M.R.O. 1—77,000—8-6-37.

(1) Number of pages 56

(2) Date of repair 16.11.37

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 767 Press Mis.

41-47.

Dated 11-12- 1871.

27 ~~28~~ 41-47 27/28

Not to be folded or roughly handled

Read the following papers:—

No. 41. From the Acting Secretary to the Board of Revenue, to the Chief Secretary to Government, Fort Saint George; dated Madras, 24th October 1871, No. 4480.

In reply to Government Order, No. 414, dated 31st August 1871, I am directed to state, that the Board of Revenue are very much opposed to the proposed introduction of the decimal subdivision of the Rupee.

2. They entirely concur in the views expressed by Mr. Gay; and, while fully admitting the great superiority of the decimal system of notation in the manipulation of elaborate accounts and figured statements, they believe that any attempt to introduce it into the country generally would not only fail utterly, but would cause the greatest possible inconvenience and injury to the poorest classes. All the business transactions of this country are expressed in sixteenths, and the great majority of the people have not yet unlearnt the use of the old pagodas, fanams, and cash. It is to be feared that another fresh mode of expressing accounts would lead to very great confusion for an almost indefinite period, and for no commensurate advantage.

3. If it were possible to introduce the decimal system into the accounts of all public offices, without interfering with the mode of expressing themselves by the people generally, a beginning might be made with safety, and it is possible that the system might gradually so commend itself to the public that it would be adopted voluntarily, and then perhaps the introduction of coinage to correspond might be effected without fear of creating discontent.

4. The very prolonged and elaborate processes of the survey and settlement have in this way familiarized the people of the districts concerned with the acre and its decimal subdivisions, so much so that even the most ignorant are rapidly adapting themselves to the new terminology, and learning to express themselves in acres and cents when conversing with officers of Government; but in the case of land measures, there is none of the difficulty and inconvenience involved in the existence of a double currency circulating at the same time.

No. 42. Proceedings of the Board of Revenue, dated 18th November 1871, No. 4097.

Read Proceedings of Government, Financial Department, dated 18th October 1871 No. 581.

The Board are informed that the sowcars, chiefly Gujarati and Marwari, calculate the interest on all their accounts in "Docras" or Decimals of a Rupee. This is found arithmetically very convenient.

2. An example is given separately.

3. This fact seems to afford some corroboration of the view taken by the Board in their Secretary's letter, dated 24th October 1871, No. 4480, namely, that

the Decimal system might be advantageously introduced into the public, and gradually (perhaps) into other accounts without any change of currency being called for.

(True Extract.)

(Signed) J. B. PENNINGTON,
Acting Secretary.

To the Chief Secretary to Government,
Fort Saint George, with an enclosure.

EXAMPLES of calculation by the Docra or Decimal system in use amongst the Sowcars.

Supposing 1,000 Rupees borrowed at 12 per cent. interest on the 10th March 1871, to have been repaid as follows :—

200 on	6th April *i. e.* after	27 days.
200 on	9th do.	30 ,,
200 on	5th May	56 ,,
200 on	10th June	92 ,,
200 on	9th July	121 ,,

The Sowcar calculates the interest thus :—

$200 \times \frac{27}{360} = 180$ Docras.
$200 \times \frac{30}{360} = 200$ do.
$200 \times \frac{56}{360} = 373\frac{1}{3}$ do.
$200 \times \frac{92}{360} = 613\frac{1}{3}$ do.
$200 \times \frac{121}{360} = 806\frac{2}{3}$ do.

Total... $2,173\frac{1}{3}$ do. or $\frac{2173\frac{1}{3}}{100}$ Rupees = interest = Rupees 21-11-8.

And the interest on 1 Rupee at one per cent. per mensem is calculated thus :—

At 1 per cent. for one Rupee for one day $= \frac{1}{360}$ Docras.

,, 2	do.	do.	do.	$\frac{2}{360} = \frac{1}{180}$	do.
,, 3	do.	do.	do.	$\frac{3}{360} = \frac{1}{120}$	do.
,, 4	do.	do.	do.	$\frac{4}{360} = \frac{2}{180}$	do.
,, 5	do.	do.	do.	$\frac{5}{360} = \frac{1}{72}$	do.
,, 20	do.	do.	do.	$\frac{20}{360} = \frac{2}{36}$	do.

For Rs.	For days.		Interest Docras.	
$200 \times$	$27 \times$	$\frac{1}{360}$ interest	= 180	at 1 per cent.
$200 \times$	$27 \times$	$\frac{2}{360}$ do.	= 360	at 2 do.
$200 \times$	$27 \times$	$\frac{3}{360}$ do.	= 540	at 3 do.
$200 \times$	$27 \times$	$\frac{4}{360}$ do.	= 720	at 4 do.

and so on.

For 100 Rupees for one month the interest is 5 Rupees = 500 Docras.
,, 1 Rupee do. $\frac{500}{100} = 5$,,
,, 1 Rupee for one day do. $\frac{5}{360}$ Docras.

The basis of the calculation of course being that $\frac{\text{Principal} \times \text{rate of interest}}{100}$ = amount of annual interest.

REVENUE BOARD OFFICE,
MADRAS, *15th November* 1871.

(Signed) J. B. PENNINGTON,
Acting Secretary.

No. 43. From the Chairman, Chamber of Commerce, to the Chief Secretary to Government, Fort Saint George; dated Madras, 7th October 1871.

