he is indebted by accepting or making himself liable to pay them when due."

Posting the Bill Book.

All the receivable bills are Posted into the Cr. side of the Ledger, and payable ones into the Dr. side.

Journal.

It is made up from the three preceding Books. Every thing either cash, goods or bill, that comes to hand is Dr., and every thing that goes out of hands is Cr. Thus for example, a merchant buys 80 pieces of Long Cloth @ Rs. 10 per piece, for which he pays cash. He records the transaction in the Day-Book as follows

Bought for ready money,

80 pieces of Long Cloth @ Rs. 10 per piece.....Rs. 800

In journalizing the above, consider what has been received and what delivered. Long Cloth comes to hand and money goes out. According to the above rule make Long Cloth Dr. and Cash Cr.; the transaction will be entered in the Journal as follows :—

Long Cloth Dr. to cash.

For 80 pieces @ Rs. 10 per piece.....Rs 800

In negotiating with Bills, those received are Dr. and those delivered are Cr. When a person buys goods and gives a Bill for the same, the person who receives the Bills, writes in his Journal, "Bills Receivable Dr. to Goods." On the other hand, the party who buys, enters Goods Dr. to Bills Payable." When a Bill is paid the holder of the Bill writes, "Cash Dr. to Bills Receivable" and the payee "Bills Payable Dr. to Cash."

Readers should remember that things received are Dr. and things delivered are Cr.

Ledger.

All the entries of the Day-Book are collected under particular Heads in the Ledger. In Single Entry, the Ledger deals only with Personal Accounts; whereas in Double Entry, the accounts of Goods, as well as Personal Accounts are opened. In comparing the Single and Double Entries of this book, the readers will be able to judge for themselves how the matters stand. From this it is evident, that in Single Entry we can dispense with the use of Journal, but we cannot conveniently do so in the case of Double Entry.

SINGLE ENTRY.

DAY-BOOK

FOLIO 1

| <i>Calcutta 1st January 1899.</i> | | Rs. | As. | P. |
|--|--|---------|-----|----|
| Commenced business this day with a Capital of | | 15,000 | | |
| Bought for Ready Money. | | | | |
| 100 dozens of Rum @ Rs. 8 per doz. | | 800 | | |
| <i>2nd.</i> | | | | |
| Bought of John Gallon & Co. Cawnpur. | | | | |
| Sundries as follow :— | | | | |
| 80 pieces Berhampore Silk @ Rs. 4-8 | | 360 0 0 | | |
| 4 cases of Jam each containing 20 Jars @ Rs. 2 ... | | 160 0 0 | | |
| 30 dozens Port-Wine @ Rs. 18 per dozen | | 540 0 0 | | |
| 150 mds. Rice @ Rs. 4-4 | | 637 8 0 | | |
| | | 1697 | 8 | 0 |
| <i>3rd.</i> | | | | |
| Sundries sold for Ready Money. | | | | |
| 30 pieces Berhampore Silk @ Rs. 5 | | 150 | 0 | 0 |
| <i>4th.</i> | | | | |
| Paid for Office furniture, as per voucher. | | 200 | 0 | 0 |
| <i>5th.</i> | | | | |
| Sold for Ready Money, | | | | |
| Sundries as follow :— | | | | |
| 50 pieces Berhampore Silk @ Rs. 5 | | 250 0 0 | | |
| 2 cases of Jam each containing 20 Jars @ Rs. 2-8 ... | | 100 0 0 | | |
| 20 dozens Port-Wine @ Rs. 20 | | 400 0 0 | | |
| | | 750 | 0 | 0 |
| <i>6th.</i> | | | | |
| Paid John Gallon & Co., Cawnpore ... | | 1697 | 8 | 0 |
| <i>7th.</i> | | | | |
| Sold for Ready Money, | | | | |
| 60 dozens Rum @ Rs. 10 per dozen. | | 600 | 0 | 0 |

SINGLE ENTRY.

DAY-BOOK

FOLIO 2.

