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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Jail DEPARTMENT

G.O. No. 1656. Press.
~~B.P. No.~~ Mis.

Dated 5. -9-1881 ~~197~~.

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1656/1

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

5th September 1881, No. 1656.

Coins.

Read the following paper :—

Proceedings of the Government of India, Department of Finance and Commerce (Accounts, &c.—Mint), dated Simla, 17th August 1881, *No.* 2432 [*Current No.* 2283].

Read again—

Financial Resolution No. 2776, dated the 6th September 1878, regarding measures for withdrawing shroff-marked coins from circulation.

Proceedings (Mint, &c., Abstract) for the month of November 1879, Nos. 197—242, showing the action taken by the several Local Governments in accordance with the instructions issued in the above-mentioned Resolution.

Proceedings (Mint, &c., Abstract) for the month of May 1879, Nos. 96—102, sanctioning a temporary suspension of the orders contained in the Resolution of the 6th September 1878, in the provinces under His Honor the Lieutenant-Governor of the Punjab.

Read the undermentioned letters reporting the result of the action taken under the Resolution of the 6th September 1878 :—

From Resident, Hyderabad, No. 26, dated the 14th January 1880, and No. 37, dated the 8th February 1881.

From Chief Commissioner, Central Provinces, No. 1936—131, dated the 28th May 1881.

From Government, N.-W. Provinces and Oudh, No. 1054, dated the 9th June 1880,
" " " " 252, " 22nd Feb. 1881.
" " " " 282, " 1st March 1881.

Read also—

Letter from the Government of the Punjab, No. 467, dated the 17th February 1881, inquiring whether the orders regarding the withdrawal of shroff-marked coin should continue in abeyance in that province.

—

Observations.—In the Resolution of the 6th September 1878, cited in the preamble, two methods of procedure were laid down for withdrawing silver coins defaced by shroff-marking, one adapted for provinces where such coins do not, and the other where they do, form a considerable portion of the currency.

2. The first set of rules was adopted in the Madras Presidency and in British Burma, Assam and the Lower Provinces of Bengal, and the second set in the Bombay Presidency, the Central Provinces and the North-Western Provinces and Oudh. It is chiefly in the North-Western Provinces and Oudh and the Punjab that a very large portion of the current coins is more or less defaced; and as rupees are ordinarily imported into the Punjab in the usual course of trade, and as during the last few years there was a very great additional demand in consequence of the military operations beyond the Frontier, it was apprehended that the carrying out of the reform at such a conjuncture would be attended with extreme difficulty and inconvenience. The Government of the Punjab was therefore permitted to suspend the rules temporarily.

3. The receipt of shroff-marked coins in Government treasuries under the orders of the 6th September 1878 has nowhere been large, not even in the Central Provinces where they were understood to be rather common; and the Government of India have reason to believe that the fact of such coins being at a disadvantage was not made known as widely as could be wished, and that consequently a large number of them may be still in circulation.

4. In the North-Western Provinces specially, the omission to give due publicity in time to the intentions of Government in regard to shroff-marked coins has caused serious inconvenience. The Government of the North-Western Provinces notified in May 1879 that after the 1st January 1881 shroff-marked coins, even though they might not have lost more than two per cent. of their weight, would cease to be legal tender and be accepted only as bullion at a valuation of one rupee per tola. Public attention was, however, prominently drawn to the orders only towards the beginning of the current year when they were actually enforced. Much excitement was created in consequence amongst the people and even good rupees, to which no reasonable objection could be taken, were depreciated in value. The Government of the North-Western Provinces then postponed the enforcement of the rules to the 1st January 1882.

RESOLUTION.—The Governor-General in Council now considers it necessary that the process of withdrawing shroff-marked coins from circulation should everywhere be begun again.

2. Accordingly His Excellency in Council directs that all Government treasuries (including those of the Punjab) shall, for the present, receive at full value all genuine coin which has not been diminished by fraudulent means or has been diminished only by what are ordinarily known as shroff-marks.

3. No such coins shall be reissued from a Government treasury. They should be separated into an uncurrent balance and disposed of under instructions from the Accountant-General, to whom a monthly report of the amount thus set apart must be made.

4. The Accountant-General will send in his consolidated report to the Comptroller-General, who will watch the progress of the purification of the coinage in each province and determine in each case the time after which shroff-marked coins can expediently be dealt with as required by law.

5. The Governor-General in Council further directs that when in any province it is decided no longer to accept shroff-marked coins at full value, officers of Government authorised to receive money must exercise due and intelligent care in the receipt or rejection of suspicious coin. The Government of India will not call upon such officers to bear the loss upon any such coin which they may have accepted *bonâ fide* in behalf of Government, provided it appears that they have exercised proper discretion. On the other hand, they must be careful not to reject coin which may be good for all purposes, though accidentally marked in some trifling way.

Ordered, that this Resolution be published in the *Gazette of India* for general information and distributed for information and guidance as follows:—

To the several Departments of the Government of India.
To the Local Governments and Administrations.
To the Comptroller-General and the Local Accountants-General.
To the several Chiefs of Departments administered by the Government of India in the Department of Finance and Commerce and the Presidency Banks, Calcutta, Madras and Bombay.

(Signed) J. E. O'CONOR,
Asst. Secy. to the Govt. of India.

ORDER THEREON, 5th September 1881, No. 1656.

Communicated to the Board of Revenue, in continuation of G.O., No. 1752, dated the 2nd October 1878.

2. The Resolution will be republished in the *Fort St. George Gazette.*

(True Extract.)

R. DAVIDSON,
Chief Secretary.

1656/2

To the Board of Revenue.
„ Accountant-General.

Exd. W. J. Lewis.

Govt. of India 1881 Madras.

FINANCIAL.

To

The BOARD of REVENUE,
&c. &c. &c.

Dated September, 6th.

Recd.

Entered.

SEPTEMBER.

GOVERNMENT NO. 2263

No. 2432.

GOVERNMENT OF INDIA.

DEPARTMENT OF FINANCE AND COMMERCE.

ACCOUNTS, &c.
Mint.

1652/3

Simla, the 17th August 1881.

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4. The Accountant General will send in his consolidated report to the Comptroller General who will watch the progress of the purification of the coinage in each province and determine in each case the time after which shroff-marked coins can expediently be dealt with, as required by law.

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To the several Chiefs of Departments administered by the Government of India in the Department of Finance and Commerce and the Presidency Banks, Calcutta, Madras and Bombay.

J. E. Colvin

Asst. Secy. to the Govt. of India.

1656
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Order: 5 Sept. 1881.
No 1656

Comm. to the Board of Revenue, in continuation of G.O. No. 1752, dated the 2nd October, 1878.

2. The resolution will be republished in the Part ... Gazette.

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To the Bd. of Rev. &c.
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& Acct. Genl.

Gazette 20/8.

29/8/87

Note. Already supplied to Bd. of Rev. &c.

Dec 31/8

Finl (1881) Dept.
Currency

GOVERNMENT OF INDIA.

DEPARTMENT OF FINANCE AND COMMERCE.

ACCOUNTS, &c.
Mint.

R. D.
13 AUG 81

To

CIRCULAR No. 2283

No. 2482.

Dated Simla, the 17th August 1881.

Instructions relating to the withdrawal of shroff-marked coins.

C. C. B. Press, Simla.—No. 876 C. F.—17-8-81.—500.

W. Hunter

1656/5

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Govt. of 1881 Madras.

Final Receipt

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BY G.O. No. 1656

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G.O. No.

Nos.

Coins. Copy of Resn of the Govt of India conveying instns relating to the withdrawal of Sheriff-marked coins.