Agreeably with the request contained in the order of the Madras Government, 31st August No. 414, recorded in their Proceedings of the same date, I have now the honor to communicate the views of this Chamber regarding the proposed decimal subdivision of the Rupee.

2. It is observed that the present discussion has arisen in connection with the decimilization of the Rupee which will take effect in Ceylon from the 1st January next; and that the chief advocate of the change that is proposed in India, is Mr. Guildford L. Molesworth, who appears to have taken a very active part in securing the acceptance of the decimal system in that Colony. What Mr. Molesworth's opportunities may have been for gauging the habits and wishes of the people of this large Empire, the Chamber have no means of ascertaining; but as he commits himself, in his Memorandum of the 10th July last, to the assertions that (7) "the natives will receive the new tokens as readily as they receive the existing tokens;" (9) "the lower classes have no attachment to the existing copper tokens;" and (16) "the native mind is not averse to decimilization;" it is difficult for the Chamber to avoid the conclusion that these opportunities have been few, or have been too limited in their scope, to justify his, as yet, influencing the Government of India in a matter in which a ripe knowledge of native habits of thought is indispensible to sound legislation. Mr. Molesworth urges that "the question ought not to be discussed from a narrow point of view, but in a wide and liberal spirit, contrasting the minor difficulties of introduction with the benefits that must accrue from the change, not merely to the present race, but to future generations." Though dissenting from the conclusion to which Mr. Molesworth is led, the Chamber agree with him that there is great necessity for considering the question that he has mooted in the spirit which he describes.

3. Whether, or no, the advantges to be reasonably expected to accrue from the introduction of a decimal coinage into India would be as varied, and as important, as the advocates of the change are disposed to anticipate, the Chamber need not stay to discuss. But one thing appears to have been lost sight of by the gentlemen who are charmed by the novelty of such a change, which is, that there is no parallelism between Ceylon and India in this matter. In the Colony, with its population of barely two millions, the money, the weights, and measures, have for two or three generations been the same as those in the United Kingdom; but though accounts were nominally kept in £ *s. d.*, the ordinary silver coin of the country has been the Rupee and its subdivisions. Some inconvenience has necessarily resulted from this anomalous state of things, and when, after many years of preparatory argument, the question of a change was brought up for settlement, the decimal coinage was fixed upon, although the feeling in its favor was far from unanimous, the Colombo merchants being unanimously averse to the change. In British India, with its one hundred and fifty millions of people, scattered over nearly one million square miles, no primary reasons exists for any change. The Rupee and its present subdivisions are familiar in every household; and to revolu-

tionise the subsidiary currency for no better reason than that a more theoretically symmetrical system has been introduced into a Colony near to India, and notwithstanding the fact that decimilization has not been yet accepted in the United Kingdom, would but be to fan that popular distrust of their ultimate intentions, that it should be the desire of the Government not excite.

4. The Chamber are quite of Mr. Chapman's opinion that it would probably be "a work of long time and great difficulty to change what is to the masses of the people their entire currency;" with Mr. Harrison that "we should indeed pause before doing anything which should render the innumerable calculations of the market, and of the homes of the millions, less easy, in order that those who reckon on paper should receive some benefit;" and that "the mere decimilization of our coinage might do great mischief unless we are prepared to carry out such measures as may be necessary to secure the adoption of a habit of decimal computation." Such an object as the "ultimate education of the masses," however attractive in theory, is little likely to be promoted by disadjusting the retail trade operations of those masses. Mr. Molesworth holds that "the introduction of a decimal system will confer a great boon on India, and prove immensely valuable;" but it occurs to the Chamber that it is possible to obtain a boon in one direction, at a sacrifice in other directions that deprives the boon of all its advantages. The Chamber cannot agree with Colonel Strachey that "to make a change will not be very easy: but this is all the more reason for setting about the thing at once." So far as the Chamber see this is no reason at all. A change of any kind, affecting the comfort or convenience of millions of men, who must ever be suspicious of the motives that actuate the policy towards themselves of their alien rulers, should never be set about, until the need of such change is placed beyond all dispute; and the fact that the change under reference would not be easy, suggests the possible existence of natural objections which are so many warnings against its introduction. Were it the practice of the Government to regulate its policy by pressure on those points, intimately connected with the habits and temper of the people, that oppose the most resistance to change, all confidence in the administration would be forfeited.

5. The Chamber further observe that Colonel Strachey urges that "what we have to do is to see that the coins we issue will really be convenient, and this can only be ascertained by appealing to reason guided by experience, and not by interrogating ignorance and its consequences. It is always reasonable to consider how ignorant people can be best got to leave off habits the results of ignorance; but beyond this I, for one, will never be concerned in suggesting the adoption of anything which I know to be bad, only because it is in harmony with something else which I also know to be bad." In somewhat the same spirit, Mr. Chapman alludes to India being impermeable to intelligence. The existence of "ignorance" and of intelligence in this country cannot be disputed: but the Chamber venture to think that it is not just to the people to haughtily refuse to interrogate that ignorance, or to probe that intelligence. The superior knowledge that the rulers of this country possess is the fruit of western civilization, with which oriental races have little sympathy; and to graft that civilization in an attractive form on the east, there must be what Sir William Mansfield, in his note of the 7th March 1870,

terms a "give-and-take arrangement." The "ignorance," referred to by Colonel Strachey is not the ignorance of the South Sea or Andaman Islanders. It is a comparative ignorance, not of things local, but of things foreign; it is the expression of an ancient ingrained distaste for ideas that have no natural affinity to the order of things in the tropics; and it is just that ignorance which being so frequently contemned by the framers of new laws, results in the country being deluged with acts that clash against the habits of the people, and produce that feeling of weary unrest, which is met with in all directions. No country can be expected, upon the mere *ipse dixit* of an alien ruler, to adjust itself to every whim of the hour in another clime; and in India, especially, it is vain to look for an intelligence to appreciate the advantages of a decimal currency that even shrewd politico-economists in Europe question.

