M.R.O. 1—77,006—8-6-31.

(1) Number of pages 20.

(2) Date of repair 10-7-38

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial **DEPARTMENT.**

Letter G.O. No.	199	Press / Mis.
70-72		
Dated	20-3-	18 63.

70-72 11/12

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department, 20th March 1863.

Read the following papers :—

No. 70. From J. L. LUSHINGTON, Esq., Acting Accountant General; to A. J. ARBUTHNOT, Esq., Chief Secretary to Government, Fort Saint George, dated 7th March 1863, No. 424.

Resource Department.

I have now the honor to submit the information called for under the Order of Government, No. 41, dated 21st January 1863, on the subject of a uniform Currency Notes for all India.

2. The following appear to be the points, upon which the Honorable Mr. Drummond in his letter to the Madras Government of the 31st December 1862, No. 1,421G, copy of which accompanied the order above quoted, requires a report, viz :—

1st. Has the absence of the expression in the Vernacular on the Notes, impeded their circulation ?

2nd. Is it desirable to have one uniform Note for all India, and in what language (or Vernacular) should the value be expressed thereon ?

3rd. If special Notes for each large circle of issue be adopted, which are the particular Vernacular suitable for Notes in circulation in this Presidency or circle ?

3. In regard to the first point, it appears, so far as can be ascertained from the replies of the Collectors, that in the majority of Districts, the absence of the expression of the value in the Vernacular, has *not* generally interfered with their circulation, though in some few places it may have done so to a limited extent.

4. In regard to the second question, the Collectors are almost unanimously agreed, that it is most desirable (if practicable) to have one uniform Note for all India; and in this opinion I fully concur. To effect this, the writing and figures on the Notes should be only English; and looking to the fact of the increasing knowledge of English in general, and numerals in particular, and to the increasing demand for the Notes, although the Vernaculars on them are unknown to most of the Natives of this Presidency thereby proving their popularity, the plan, so far at least as this Presidency is concerned, is, I think, perfectly feasible.

5. As regards the third question, should it be ultimately settled to have special Notes for each large circle of issue, I would suggest, with a view of making the Notes as acceptable as possible amongst the nations, that there be two sets of Notes for this Presidency, one with Oordoo, though I should have preferred Hindustanee, Tamil and Telugu in addition to English, for north and south; the other, Oordoo Canarese, and Malayalum, for the Western Coast and the Ceded Districts.

Tanjore.
Cuddapah.
Madras.
Coimbatore.
Kurnool.
South Canara.
Madura.
Bellary.
Godavery District.
South Arcot.
Trichinopoly.
North Arcot.
Salem.
Malabar.
Vizagapatam.
Tinnevelly.
Kistna.
Superintendent of Coorg.
Ganjam.
Nellore.
Secretary Bank of Madras.
Secretary Chamber of Commerce.

6. I enclose a brief abstract of the opinion of the 18 Collectors noted in the margin. I regret to say that the Officers marginally noted* have not up to this time replied to my Circular No. 5,829, dated 30th January 1863, calling for a report though a reminder was sent to them on 18th February; but I have reason to know, that the Directors of the Bank have forwarded direct to Government, their views on the subject, and I am informed, that the matter is still under the consideration of the Chamber of Commerce.

7. As Government may probably wish to have the views of the Currency Commissioner more in detail, I beg to enclose a copy of his communication, dated 21st February, No. 36.

8. In conclusion, I have only to add, that this report would have been forwarded earlier, but for the non-receipt of replies to my Circular, but an abstract of them will be submitted when received.

Abstract of Collectors' replies to Circular No. 5,829 on the subject of a uniform Note for all India.