Calcutta, 8th January, 1899.

| | Rs. | As. | P. |
|--|------|-----|----|
| Bought of Messrs. James Munro & Co., Benares, 100 Bags of Benares Sugar weighing net 175 maunds @ Rs. 8. per md. | 1400 | 0 | 0 |
| 9th. | | | |
| Sold to Mr. James Hedges Calcutta, 40 doz. of Rum @ Rs. 10 per doz.... | 400 | 0 | 0 |
| 10th. | | | |
| Sold for Ready Money, 50 bags Sugar weighing 87½ mds. @ Rs. 10 per md. | 875 | 0 | 0 |
| 11th. | | | |
| Received from Mr. James Hedges ... | 400 | 0 | 0 |
| Paid James Munro & Co., | 900 | 0 | 0 |
| 12th. | | | |
| Sundries sold for Ready Money, 150 mds. Rice @ Rs. 5 per maund | 750 | 0 | 0 |
| 2 cases Jam each containing 20 Jars @ Rs. 2-8 | 100 | 0 | 0 |
| 10 doz. Port wine @ Rs. 20 | 200 | 0 | 0 |
| | 1050 | 0 | 0 |
| 13th. | | | |
| Sold to Messrs. R. G. Palmer & Co., 50 Bags of Sugar weighing mds. 87-20s. @ Rs. 10 per md. | 875 | 0 | 0 |
| 14th. | | | |
| Paid Messrs. James Munro & Co. ... | 500 | 0 | 0 |
| Deposited in the Agra Bank Limited... | 5000 | 0 | 0 |
| 15th. | | | |
| Received from R. G. Palmer & Co. ... | 875 | 0 | 0 |
| Bought of Messrs. Ernsthause & Co. 100 pieces of Long Cloth @ Rs. 10 | 1000 | 0 | 0 |

SINGLE ENTRY. DAY-BOOK.

FOLIO 3.

| <i>Calcutta, 16th January, 1899.</i> | Rs. | As. | P. |
|---|------|-----|----|
| Bought for Ready Money, 100 chests of Tea @ Rs. 20 per chest. | 2000 | 0 | 0 |
| Bought of Messrs. Smithson & Brothers 750 pieces of Grey Cloth @ Rs. 8 per piece | 6000 | 0 | 0 |
| 17th. | | | |
| Sold for Ready Money, 40 pieces of Long Cloth @ Rs. 12 per piece | 480 | 0 | 0 |
| 18th. | | | |
| Sold to James Munro & Co. Benares, 50 chests of tea @ Rs. 22 per chest | 1100 | 0 | 0 |
| 19th. | | | |
| Paid Messrs Ernsthausen & Co. ... | 500 | 0 | 0 |
| Sold for Ready Money, 500 pieces of Grey Cloth @ Rs. 10 per piece | 5000 | 0 | 0 |
| 20th | | | |
| Paid Messrs Smithson & Brothers ... | 4000 | 0 | 0 |
| 21st. | | | |
| Received from James Munro & Co., Benares | 1000 | 0 | 0 |
| Sold to James Hedges & Co., 50 chests of tea @ Rs. 22 per chest | 1100 | 0 | 0 |
| 22nd. | | | |
| Bought for Ready Money, 100 dozens of Rum @ Rs. 10 per dozen | 1000 | 0 | 0 |
| 23rd. | | | |
| Received from James Hedges & Co. ... | 1100 | 0 | 0 |
| Sold for Ready Money, 250 pieces of Grey Cloth @ Rs. 10 per piece | 2500 | 0 | 0 |

SINGLE ENTRY
DAY-BOOK.

FOLIO 4.