6. In saying this the Chamber would desire to guard themselves against the imputation of being opposed to change when change is needed. They are sensible of very many reforms that have been introduced into India of late years, which have been fruitful of the best results to the people. But they would, as independent Europeans, who have a large stake in the country, and who are therefore personally interested in its welfare, record their opinion that to introduce changes which are not wanted by the people, and which are only theoretically advantageous, must tend, as Mr. Gay says, "to widen the distance between the Government and the governed in social matters, and is therefore much to be deprecated." The country needs rest; legislation is too quick for the people, and supplies remedies long ere the evil to be removed is felt to be an evil. All changes that necessitate for their comprehension some acquaintance with western knowledge, and that leave eastern experience in the dark, must play into the hands of the subordinate officials of Government, who, as Sir William Sleeman was told in Oude, "are so much interested in making the worse appear the better reason and falsehood truth, that no man feels sure that right will prevail in his case." The result being that the more ignorant classes of natives are "bewildered by the confusion of right and wrong which arises from the multiplicity of the rules and regulations that throw power into the hands of bad men." In event of a decimal coinage being introduced, subordinate officials, it cannot be doubted, would easily delude taxpayers of the more ignorant sort, as to the actual equivalent of the new coins. The revolutionising of the ancient currency of a continent like India, is a matter, in the Chamber's opinion, that the Government, without any detriment to the present generation, may well leave for solution by posterity, aided perhaps by that trustworthy representation of native feeling which, in a project so intimately connected therewith, cannot, with either justice or prudence, be ignored.

No. 44. From the Chairman, Chamber of Commerce, to the Secretary to Government, Revenue Department; dated Madras, 10th November 1871.

I have the honor to acknowledge receipt of the Proceedings of Government, 18th ultimo, No. 581, and to state in reply, that the subdivision of the Rupee into 100 Docras, $6\frac{1}{4}$ Docras being equivalent to 1 anna, which is said to be customary among the natives of Bombay, does not obtain among the natives employed in trade in this city.

No. 45. From the Officiating Secretary and Treasurer, Bank of Madras, to the Chief Secretary to Government, Fort Saint George; dated Madras, 27th October 1871, No. 86.

I have the honor, by desire of the Directors of the Bank of Madras, to acknowledge receipt of the Proceedings of Government, Financial Department, No. 414, dated 31st August 1871, requesting an expression of opinion regarding the decimal subdivision of the Rupee.

In reply, I am desired to state, that the Directors fully admit the superior facilities for paper calculations possessed by the "decimal" over the "binary" system; but they are of opinion that those advantages are not of sufficient weight and importance, to call for the substitution of the former for the latter system. The people of this country are perfectly familiar with the system now in use, and a large majority of them, who can neither read nor write, are yet able to calculate mentally, with ease and rapidity, after the fashion which they have learned from infancy, any arithmetical question with which they are concerned. The introduction of a new system would prove to this large class a perpetual source of perplexity and irritation, and by rendering them in a great measure dependent upon the good faith of others, in the numerous petty daily transactions which they had before been accustomed to work out for themselves, would hardly fail to create a widespread feeling of distrust and discontent.

The Directors concur in the opinion expressed by Mr. Bennett, (quoted in Lord Overstone's report,) that he "could not hesitate for an instant to regard "retail trade, as the primary object, to the uses of which the currency should be "made subservient. The transactions of retail trade are in the proportion of at "least a thousand to one to wholesale dealings; they are, in a great majority of "instances, the subject of immediate payment in money; and they constitute the "entire sum of the pecuniary dealings of the poorer, and less instructed classes, "as well as a large share of the dealings of all."

It is chiefly from their firm conviction, that a new currency would bear injuriously upon the enormous and minute retail trade of India, that the Directors deprecate any attempt at an experiment, which at the best they regard as of doubtful value, and as likely to be attended with an amount of danger to the State, disproportioned to any possible good or advantage to be derived from it. They would add, that in their opinion of all countries in the world, India is perhaps the one in which experimental legislation on matters affecting the interests of the masses, is the least advisable.

With regard to the favor with which the proposed introduction of the decimal system is said to have been received by the inhabitants of Ceylon, it appears to the Directors that the actual facts of the case scarcely warrant the conclusions drawn from them by the promoters of the new system, for it is within their knowledge, that the whole of the Mercantile community, with but few exceptions, were strongly opposed to the change.

But even supposing that it were otherwise, the Directors are not prepared to admit that the case of India is at all analogous, for to quote Mr. Molesworth's words, "Ceylon is but a small country in comparison with India, and changes "can easily be made in it, which in India are fraught with difficulty."