No.	Name.	Collector of	Vide letter. No.	Vide letter. Date.	The Vernaculars recommended for the Madras Presidency.	Has the absence of the expression of the value of the Note in the Vernacular interfered with their circulation.	Do you recommend one uniform Note for all India.	Digest of reply.
				1863.				
1	G. Lee Morris, Esq.	Tanjore	118	February 4th	Tamil. Telugu. Canarese. Malayalum	Yes, to some extent	No.	Does not see the advantage of having one uniform Note for all India.
2	A. Wedderburn, Esq.	Cuddapah	58	„ „	Tamil. Telugu and English.	Yes	Yes	A uniform Note, provided its value was intelligible everywhere would have more advantage than a Note of more limited circulation.
3	B. Cunliffe, Esq.	Madras	7	„ 6th	Hindee, Persian and the principal Vernacular of the circle.	Yes, to a small extent	Yes	Recommends a uniform Note for all India.
4	P. Grant, Esq.	Coimbatore	7	„ 7th	Tamil, Telugu, Malayalum and Canarese.	Yes, "almost rendered and will continue to render useless the issue of Notes except at head quarter stations."	Yes	A uniform Note for all India if it can be obtained is most desirable.
5	James I. Minchin, Esq.	Kurnool	1	„ 7th	English only	No, in no way	Yes	It will be decidedly advantageous to have a uniform Note for all India.
6	A. P. Hodgson, Esq.	South Canara	4	„ 7th	English	No, not in any way		No opinion given as to a uniform Note, but states the present Note is sufficiently well adapted to this District.
7	V. H. Levinge, Esq.	Madura	68	„ 11th	English	No, "the Notes are eagerly sought for."	Yes	"A uniform Note for all India would be preferable to special Notes for each circle."
8	A. Hathaway, Esq.	Bellary	184	„ 12th	Tamil and Telugu.	No, "as may be informed from the great demand for them."	Yes	The introduction of a uniform Note for all India would decidedly be of greater advantage than the adoption of a special Note for each circle.
9	A. Purvis, Esq.	Godavery District.	68	„ 18th	Tamil and Telugu.	No, "not in any degree."	No	"I think it better to have a special Note for each large circle of issue in which the numbers in the different Vernaculars can be given, than one Note for all India.
10	C. W. Reade, Esq.	South Arcot	18	„ 20th	English	No	Yes	I am decidedly opposed to a special Note for certain circles of issue. In regard to the proposal of a uniform Note for all India I think the measure very desirable.
11	M. J. Walhouse, Esq.	Trichinopoly	6	„ 21st	Telugu and Tamil.	Yes, in a measure	Yes	I would strongly advocate the introduction of a uniform Note for all India.
12	J. Fraser, Esq.	North Arcot	3	„ 24th	Tamil, Telugu and Canarese.	No, as far as I can learn	Yes	I think that one Note for all India is far preferable to special Notes for Circles of whatever size.

Abstract of Collectors' replies to Circular No. 5,829, on the subject of &c.—(*Continued*)