| <i>Calcutta, 24th January 1899.</i> | Rs. | As. | P. |
|---|------|-----|----|
| Sold to R. G. Palmer & Co, 60 pieces of Long Cloth @ Rs. 12 per piece 25th. | 720 | 0 | 0 |
| Sold for Ready Money, 50 doz. of Rum @ Rs. 12 per doz. | 600 | 0 | 0 |
| Bought of Messrs. S. S. & Co., Calcutta, 10 bales of paper @ Rs. 50 per bale | 500 | 0 | 0 |
| 26th. | | | |
| Paid Messrs. Smithson & Brothers ... | 2000 | 0 | 0 |
| Sold to Madhub Chunder Dutt, 4 bales of paper @ Rs. 55 per bale... | 220 | 0 | 0 |
| 27th. | | | |
| Paid Messrs. S. S. & Co., Calcutta ... | 500 | 0 | 0 |
| Sold for Ready Money. 2 bales of paper @ Rs. 54 per bale. | 108 | 0 | 0 |
| 28th. | | | |
| Recived from Madhub Chunder Dutt. | 220 | 0 | 0 |
| Bought for Ready Money, 80 chests of tea @ Rs. 20 per chest. | 1600 | 0 | 0 |
| 29th. | | | |
| Sold for Ready Money, 20 chests of tea @ Rs. 22 per chest. | 440 | 0 | 0 |
| 30th. | | | |
| Deposited to Agra Bank Limited ... | 4000 | 0 | 0 |
| Sold for Ready Money, 40 chests of tea @ Rs. 22 per chest | 880 | 0 | 0 |
| 31st. | | | |
| Deposited to Agra Bank Limited ... | 1000 | 0 | 0 |

LEDGER

Dr. JOHN GALLON & Co.,

| | | D. B. Folio | | Rs. | As. | P. |
|---------------|---|----------------|----------------|------|-----|----|
| 1899 Jany. | 6 | 1 | To Cash | 1697 | 8 | " |
| | | | | 1697 | 8 | " |

Dr. JAMES MUNRO & Co.

| | | Folio | | Rs. | As. | P. |
|-------|----|-------|---------------------------------|------|-----|----|
| Jany. | 11 | 2 | To Cash | 900 | " | " |
| | 14 | 2 | " Cash | 500 | " | " |
| | 18 | 3 | " 50 chests tea at Rs 22 ... | 1100 | " | " |
| | | | | 2500 | " | " |

Dr. JAMES HADGES ESQUIRE.

| | | Folio | | Rs. | As. | P. |
|-------|----|-------|------------------------------|------|-----|----|
| Jany. | 9 | 2. | To Rums | 400 | " | " |
| | 21 | 3. | " 50 chests tea at Rs. 22 | 1100 | " | " |
| | | | | 1500 | " | " |

Dr. R. G. PALMER & Co.

| | | Folio | | Rs. | A. | P. |
|-------|----|-------|--------------------------------------|------|----|----|
| Jany. | 13 | 2. | To 50 bags Sugar... | 875 | " | " |
| | 24 | 4. | " 60 pcs Long Cloth at Rs. 12 ... | 720 | " | " |
| | | | | 1595 | " | " |

SINGLE ENTRY.

CAWNPORE.

Cr.

| | | D.B. Folio | | Rs. | As. | P. |
|---------------|---|---------------|-----------------|------|-----|----|
| 1899 Jany. | 2 | 1 | By Sundries ... | 1697 | 8 | " |
| | | | | 1697 | 8 | " |

BENARES.

Cr.

| | | Folio | | Rs. | As. | P. |
|-------|----|-------|------------------------------|------|-----|----|
| Jany. | 8 | 2. | By Sugar ... | 1400 | " | " |
| | 21 | 3. | " Cash ... | 1000 | " | " |
| | 31 | | " Balance due by them ... | 100 | " | " |
| | | | | 2500 | " | " |

CALCUTTA.

Cr.

| | | Folio | | Rs. | As. | P. |
|------|----|-------|-------------|------|-----|----|
| Jany | 11 | 2. | By Cash ... | 400 | " | " |
| | 23 | 3. | " Cash ... | 1100 | " | " |
| | | | | 1500 | " | " |

CALCUTTA

Cr.

| | | Folio | | Rs. | As. | P. |
|-------|----|-------|------------------------------|------|-----|----|
| Jany. | 15 | 2. | By Cash ... | 875 | " | " |
| | 31 | | " Balance due by them ... | 720 | " | " |
| | | | | 1595 | " | " |

LEDGER.