Another serious objection to the decimal system, which presents itself to the Directors, is the cost of converting the present copper coinage into cents and half cents. A very large stock of copper is held at the Presidency, and at all the Mofussil Treasuries, and the enormous expense attendant on its withdrawal and re-coinage, appears to the Directors to be perfectly unjustifiable in the present state of the finances of the country.

The Directors would summarize their objections to the new currency as follows:—

1. The people at large are quite satisfied with the present currency.
2. No inconvenience is experienced from it, or if any is experienced, no complaint has been made of it by any single class of people in India.
3. Any alteration in the value of copper coins, would bear injuriously upon the retail trade of the country, and would be deeply obnoxious to the great mass of the population.
4. The proposed change would be productive of danger to the state, by creating feelings of distrust and irritation in the minds of the people.
5. The great cost of introducing a new system of coinage, would be out of all proportion to any advantages likely to be derived from it.
6. The Mercantile community are as much opposed to the change, as it is believed the poorer classes will be found to be.

With reference to the confidential Proceedings of Government, dated 18th October 1871, No. 581, I am desired to state that the Directors are not aware of any decimal system of computation in use among the commercial classes of natives.

No. 46. From the Acting Accountant General, to the Chief Secretary to Government, Fort Saint George; dated Fort Saint George, 21st October 1871, No. 317.

I have the honor, in compliance with the instructions conveyed in G. O. No. 414, of the 31st August last, to submit the following observations.

2. It seems to me that the substitution of a decimal for the present coinage is a step which cannot be said to be a *necessary* one, there being, as far as I can see, no such great and overwhelming advantages on the side of the decimal system as to call for its immediate adoption, independently of all considerations of cost and state policy.

3. I admit, as I suppose most people will do, that the decimal system would facilitate ordinary paper calculations to a small extent, there being only two columns of figures to add up instead of four, as at present, in respect of fractions of a Rupee; but inasmuch as at present in the columns of annas and pies the figures in the *tens* place are all units and those in the units place never above one as regards pice, and five as regards annas, the labour involved in totalling these columns is very slight, and I question whether any *material* advantage will be derived in an office like mine, as far as facility of calculation is concerned, by the substitution of cents for annas and pies.

4. On the other hand, it seems to me, and appears to be the general opinion of all the persons who may be supposed to be best informed on the subject whom I have consulted, *viz.*, the merchants of Madras, that the change will be disliked by the people, inconvenient for retail transactions, and looked on with suspicion and distrust. The leading members of the mercantile community, judging by the opinions expressed at the Madras Bank Board, are exceedingly opposed to the measure, and, as I presume the sentiments of these gentlemen may fairly be held to represent those of the mercantile community generally, and not to be expressed without a due regard for their own interests and convenience as a class, I consider it may be assumed that a decimal coinage is in no sense a necessity.

5. Such being the case, I venture to think that regard should be had to the very great cost to the State of introducing the new coinage.

6. His Excellency in Council is aware that in this Presidency, and indeed throughout India, the copper coinage does not circulate freely. In all our Mofussil Treasuries and in the Bank there is a stock of copper which cannot be got rid of, and which yearly increases in amount.

7. Now I submit that the cost of the present copper coinage, under these circumstances, must be looked upon for the time as a loss to the State, for if coin be not a circulating medium it is a burden, and the expenditure incurred on its account at the Mints, in conveying it up country, packing, &c., is all so much money uselessly expended.

8. While, however, the coin remains the coin of the realm, there is at least a hope that at some future time a demand may arise for it, and that it will repay the outlay incurred on its behalf, but once let it be re-called for re-coinage, as it must be should the decimal system be established, and the original outlay becomes a a dead loss.

9. That outlay throughout India must have been something enormous, and I cannot help thinking that it is inadvisable, when the advantages to be derived by the change of coinage are so questionable, or at all events so small, when the feeling of the public is not in favor of the change, and when there is nothing to show that one kind of copper coinage will be more acceptable to the people than another, to adopt a system which is certain to entail so much loss.

10. In conclusion I beg to observe, with reference to the confidential Proceedings of Government No. 581, of the 18th instant, that I am not aware of the existence of any such custom in this Presidency as is said to obtain in Bombay.

No. 47. To the Secretary to the Government of India, Financial Department, dated Fort Saint George, 11th December 1871, No. 767.

Referring to Circular letter, Financial Department, dated the 12th August last, No. 2767, and to the Proceedings of that Department, dated the 2nd October, No. 4020, I am directed to transmit copies of the papers noted in the margin,* from the Board of Revenue, the Chamber of Commerce, the Directors of the Bank of Madras, and the Acting Accountant General, containing their

* From the Board of Revenue, dated 24th October and 15th November 1871, Nos. 4480 and 4697.
From the Chairman, Chamber of Commerce, dated 7th October and 10th November 1871.
From the Secretary and Treasurer, Bank of Madras, dated 27th October 1871, No. 86.
From the Acting Accountant General, dated 21st October 1871, No. 317.

views in respect of the decimal subdivision of a Rupee, and intimating that the custom among the natives in Bombay of dividing the Rupee into Docras, does not obtain in this Presidency, except in the case of sowcars, most of whom are natives of other parts of India.

2. The Government are constrained to state that whatever may be in principle the advantages attached to a decimal subdivision of the standard coin, the practical embarrassments attached to the introduction of such an innovation are so great that they can have no hesitation in deprecating the measure.

(Signed) R. S. ELLIS,
Chief Secretary.

6

No. 4,480.