No.	Name.	Collector of	Vide letter. No.	Vide letter. Date.	The Vernaculars recommended for the Madras Presidency.	Has the absence of the expression of the value of the Note in the Vernacular interfered with their circulation.	Do you recommend one uniform Note for all India.	Digest of reply.
				1863.				
13	Honorable D. Arbuthnott ...	Salem... ...	4	February 24th	The language of no consequence.	No; no complaint on this point.	Yes... ...	I am however of opinion that a uniform Note for all India would be preferable to special Notes. Suggests that the Notes of the Presidency should remain as they are but be made payable in any Presidency.
14	G. A. Ballard, Esq.....	Malabar...	663	,, 25th	Tamil, Telugu, Canarese, Malayalum and Oordoo.	No, not to any appreciable extent.	No... ...	I am of opinion that a special Note for each large circle of issue would possess decided advantage as far as the Madras Presidency is concerned, over a uniform Note.
15	D. F. Carmichael, Esq	Vizagapatam, received 5th March 1863.	52	,, 18th	Not stated...	No.....	No... ...	Advocates special Notes for each large circle.
16	J. Silver, Esq... ...	Tinnevelly, received 6th March 1863.	188	,, 27th	Tamil and Telugu.	No.....	Yes... ...	It would certainly be a great advantage to have a uniform Note for all India.
17	E. B. Foord, Esq.....	Kistna, received 6th March 1863.	2	,, 28th	English and Hindoostanee.	No.....	Yes... ...	In my opinion a uniform Note for all India with the value expressed in English and Hindoostanee would answer every requirement.
18	Captain R. N. Taylor, Deputy Superintendent of Coorg.	Coorg...	117	February 7th	Persian, Canarese, Telugu & Tamil.	Yes, how far I am unable to say.	Yes... ...	A uniform Note for all India would necessitate the printing of a very great number of Vernacular characters, but if this be, no objection then I consider one uniform Note would prove the most advantageous in all respects.
19	Captain Hay, Secretary to the Commissioner of Mysore.	Mysore... ...	1,690	,, 3rd	.....	.....	....	Has already (as requested) communicated his views to the Financial Secretary, Government of India direct.
	Lieutenant Colonel Orr, Commissioner of the Department of Issue.	Madras Mint... ...	36	,, 21st	....	.....	.....	A copy of his letter entire furnished herewith. Advocates one Note for all India.
	No reply yet received from the Collectors of Ganjam, Nellore, Secretary Madras Bank, Secretary Chamber of Commerce.							

Digest of Abstract.—1. Has the absence of the expression of the value in the Vernacular on the Note interfered with its circulation.....Yes ... 6
No ... 12
—— 18

2. Do you recommend one uniform Note for all India. ... ...Yes ... 13
No ... 4
No reply on this point from South Canara... 1
—— 18

3. What languages do you suggest are required to be impressed on Notes in circulation of this (Madras) Presidency.
Solely English.... 5
A combination of Vernacular and English, the former chiefly Tamil and Telugu 12
No reply on this point by the Vizagapatam Collector... 1
—— 18

FORT SAINT GEORGE, ACCOUNTANT GENERAL'S OFFICE,
7th March 1863.

(Signed) J. L. LUSHINGTON,
Acting Accountant General.

From Lieutenant Colonel C. A. ORR, Commissioner of the Department of Issue of Paper Currency; to J. L. LUSHINGTON, Esq., Acting Accountant General, Fort Saint George, dated Madras, 21st February 1863, No. 36.

I have to acknowledge the receipt of your Circular of the 30th ultimo, No. 5,829, communicating a copy of the orders of Government, under date the 21st idem, No. 41, and requesting me to state my views as to the relative advantages of a uniform Note for all India, bearing on its face the value in written characters and numerals in three languages, of which one should be the principal Vernacular of the circle, or of a special Note for each large circle of issue giving the value in three or four of the Vernaculars of the circle one being in all cases Oordoo in the Persian character.

2. In reply, I have the honor to inform you that I am of opinion that the former description of Note will be preferable to the latter, for, although by law payment of Notes will not be demandable by right out of their circles of issue, the convenience of paper money will in time practically cause their acceptance every where as a matter of course without regard to their places of issue. A different Note for each circle would, I think, give the new currency merely a local value, and delay the establishment of thorough confidence in it. Notes of the Government of India should be of such a character as to be easily recognizable every where, and if they be of different descriptions their recognition will be made doubtful beyond the limits of their respective circles.

3. The only objection that occurs to me to a uniform Note is, that, as it cannot have its value printed on its face in all the languages of India, it may happen that a Note may be passed for a different value to that which it represents; but, as far as this Presidency is concerned, I consider this objection of little weight since a knowledge of English numerals at least, is almost universal. It seems to me that wherever Natives are so ignorant as to understand neither Oordoo nor English, nor the principal Vernaculars of the Presidency to which they belong, they will be too ignorant to put confidence in any piece of paper whatever, though it may be covered with writing or figures in their own local Vernaculars.

