

CHAPTER VI

Statutory Powers to Avoid Contracts

By section 2 of the English Trading with the Enemy Amendment Act, 1916, [5 and 6 Geo. 5] Ch 105, it is enacted as follows :—

“Where it appears to the Board of Trade that a contract entered into before or during the war with an enemy or enemy subject or with a person, firm or company in respect of whose business an order shall have been made under section one of this Act is injurious to the public interest, the Board of Trade may by order cancel or determine such contract either unconditionally or upon such conditions as the Board may think fit, and thereupon such contract shall be deemed to be cancelled or determined accordingly.”

In British India an Ordinance [Ord. No. 5 of 1916] was issued on the 1st July, 1916, by which it was provided as follows :—

“6. Where it appears to the Governor General in Council that a contract entered into before or during the war, or a transfer of property, moveable or immoveable, made during the war, with or by a hostile foreigner or a hostile firm is injurious to the public interest, or was made with the object of evading any provision of the law, the Governor General in Council may, by order,