From J. B. PENNINGTON, Esq., Acting Secretary to the Board of Revenue.
To the Chief Secretary to Government.

SIR,

IN reply to Government Order, No. 414, dated 31st August 1871, I am directed to state that the Board of Revenue are very much opposed to the proposed introduction of the decimal subdivision of the Rupee.

2. They entirely concur in the views expressed by Mr. Gay; and, while fully admitting the great superiority of the decimal system of notation in the manipulation of elaborate accounts and figured statements, they believe that any attempt to introduce it into the country generally would not only fail utterly, but would cause the greatest possible inconvenience and injury to the poorest classes. All the business transactions of this country are expressed in sixteenths, and the great majority of the people have not yet unlearnt the use of the old pagodas, fanams, and cash. It is to be feared that another fresh mode of expressing accounts would lead to very great confusion for an almost indefinite period, and for no commensurate advantage.

3. If it were possible to introduce the decimal system into the accounts of all public offices, without interfering with the mode of expressing themselves by the people generally, a beginning might be made with safety, and it is possible that the system might gradually so commend itself to the public that it would be adopted voluntarily, and then perhaps the introduction of coinage to correspond might be effected without fear of creating discontent.

4. The very prolonged and elaborate processes of the survey and settlement have in this way familiarized the people of the districts concerned with the acre and its decimal sub-divisions, so much so that even the most ignorant are rapidly adapting themselves to the new terminology and learning to express themselves in acres and cents when conversing with officers of Government; but in the case of land measures there is none of the difficulty and inconvenience involved in the existence of a double currency circulating at the same time.

REVENUE BOARD OFFICE,
Madras,
24th October 1871.

I have the honour to be,
Sir,
Your most obedient servant,

J. B. Pennington
Acting Secretary.

Exd. A. S. Rodgers.

Revenue Department

Miscellaneous No. 4097.

1

Proceedings of the Board of Revenue dated 15th November 1871.

Read Proceedings of Government Financial Department, dated 18th October 1871, No. 581.—

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1. The Board are informed that the Sowcars, chiefly Gujaráti and Márwári calculate the Interest on all their accounts in "Do-eras" or Decimals of a Rupee. This is found, arithmetically, very convenient.

2. An Example is given separately.

3. This fact seems to afford some corroboration of the view taken by the Board in their Secretary's letter dated 24th October 1871, No. 4480, namely, that the Decimal system might be advantageously introduced into the Public Gradually (perhaps) into other accounts without any change of currency being called for.—

/True Extract/

J. S. Pennington

Asst Secretary

For the Chief Secretary to Government
Public Department
with an enclosure

Rd Knaplish

cop'd J. Thakappa avj

Fasli 1871. Board of Revenue, MADRAS.

LETTER, 24TH OCTOBER 1871, No. 4,480.

Dated 30 Oct 1871. Encl.

Received. 31/10 December

S. L No 767. 7/11

Rs 108.

OCTOBER.
No. 4,480.

Decimal sub-division of the Rupee.—Proposed

No. 41

Examples of Calculation by the Docra or Decimal system in use amongst the Sowcars.

Supposing 1,000 Rupees borrowed at 12 per cent Interest on the 10th March 1871 to have been repaid as follows:-

200	on 6th April, c.c.	after 27 days	
200	on 9th/10	Do.	30
200	on 5th	May	56
200	on 10th	June	92
200	on 9th	July	121.

The Sowcar calculates the Interest thus:

$200 \times \frac{27}{30} = 180$ Docras
$200 \times \frac{30}{30} = 200$ Do.
$200 \times \frac{56}{30} = 373\frac{1}{3}$ Do.
$200 \times \frac{92}{30} = 613\frac{1}{3}$ Do.
$200 \times \frac{121}{30} = 806\frac{2}{3}$ Do.
Total $2173\frac{1}{3}$ Do. or $\frac{2173\frac{1}{3}}{100}$ Rs. =
Interest = Rs 21-11-8.

And the Interest on 1 Rupee at one per cent per mensem is calculated thus:-

At 1% - for one Rupee for one day = $\frac{1}{30}$ Docras
2 % - Do. Do. $\frac{2}{30} = \frac{1}{15}$
3 % - Do. Do. $\frac{3}{30} = \frac{1}{10}$
4 % - Do. Do. $\frac{4}{30} = \frac{2}{15}$
5 % - Do. Do. $\frac{5}{30} = \frac{1}{6}$
20 % - Do. Do. $\frac{20}{30} = \frac{2}{3}$

For Rs	For Days		Interest =	Interest Docras	
200	× 27	× $\frac{1}{30}$	Interest =	180	at 1%
200	× 27	× $\frac{2}{30}$	Do.	360	at 2%
200	× 27	× $\frac{3}{30}$	Do.	540	at 3%
200	× 27	× $\frac{4}{30}$	Do.	720	at 4%

and

(11.)

Financial 1871 Sept 6

Proceedings of Board of Revenue

S.L. No. 764 - dated 9 Nov 1871 - 11/12/71

Read 16 " "

Recd 1.

Re 8804.
Encls

Submitting certain information in connection with a petition of Arieur Lakshmanarasu to the Board in favour of introduction of decimal system into Public accounts.