4. The Government Note should in my opinion be as uniform in appearance as possible throughout India. If, however, it be decided that in addition to bearing on their face their values in writing and figures in English, Hindee, and Oordoo, the Notes should also show their value in the principal Vernacular of their circle of issue, it will become a question to determine, if this Presidency constitute only one circle, which of the four languages chiefly in use within its limits should be selected Telugu, Tamil, Canarese and Malayalum could all scarcely be added to English, Hindee and Oordoo in written characters and figures, and as no ground appears for preferring one to the others it will probably be necessary to omit them altogether, or to print them on the back of the Notes. This may perhaps be most conveniently done at the office of issue.

(True Copy.)

(Signed) J. MACKEY,
Ag. 2nd Asst. Acct. General.

No. 71. From JOHN McIVER, Esq., Secretary and Treasurer Bank of Madras; to the Honorable A. J. ARBUTHNOT, Chief Secretary to Government, Fort Saint George, dated Madras, 26th February 1863, No. 20-676.

I have the honor by desire of the Directors to acknowledge receipt of the Proceedings of Government, Financial Department, with Order thereon, 21st January 1863, No. 41.

With reference to the inquiry in the first paragraph of these proceedings, I am directed to refer you to the Bank's letter of the 2nd June last addressed to the Government in regard to the proposal by the Acting Accountant General, that the Currency Notes should be stamped with the Tamil and Telugu characters, and to the opinion then expressed by the Directors to the effect that "it would unquestionably have been desirable that the values in these characters should have "originally formed part of the Note" but that "after inquiry on the subject they are satisfied "that it is not necessary in order to the free circulation of the Notes that they should bear these "characters.

In reply to the question put in the second paragraph of the same proceedings as to the relative advantages of a uniform Note for all India, I am directed to say that as might be expected the subject is one on which there is diversity of opinion. After full discussion and consideration the Directors could not arrive at an unanimous conclusion. Some members of the Board, considering entire uniformity in the Notes unattainable, and that too great a resemblance would be apt to create confusion and distrust, advocate a special Note for each large circle. Others again, being of opinion that uniformity as far as practicable is very desirable and that a uniform Note for all India bearing on its face the value in three or four languages of which one or two should be the principal Vernaculars of the circle of issue, would tend to give it a universal value and make it thus more adapted to the requirements of the country at large. The weight of opinion is in favor of this latter view.

The Directors would suggest that in any new Note the value should be denoted conspicuously in the English character, and would suggest that it be either printed across the back in large letters as in the old Madras Bank Note, or that the value in the watermark be made more legible and permanent than it is at present.

No. 72. To the Secretary to the Government of India, Financial Department, dated Fort Saint George, 20th March 1863, No. 199.

In acknowledging the receipt of your letter of the 31st December last, No. 1,421G, calling for information as to how far the absence of the expression of the value of Currency Notes in the Vernacular of the District has interfered with their currency and of the relative advantages of a uniform Note for all India or of a special Note for each large circle of issue, I am directed to submit for the consideration of the Honorable the President in Council, the annexed copies of letters on the subject from the Acting Accountant General,* and from the Secretary to the Bank of Madras.†

* 17th March 1863, No. 424.
† 26th February 1862, No. 676.

2. It will be seen from the abstract furnished by Mr. Lushington of the replies of the several Collectors, that the absence of the expression of the value of the Notes in the Vernacular of the District in which they are used is not considered to have interfered to any appreciable extent with their acceptance and currency.

3. On the question of the relative advantages of a uniform Note for all India and of a special Note for each large circle of issue, there is a considerable preponderance of opinion in favor of a uniform Note, and in this opinion the Madras Government concur. The Governor in Council however would have English one, if not the only language in which the value of the Note should be given. If the value is given in more than one language, Telugu should be selected as the Vernacular language of this Presidency, the characters of which are most extensively known.

(Signed) A. J. ARBUTHNOT,
Chief Secretary.

Exd T. McMootry.