| Dr. | | AGRA BANK LIMITED. | | | | |
|-------|----|--------------------|----------------|--------|-----|----|
| | | D. B. Folio | | Rs. | As. | P. |
| 1899 | | | | | | |
| Jany. | 14 | 2. | To Cash | 5000 | " | " |
| | 30 | 4. | " Cash | 4000 | " | " |
| | 31 | 4. | " Cash | 1000 | " | " |
| | | | | 10,000 | " | " |

| Dr. | | ERNSTHAUSEN & CO. | | | | |
|-------|----|-------------------|---------------------------------|-------|-----|----|
| | | Folio | | Rs. | As. | P. |
| Jany. | 19 | 3. | To Cash | 500 | " | " |
| | 31 | | " Balance due to them | 500 | " | " |
| | | | | 1,000 | " | " |

| Dr. | | SMITHSON & BROTHERS. | | | | |
|-------|----|----------------------|----------------|------|-----|----|
| | | Folio | | Rs. | As. | P. |
| Jany. | 20 | 3. | To Cash | 4000 | " | " |
| | 26 | 4. | " Cash | 2000 | " | " |
| | | | | 6000 | " | " |

| Dr. | | S. S. & Co., | | | | |
|-------|----|--------------|----------------|-----|-----|----|
| | | Folio | | Rs. | As. | P. |
| Jany. | 27 | 4. | To Cash | 500 | " | " |
| | | | | 500 | " | " |

| Dr. | | MADHUB CHUNDER DUTT. | | | | |
|-------|----|----------------------|----------------------|-----|-----|----|
| | | Folio | | Rs. | As. | P. |
| Jany. | 26 | 4. | To 4 bales paper ... | 220 | " | " |
| | | | | 220 | " | " |

SINGLE ENTRY

| ACCOUNT. | | | | | Cr. | | |
|---------------|----|---------------|----------------|--|--------|-----|----|
| | | D.B. Folio | | | Rs. | As. | P. |
| 1899 Jany. | 31 | | By Balance ... | | 10,000 | " | " |
| | | | | | 10,000 | " | " |

| CALCUTTA. | | | | | Cr. | | |
|-----------|----|-------|-------------------|--|-------|-----|----|
| | | Folio | | | Rs. | As. | P. |
| Jany | 15 | 2. | By Long Cloth ... | | 1,000 | " | " |
| | | | | | 1,000 | " | " |

| CALCUTTA. | | | | | Cr. | | |
|-----------|----|-------|-------------------|--|-------|-----|----|
| | | Folio | | | Rs. | As. | P. |
| Jany | 16 | 3. | By Grey Cloth ... | | 6,000 | " | " |
| | | | | | 6,000 | " | " |

| CALCUTTA. | | | | | Cr. | | |
|-----------|----|-------|----------------------|--|-----|-----|----|
| | | Folio | | | Rs. | As. | P. |
| Jany | 25 | 4. | By 10 Bales Paper... | | 500 | " | " |
| | | | | | 500 | " | " |

| CALCUTTA. | | | | | Cr. | | |
|-----------|----|-------|-------------|--|-----|-----|----|
| | | Folio | | | Rs. | As. | P. |
| Jany | 28 | 4. | By Cash ... | | 220 | " | " |
| | | | | | 220 | " | " |

LEDGER.

Dr.

CASH.

| 1899 | | | Rs. | As | P. |
|-------|----|-----------------------|--------|----|----|
| Jany. | 1 | To Stock | 15,000 | " | " |
| | 3 | " Sundries | 150 | " | " |
| | 5 | " Sundries | 750 | " | " |
| | 7 | " Rum | 600 | " | " |
| | 10 | " Sugar | 875 | " | " |
| | 11 | " James Hedges Esqr. | 400 | " | " |
| | 12 | " Sundries | 1,050 | " | " |
| | 15 | " R. G. Palmer & Co. | 875 | " | " |
| | 17 | " Long Cloth | 480 | " | " |
| | 19 | " Grey Cloth | 5,000 | " | " |
| | 21 | " James Munro & Co. | 1,000 | " | " |
| | 23 | " James Hedges Esq. | 1,100 | " | " |
| | 23 | " Grey Cloth | 2,500 | " | " |
| | 25 | " Rums | 600 | " | " |
| | 27 | " Paper | 108 | " | " |
| | 28 | " Madhub Ch. Dutt ... | 220 | " | " |
| | 29 | " Tea | 440 | " | " |
| | 30 | " Tea | 880 | " | " |
| | | | | | |
| | | | 32,028 | | |

SINGLE ENTRY.