Read 42

Submitted certain information in connection with a petition of Arieur Lakshmanarasu to the Board in favour of introduction of decimal system into Public accounts.

and so on.-

For 100 Rs for one month the Interest is 5 Rs = 500 Do-cras

" 1 Rupee . . . . . $\frac{500}{100}$ = 5 Do-cras

" 1 Rupee for one day . . . . . $\frac{5}{30}$ Do-cras

The basis of the calculation of course being that $\frac{\text{Principal} \times \text{rate of Interest}}{100}$ = amount of annual Interest.-

Revenue Board Office
Madras 15th November 1871

J. S. Cunningham
Actg Secretary

4 11

Chamber of Commerce

Madras 7th October 1871

From

The Honble P. Maejadyen

Chairman, Chamber of Commerce.

To

The Honble F. S. Ellis C.B.

Chief Secretary to Government

Ootacamund

Sir,

Agreeably with the request contained in the Order of the Madras Government of 1st August No. 414, recorded in their Proceedings of the same date, I have now the honor to communicate the views of this Chamber regarding the proposed decimal sub-division of the Rupee.

It is observed that the present discussion has arisen in connection with the decimalisation

Enclosure in Proceedings of the Board of Revenue to the Chief Secretary to Government, dated 15th October 1871. No. 4097.

Examples of calculations by the Decimal System in use amongst the Coorgs.

Encl. in P. B. cir. No 8014.

decimalization of the Rupee, which will
effect in Ceylon from the 1st January next;
and that the chief advocate of the change that
is proposed in India, is Mr. Guilford L. Molesworth,
who appears to have taken a very active part
in securing the acceptance of the decimal system
in that Colony. That Mr. Molesworth's opportu-
nities may have been for gauging the habits
and wishes of the people of this large Empire,
the Chamber have no means of ascertaining;
but as he commits himself, in his Memorandum,
of the 10th July last, to the assertions that (1)
"the natives will receive the new tokens as
readily as they receive the existing tokens"; (2)
"the lower classes have no attachment to the
existing copper tokens"; and (16) "the native
mind is not averse to decimalization"; it
is difficult for the Chamber to avoid the
conclusion that these opportunities have been
few, or have been so limited in their scope,
to justify his, as yet, influencing the
Government

of India in a matter in which
a ripe knowledge of native habits of thought
is indispensable to sound legislation. Mr.
Molesworth urges that "the question ought not
to be discussed from a narrow point of view,
but in a wide and liberal spirit, contrasting
the minor difficulties of introduction with
the benefits that must accrue from the
change, not merely to the present race, but
to future generations". Though dissenting
from the conclusions to which Mr. Molesworth
is led, the Chamber agree with him, that there
is great necessity for considering the question
that he has mooted in the spirit which he
describes.

Whether, or no, the advantages to be
reasonably expected to accrue from the intro-
duction of a decimal coinage into India
would be as varied, and as important, as the
advocates of the change are disposed to
anticipate, the Chamber need not stay to

discuss

discuss. But one thing appears to have been lost sight of by the gentlemen who are charmed by the novelty of such a change, which is that there is no parallelism between Ceylon and India in this matter. In the Colony with its population of barely two millions, the money, the weights and measures have for two or three generations been the same as those in the United Kingdom; but though accounts were nominally kept in £. s. d. the ordinary silver coin of the country has been the Rupee and its subdivisions. Some inconvenience has necessarily resulted from this anomalous state of things, and when, after many years of preparatory argument, the question of a change was brought up for settlement, the decimal coinage was fixed upon, although the feeling in its favor was far from unanimous, the Colombo Merchants being unanimously averse to the change. In British India, with its one hundred and fifty millions of people, scattered over nearly one million

square

square miles, no primary reason exists for any change. The Rupee and its present subdivisions are familiar in every household; and to revolutionise the subsidiary currency for no better reason than that a more theoretically symmetrical system has been introduced into a Colony near to India, and notwithstanding the fact that decimalization has not been yet accepted in the United Kingdom, would but lie to fan that popular distrust of their ultimate intentions that it should be the desire of the Government not to excite.

The Chamber are quite of Mr. Chapman's opinion that it would probably be a work of long time and great difficulty to change what is to the masses of the people their entire currency; with Mr. Garrison that we should indeed pause before doing anything which should render the innumerable cal-

culations

=culations of the market, and of the m[illegible]
of the millions, less easy in order that those
who reckon on paper should receive some
benefit;" and that "the mere decimalisation
of our coinage might do great mischief
unless we are prepared to carry out such
measures as may be necessary to secure the
adoption of a habit of decimal computation".
Such an object as the "ultimate education
of the masses," however attractive in theory,
is little likely to be promoted by disadjusting
the retail trade operations of those masses.
Mr. Holderworth holds that "the introduction
of a decimal system will confer a great
boon on India, and prove immensely va=
=luable"; but it occurs to the Chamber
that it is possible to obtain a boon in
one direction, at a sacrifice in other directions
that deprives the boon of all its advantages.
The Chamber cannot agree with Colonel
Strachey that "to make a change will
not be very easy: but this is all the more
reason for setting about the thing at once".
So far as the Chamber see this is no reason
at all. A change of any kind, affecting
the comfort or convenience of millions of
men, who must ever be suspicious of the mo=
=tives that actuate the policy towards them=
=selves, of their alien rulers, should never
be set about, until the need of such
change is placed beyond all dispute; and
the fact that the change under reference
would not be easy, suggests the possible
existence of natural objections which are
so many warnings against its introduction.
Were it the practice of the Government
to regulate its policy by pressure on sore
points, intimately connected with the habits
and temper of the people, that oppose the
most resistance to change, all confidence