No. 36

From

Lieut.t Colonel C. A. Orr.
Commissioner of the Dept.
of Issue of Paper Currency

To J. L. Lushington Esquire
Acting Accountant General
Fort Saint George

Sir.

I have to acknowledge the receipt of your Circular of the 30th. Ultimo No. 5829 communicating a Copy of the order of Government under date the 21st. Instant No. 41, and requesting me to state my views as to the relative advantages of a uniform note for all India, bearing on its face the value in written Characters and numerals in three languages, of which one should be the principal vernaculars of the circle, or of a Special note for each large circle of issue giving the value in three or four of the vernaculars of the Circle one being in all cases Canarese in the Persian or Character.

2. In reply, I have the honor to inform you that I am of opinion that the former

former description of note will be preferable to the latter, for, although by law payment of Notes will not be demandable by right out of their circles of issue, the convenience of paper money will in time practically cause their acceptance every where as a matter of course without regard to their places of issue. A different note for each circle would I think, give the new Currency merely a local value and delay the establishment of thorough confidence in it. Notes of the Government of India should be of such a character as to be easily recognizable everywhere, and if they be of different descriptions their recognition will be made doubtful beyond the limits of their respective circles.

3. The only objection that occurs to me to a uniform Note is, that, as it cannot have its value printed on its face in all the languages of India, it may happen that a note may be passed for a different value to that which it represents, but, as far as this Presidency is concerned, I consider this objection of little weight since a knowledge of English numerals at

at least, is almost universal. It seems to me that wherever Natives are so ignorant as to understand neither Candoo nor English, nor the principal vernaculars of the Presidency to which they belong, they will be too ignorant to put confidence in any piece of paper whatever, though it may be covered with writing or figures in their own local vernaculars.—

4 The Government Note should in my opinion be as uniform in appearance as possible throughout India. If however it be decided that in addition to bearing on their face their values in writing and figures in English, Hindee, and Candoo, the notes should also show their value in the principal vernacular of their circle of issue, it will become a question to determine, if this Presidency constitute only one circle, which of the four languages chiefly in use within its limits should be selected Telugoo, Tamil, Canarese and Malayalum could all scarcely be added to English, Hindee, and Candoo in written characters and figures, and as no ground appears for preferring one to the others it will probably be necessary to omit them altogether

altogether, or to print them on the back of the Notes. This may perhaps be most conveniently done at the Office of Issue.

I have the honor to be
Sir
Your most obedient Servant
(signed) C. A. Arr
Commissioner of the
Department of India

Madras Mint 25th Feb. 1863.

True Copy

Inverarity
Offg 2nd Offg Asst Genl

Capt Smith Staff Corps

Resources Depart

A 13

No 1121 Fort Saint George
Accountant Genl's Office
7th March 1863.

From
J. L. Lushington Esquire
Acting Accountant General

To
A. J. Arbuthnot Esquire
Chief Secretary to Government

Sir

I have now the honor to submit the information called for under the order of Government No 141 dated 21st January 1863 on the subject of a uniform Currency Notes of all India.

2. The following appear to be the points, upon which the Honorable Mr Drummond in his letter to the Madras Government of 31st December 1862 No 1121 G., Copy of which accompanied the order above quoted, requires a report, Viz:

1st. Has the absence of the expression in the Vernaculars on the Notes, impeded their circulation?

2. Is it desirable to issue one uniform Note for all India, and in what language (or Vernaculars) should the value be expressed thereon?

3. If Special Notes for each large Circle of Issue be adopted, which are the particular Vernaculars suitable for Notes in circulation in this Presidency or Circle?

In

3 In regard to the first point, it appears, so far as can be ascertained from the replies of the Collectors, that in the majority of districts, the absence of the expression of the value in the Vernacular, has not generally interfered with their circulation, tho' in some few places it may have done so to a limited extent.