94

Memoranda of Purchases and Sales, showing the Stock in hand.

| GOODS. | BOUGHT | SOLD. | BALANCE. | RATE. | Rs. | As. | P. |
|------------------------|-------------|-------------|-----------------|-----------|--------|-----|----|
| Rum | 100 dozs. | 100 dozs. | | | | | |
| Rum | 100 dozs. | 50 dozs. | 50 dozens | at Rs. 10 | 500 | " | " |
| Berhampore Silk | 80 pieces. | 80 pieces. | | | | | |
| Jam | 4 cases. | 4 cases. | | | | | |
| Port Wine | 30 dozens. | 30 dozs. | | | | | |
| Rice | 150 mds. | 150 mds. | | | | | |
| Sugar | 175 mds. | 175 mds. | | | | | |
| Long Cloth | 100 pieces | 100 pieces. | | | | | |
| Tea | 100 chests | 100 chests. | | | | | |
| Tea | 80 chests. | 60 chests. | 20 chests | at Rs. 20 | 400 | " | " |
| Grey Cloth | 750 pieces. | 750 pieces. | | | | | |
| Paper | 10 bales. | 6 bales. | 4 bales. | at Rs. 50 | 200 | " | " |
| | | | Balance Rs. ... | | 1,100, | " | " |

CLERK'S GUIDE.

SINGLE ENTRY.

BALANCE SHEET ASSETS,

January, 31st 1899.

| | | | | |
|-----------------------|-----|--------|--------|-----|
| Cash in hand, ... | Rs. | 6,330 | 8 | 0 |
| Agra Bank Limited .. | | 10,000 | 0 | 0 |
| James Munro & Co. .. | | 100 | 0 | 0 |
| R. G. Palmer & Co. .. | | 720 | 0 | 0 |
| Goods, | | 1,100 | 0 | 0 |
| | | | 18,250 | 8 0 |

Liabilities.

| | | | |
|-----------------------|-----|-----|-----|
| Ernsthausen & Co. Rs. | 500 | 0 | 0 |
| | | 500 | 0 0 |

| | | | |
|-------------------------|--------|---|---|
| Balance Net Capital Rs. | 17,750 | 8 | 0 |
|-------------------------|--------|---|---|

Rs. As. P.

17,750 8 0

Amount of Capital at the
Commencement of business, Rs. 15,000 0 0

Net profit Rs. 2,750 8 0

In the above example, the Balance Sheet for only one month has been given. In the foregoing way the balance sheet for a whole year may be made up. In this way when the Profit and Loss Account of a concern is made up, it is called the Closing of Books. As the above is quite comprehensive it is useless to illustrate further.

BOOK-KEEPING.

BY

DOUBLE ENTRY.

—00—

CHAPTER VII.

Folio 1.

JOURNAL,

| D.B. | | Rs. As p. | | |
|------|---|-----------|---|---|
| | | | | |
| | <i>Calcutta, 1st January, 1899.</i> | | | |
| 1 | Cash Dr. to Stock, for the amount in hand | 15,000 | 0 | 0 |
| 1 | Rum Dr. to Cash, for 100 dozens @ Rs. 8 | 800 | 0 | 0 |
| | <i>2nd.</i> | | | |
| 1 | Sundries Dr. to John Gallon & Co. Cawnpur, for an invoice of | 1,697 | 8 | 0 |
| | <i>3rd.</i> | | | |
| 1 | Cash Dr. to Sundries. for 30 pieces Berhampore Silk @. 5 | 150 | 0 | 0 |
| | <i>4th.</i> | | | |
| 1 | Charges General Dr. to Cash, paid for Office Furniture as per Voucher | 200 | 0 | 0 |
| | <i>5th.</i> | | | |
| 1 | Cash, Dr. to Sundries as follow :— for 50 pieces Berhampore Silk @ Rs. 5 250 0 0 | | | |
| 2 | Cases of Jam each contain- ing 20 Jars @ Rs 2-8 100 0 0 | | | |
| | 20 doz. Port-wine @ Rs. 20 400 0 0 | | | |
| | <i>6th.</i> | 750 | 0 | |
| 1 | John Gallon & Co. Cawnpore Dr. to Cash for the amount paid in full | 1,697 | 0 | 0 |
| | <i>7th.</i> | | | |
| 1 | Cash Dr. to Rum. for 60 dozens @ Rs. 10 | 600 | 0 | 0 |

DOUBLE ENTRY.