in

in the Administration would be forfei-

The Chamber further observe that Colonel Strachey urges that "what we have to do is to see that the coins we issue will really be convenient, and this can only be ascertained by appealing to reason guided by experience, and not by interrogating ignorance and its consequences. It is always reasonable to consider how ignorant people can be best got to leave off habits the results of ignorance; but beyond this I, for one, will neverbe concerned in suggesting the adoption of anything which I know to be bad, only because it is in harmony with something else which I also know to be bad." And in somewhat the same spirit, Mr. Chapman alludes to India being impermeable to intelligence". The existence and of "ignorance" of unintelligence in this country cannot be disputed; but the Chamber venture to think that it is not just to the people to haughtily refuse to interrogate that

ignorance

ignorance, or to probe that unintelligence. The superior knowledge that the rulers of this country possess is the fruit of Western civilization with which Oriental races have little sympathy; and to graft that civilization in an attractive form on the East, there must be what Sir William Mansfield in his Note of the 7th March 1870, terms a "give-and-take arrangement." The "ignorance," referred to by Colonel Strachey is not the ignorance of the South Sea or Chinaman Islanders. It is a comparative ignorance, not of things local, but of things foreign; it is the expression of an ancient ingrained distaste for ideas that have no natural affinity to the order of things in the tropics; and it is just that ignorance which being so frequently contemned by the framers of new laws, results in the country being deluged with acts that clash against the habits of the people,

and

and produce that feeling of weary unrest, which is met with in all directions. No country can be expected upon the mere ipse dixit of an alien ruler, to adjust itself to every whim of the hour in another clime; and in India especially it is vain to look for an intelligence to appreciate the advantages of a decimal currency that even shrewd politico-economists in Europe question.

In saying this the Chamber would desire to guard themselves against the imputation of being opposed to change when change is needed. They are sensible of very many reforms that have been introduced into India of late years, which have been fruitful of the best results to the people. But they would, as independent Europeans, who have a large stake in the country, and who are therefore personally interested in its welfare, record their opinion that to

to introduce changes which are not wanted by the people, and which are only theo= =retically advantageous, must tend as Mr. Gay says, "to widen the distance between the Government and the governed in social matters, and is therefore much to be deprecated". The country needs rest; legis= =lation is too quick for the people, and hasty remedies long ere the evil to be removed is felt to be an evil. All changes that necessitate for their comprehension some ac= =quaintance with Western knowledge, and that leave Eastern experience in the dark, must play into the hands of the subordi= =nate officials of Government, who, as Sir William Sleeman was told in Oude, "are so much interested in making the worse appear the better reason, and falsehood truth, that no man feels sure that right will prevail in his cases". The result being that

the

the more ignorant classes of natives are
"bewildered by the confusion of right and wrong
which arises from the multiplicity of the rules
and regulations that throw power into the
hands of bad men." On event of a decimal
coinage being introduced subordinate officials,
it cannot be doubted, would easily delude
the payers of the more ignorant sort, as to
the actual equivalent of the new coins.
The revolutionizing of the ancient currency
of a continent like India, is a matter, in
the Chamber's opinion that the Government,
without any detriment to the present generation,
may well leave for solution by posterity,
aided perhaps by that trustworthy representation
of native feeling which, in a project so intimately
connected therewith, cannot, with either justice or
prudence be ignored.

I have the honor to be
Sir
Your most obedient Servant

Muncherjee

Chairman

16
Circular, with Proposal for Decimal Coinage

Financial 1871 Sept.

From

The Chairman.
Chamber of Commerce

29/7 Rd 16th Sept/71.

No. 654.

No. 43

Communicating the views of the Chamber regarding the proposed decimal subdivision of the Rupee.

A. A.

1st Circulate for information

C 30/11.
R 2/12

C. 17/10.
In 3/10

18

Chamber of Commerce

Madras 10th November 1871

From

The Honble S. Mackadyen
Chairman, Chamber of Commerce

To

The Secretary to Government
Revenue Department
Madras

Sir,

I have the honor to acknowledge receipt of the Proceedings of Government 18th ultimo, No. 581, and to state in reply that the subdivision of the Rupee into 100 Pocras, 6¼ Pocras being equivalent to 1 anna, which is said to be customary among the natives of Bombay, does not obtain among the natives employed in trade in this city.

I have the honor to be
Sir
Your most obedient Servant

Mackadyen
Chairman

in use among the Commercial classes of native

I have the honor to be
Sir
Your obedient servant

Asst Secretary & Treasurer

Financial Dept 1871 Department

Form

Chairman, Chamber of Commerce.

No. 778.

Stating that the Sub-division of the Rupee into 100 Cowries, 6¼ Cowries being equivalent to 1 anna, which is said to be customary among the Natives of Bombay does not obtain among the Natives employed in trade in this city.

We does with Cowries

No. 44

C 30/11
B 4/12

Rec.d 21st August 1871. No. 414.
" 18th October 1871. No. 581. Sent.

Financial 1871 Depart.t

From
Secretary & Treasurer
Madras Bank.
No. 86.

Dated 27th } October 1871.
Rec.d 30th }

No. 704.

No. 45

Communicating an expression of the Directors opinion on the subject of the decimal sub-division of the Rupee.