4 In regard to the second question, the Collectors almost unanimously agreed, that it is most desirable (if practicable) to have one uniform Note for all India; and in this opinion I fully concur. To effect this, the writing and figures on the Notes should be only English: and looking to the fact of the increasing knowledge of English in general, and summonals in particular, and to the increasing demand for the Notes, although the Vernaculars on the Notes of this Presidency are unknown to most of the natives, thereby proving their popularity, the plan, so far at least as this Presidency is concerned, is, I think, perfectly feasible.

5. As regards the 3rd question, should it be ultimately settled to have Special Notes for each large circle of Issue, I would suggest, with a view of making the notes as acceptable as possible amongst the natives, that there be two sets of Notes for this Presidency, one with Oordoo, though I should have preferred Hindustanee Tamil and Telugu in addition to English, for North and South; the other, Oordoo Canarese and Malayalum, for the Western Coast and the Ceded Districts.

I.

Tanjore
Cuddapah
Madras
Coimbatore
Kurnool
South Canara
Madura
Bellary
Godavery District
South Arcot
Trichinopoly
North Arcot
Salem
Malabar
Vizagapatam
Tinnevelly
Kistna
Supt. Coorg

Ganjam
Nellore
Secy. Bank of Madras
Secy. Chamber of Commerce

6. I enclose a brief abstract of the opinions of the 18 Collectors noted in the margin. I regret to say that the Officers marginally noted have not up to this time replied to my Circular No. 5829 dated 30th February 1863 calling for a report though a reminder was sent to them on 18th February; but I have reason to know, that the Directors of the Bank have forwarded direct to you their views on the subject, and I am informed, that the matter is still under the consideration of the Chamber of Commerce.

7 As Government may probably wish to have the views of the Currency Commissioner more in detail, I beg to enclose a Copy of his Communication, dated 21st February No. 36.

8. In conclusion, I have only to add, that this report would have been forwarded earlier, but for the non-receipt of replies to my circular, but an Abstract of them will be submitted when received.

I have the honor to be
Sir
Your most obedient Servant
J. Livingston
Ag Accountt General

By Steamer.
dispd 21.

1 67

Financial Department.

No. 199

To

The Secretary to the Government
of India.

Financial Department.

Sir,

1. In acknowledging the receipt of your letter of the 31st December last No. 1421 G. calling for information as to how far the absence of the expression of the value of currency notes in the vernacular of the District has interfered with their currency and of the relative advantages of a uniform note for all India or of a special note for each large circle of issue I am directed to submit for the consideration of the Honorable the President in Council the annexed copies of letters

on

Fin. D. 1863 Separation
From
The Sec. to Govt. of India
Financial Dept.
No. 199 dated 12th March 1863
Rec'd 19th March 1863
No. 424
2 Enc.

No. 190

Replying to the despatch
a uniform Currency note
all India -

cy. & Bank
Bill.

on the subject from the
Acting Accountant Gene-
-ral and from the Secre-
-tary to the Bank of Madras

17th March 1863 No 424.

26th February 1863 No 676.

2 It will be seen
from the abstract furnished
by Mr Lushington of the
replies of the several Col-
-lectors that the absence
of the expression of the
value of the notes in the
vernacular of the District
in which they are used
is not considered to have
interfered to any appreciable
extent with their accep-
-tance and currency.

3 On the question of
the relative advantages
of a uniform note for
all India and of a special
note for each large circle
of issue, there is a consider-
-able preponderance of
opinion in favor of a
uniform note and in
this opinion the Madras
Government concur-
The Governor in Council
however

however would have English
one if not the only language
in which the value of
the note should be given.
If the value is given in
more than one language
Telugu should be selected,
as the vernacular lan-
-guage of this Presidency
the characters of which are
most extensively known.

Fort St George
20 March 1863.

R

Fund 1863. Departt

No 199-

To

The Secretary to the
Govt of India

Dy 20th March 1863

The views of Govern-
ment on the Expression
of the wishes of the Natives
in the Vernacular of
the Districts and on
the advantages of a
uniform Note for all
India forwarded to the
Supreme Govt

1872