JOURNAL.

FOLIO 2.

| D.B. | | Rs. As. P. | | |
|------|---|------------|---|---|
| | | | | |
| | <i>Calcutta, 8th January 1899.</i> | | | |
| 2 | Sugar Dr. to Messrs James Munro & Co., for 175 maunds @ Rs. 8 | 1,400 | 0 | 0 |
| | <i>9th.</i> | | | |
| 2 | James Hedges Dr. to Rum, for 40 dozens @ Rs. 10 | 400 | 0 | 0 |
| | <i>10th.</i> | | | |
| 2 | Cash Dr. to Sugar, for 87 mds. 20s @ Rs. 10 | 875 | 0 | 0 |
| | <i>11th.</i> | | | |
| 2 | Cash Dr. to Mr. James Hedges, for the amount received in full ... | 400 | 0 | 0 |
| 2 | James Munro & Co., Dr. to Cash, for the amount paid | 900 | 0 | 0 |
| | <i>12th.</i> | | | |
| 2 | Cash Dr. to Sundries as follows :— for 150 mds. Rice @ Rs. 5 per maund | 750 | 0 | 0 |
| | 2 cases of Jam each contain- ing 20 Jars @ Rs. 2-8 | 100 | 0 | 0 |
| | 10 dozens Port-wine @ Rs 20 | 200 | 0 | 0 |
| | | 1,050 | 0 | 0 |
| | <i>13th.</i> | | | |
| 2 | R. G. Palmer & Co., Dr. to sugar, for 50 bags weighing 87½ maunds @ Rs. 10 | 875 | 0 | 0 |
| | <i>14th.</i> | | | |
| 2 | James Munro & Co., Dr. to Cash for the amount paid | 500 | 0 | 0 |
| 2 | Agra Bank Limited, Dr. to Cash, for the amount deposited | 5,000 | 0 | 0 |
| | <i>15th.</i> | | | |
| 2 | Cash Dr. to R. G. Palmer & Co., for the amount received in full ... | 875 | 0 | 0 |
| 2 | Long Cloth Dr. to Ernsthausen & Co., for 100 pieces @ Rs. 16 | 1,000 | 0 | 0 |

DOUBLE ENTRY.

FOLIO 3.

JOURNAL.

| D. B. | | Calcutta, 16th January 1899. | | |
|-------|---|------------------------------|-----|----|
| | | Rs. | As. | p. |
| 3 | Tea, Dr. to Cash, for 100 chests @ Rs. 20 | 2,000 | 0 | 0 |
| 3 | Grey Cloth Dr. to Smithson & Brothers for 750 pieces @ Rs. 8 17th. | 6,000 | 0 | 0 |
| 3 | Cash Dr. to Long Cloth, for 40 pieces @ Rs. 12 18th | 480 | 0 | 0 |
| 3 | James Munro & Co., Dr. to Tea, for 50 chests @ Rs. 22 19th. | 1,100 | 0 | 0 |
| 3 | Ernsthausen & Co., Dr. to Cash, for the amount paid | 500 | 0 | 0 |
| 3 | Cash Dr. to Grey Cloth. for 500 pieces @ Rs. 10 20th. | 5,000 | 0 | 0 |
| 3 | Smithson & Brothers, Dr. to Cash, for the amount paid 21st. | 4,000 | 0 | 0 |
| 3 | Cash Dr. to James Munro & Co., for the amount received | 1,000 | 0 | 0 |
| 3 | James Hedges & Co. Dr. to Tea, for 50 chests @ Rs. 22 22nd. | 1,100 | 0 | 0 |
| 3 | Rum, Dr. to Cash, for 100 dozens @ Rs. 10 23rd. | 1,000 | 0 | 0 |
| 3 | Cash Dr. to James Hedges & Co., for the amount received in full ... | 1,100 | 0 | 0 |
| 3 | Cash Dr. to Grey Cloth, for 250 pieces @ Rs. 10 24th. | 2,500 | 0 | 0 |
| 4 | R. G. Palmer & Co., Dr. to Long Cloth for 60 pieces @ Rs. 12 | 720 | 0 | 0 |

DOUBLE ENTRY.