C 30/11
R 6/12

Fort Saint George
Accountant General's Office
21st October 1871.

No. 317

From
The Ag. Accountant General
Madras.

To
The Chief Secretary
to the Government
of Madras.

Sir,

I have the honor in compliance with the instructions conveyed in G.O. No. 414 of the 31st August last to submit the following observations.

2 It seems to me that the substitution of a decimal for the present coinage is a step which cannot be said to be a necessary one there being as far as I can see no such great and overwhelming advantages on the side of the decimal system as to call for its immediate adoption independently of all considerations of cost and state policy

I

3 I admit as I suppose most people will do that the decimal system would facilitate ordinary paper calculations to a small extent there being only 2 columns of figures to add up instead of 4 as at present in respect of fractions of a rupee but in as much as at present in the columns of Annas and pies the figures in the tens place are all units and those in the units place never above 1 as regards pice and 5 as regards Annas the labour involved in totalling these columns is very slight and I question whether any material advantage will be derived in an Office like mine as far as facility of calculation is concerned by the substitution of Cents for Annas and pies.

4 On the other hand it seems to me and appears to be the general opinion of all the persons who may be supposed to be best informed on the subject whom I have consulted

Viz.

Viz. the Merchants of Madras that the change will be disliked by the people, inconvenient for retail transactions, and looked on with suspicion and distrust). The leading members of the Mercantile community judging by the opinions expressed at the Madras Bank Board are exceedingly opposed to the measure and as I presume the sentiments of these gentlemen may fairly be held to represent those of the Mercantile Community generally and not to be expressed without a due regard for their own interests and convenience as a class I consider it may be assumed that a decimal coinage is in no sense a necessity

5 Such being the case I venture to think that regard should be had to the very great cost to the state of introducing the new Coinage.

His

6 His Excellency in Council is aware that in this Presidency and indeed throughout India the Copper Coinage does not circulate freely. In all our Mofussil Treasuries and in the Bank there is a stock of Copper which cannot be got rid of and which yearly increases in Amount

7 Now I submit that the cost of the present Copper Coinage under these circumstances must be looked upon for the time as a loss to the State for if Coin be not a circulating medium it is a burden and the expenditure incurred on its account at the Mints, in Conveying it up Country, packing &c. is all so much money uselessly expended.

8 While however the Coin remains the Coin of the Realm there is at least a hope that at some future time a demand may arise for it and that it will repay the outlay incurred on its behalf but once let it be recalled for Recoinage as it must be should the decimal system be established and the original outlay becomes a dead loss.

9 That outlay throughout India must have been something enormous and I cannot help thinking that it is inadvisable when the advantages to be derived by the change of Coinage are so questionable or at all events so small when the feeling of the public is not in favor of the change, and when there is nothing to show that one kind of Copper Coinage will be more acceptable to the people than another to adopt a system which is certain to entail so much loss.

10 In conclusion I beg to

observe

observe with reference to the Con=
fidential Proceedings of Govern=
=ment. No. 581 of the 18th instant,
that I am not aware of the existence
of any such custom in this Presi=
=dency as is said to obtain in
Bombay.

I have the honorable,
Sir
Your Obedient Servt
Rhodwick
Ag. Accountant General.

Compd

With 5 spare copies, despatched 13/12.

25 37

Financial Department.

No. 767

To

The Secretary to Government
of India,
Financial Department.

Sir,

Referring to circular letter, Financial Department, dated the 12th August last, No. 2767, and to the Proceedings of that Department, dated the 2nd October, No. 4022, I am directed to transmit copies of the papers noted in the margin, from the Board of Revenue, the Chamber of Commerce, the Directors of the Bank of Madras, and the Acting Accountant General, containing their views in respect of the decimal sub-division of the Rupee, and intimating that the custom among the Natives

in

* From the Board of Revenue dated 24th October and 15th November 1871 Nos. 4480 & 4097.
From the Chairman, Chamber of Commerce, dated 7th October & 15th November 71.
From the Secretary & Treasurer Bank of Madras, dated 27th October 1871 No. 80.
From the Acting Accountant General, dated 21st October 1871, No. 317.

J. D. L.

Lee ner

Rs 45

S. L. No. 767 of 11/12/71.

The Board of Revenue &c &c &c
Madras

The Chief Secretary to Government
Fort St. George

Dated 21st October 1871
Rec'd 24th " "
No. 31

Reports suggesting the desirability of introducing Decimal Coinage

Refd. Secretary to the Board of Revenue, Calcutta, for opinion
Nos. 8, 9, 12, 13, 14 dated 31st August 1871.

in Bombay of dividing the Rupee into Doctras does not obtain in this Presidency, except in the case of Sonkars most of whom are ~~foreigners~~ natives of other parts of India.

We are at ken for an opinion. I would therefore say - "the first has no merit. tation in de- ference to the measure."

For

Fort St. George
11 Decr. 1871.

Read Wm
Tuesday -

The Govt are constrained to state - that
to adopt any "
principle the
advantages attached
to a decimal subdivision
of the Standard coin
the practical
embarrassments attached
to the introduction of such
an innovation are so great
that they can have no
hesitation in deprecating
the measure &.

Madras Letter of Govt to Secretary of State - No. 180
Officiating 18- Public Department
Fort St. George

1871, Fin.ce Department.

No. 767.

To

The Secretary to the
Government of India -
Financial Department

Dated 11th December 1871 -

41 — 47.