JOURNAL.

FOLIO 4.

| <i>Calcutta, 25th January 1899.</i> | | | | Rs. | As. | P. |
|-------------------------------------|---|-----|-----|-------|-----|----|
| 4 | Cash Dr. to Rums, for 50 dozs. @ Rs. 12 | ... | ... | 600 | 0 | 0 |
| 4 | Paper Dr. to S. S. & Co., for 10 bales @ Rs. 50 | ... | ... | 500 | 0 | 0 |
| | 26th. | | | | | |
| 4 | Smithson & Brothers, Dr. to Cash for the amount paid | ... | ... | 2,000 | 0 | 0 |
| 4 | Madhub Chunder Dutt, Dr. to Paper, for 4 bales @ Rs. 55 | ... | ... | 220 | 0 | 0 |
| | 27th. | | | | | |
| 4 | S. S. & Co., Dr. to Cash for the amount paid in full | ... | ... | 500 | 0 | 0 |
| 4 | Cash Dr. to Paper, for 2 bales @ Rs. 54 | ... | ... | 108 | 0 | 0 |
| | 28th. | | | | | |
| 4 | Cash Dr. to Madhub Chunder Dutt, for the amount received in full | ... | ... | 220 | 0 | 0 |
| 4 | Tea, Dr. to Cash for 80 chests @ Rs 20 | .. | ... | 1,600 | 0 | 0 |
| | 29th. | | | | | |
| 4 | Cash Dr. to Tea, for 20 chests @ Rs. 22 | ... | ... | 440 | 0 | 0 |
| | 30th. | | | | | |
| 4 | Agra Bank Limited, Dr. to Cash for amount deposited the | ... | ... | 4,000 | 0 | 0 |
| 4 | Cash Dr. to Tea, for 40 chests @ Rs. 22 | ... | ... | 880 | 0 | 0 |
| | 31st. | | | | | |
| 4 | Agra Bank Limited, Dr. to Cash for the amount deposited | ... | ... | 1,000 | 0 | 0 |

FOLIO 1.

LEDGER.

Dr.

STOCK.

| 1899 Jany. 31 | D. B. Folio | | J. N. Folio | Rs. | As. | P. |
|---------------------|----------------|------------------|----------------|--------|-----|----|
| | | To Balance... .. | | 17,750 | 8 | " |
| | | | | | | " |
| | | | | 17,750 | 8 | " |

Dr.

RUM.

| Jany. 1 3 31 | Folio 1 3 | | Folio 1 3 | Rs. | As. | P. |
|-----------------------|-----------------|--|-----------------|------|-----|----|
| | | To cash 100 dozens at Rs. 8... .. | | 800 | " | " |
| | | " Cash 100 dozens Rs. 10 | | 1000 | " | " |
| | | " Profit and loss for net gain | | 300 | " | " |
| | | | | 2100 | " | " |

Dr.

SUNDRIES.

| Jany. 2 13 | Folio 2 | | Folio 1 | Rs. | As. | P. |
|------------------|------------|---|------------|------|-----|----|
| | | To John Gallon & Co. for an Invoice of | | 1697 | 8 | " |
| | | " Profit and loss for net gain | | 252 | 8 | " |
| | | | | 1950 | " | " |

Dr.

JOHN GALLON & Co.,

| Jany. 6 | Folio 1 | | Folio 1 | Rs. | As. | P. |
|------------|------------|----------------|------------|------|-----|----|
| | | To Cash | | 1697 | 8 | " |
| | | | | 1697 | 8 | " |