By the Act XVII of 1835, a silver rupee of uniform weight, size, fineness and appearance called the ‘Company’s Rupee’ (CR) was established in the Indian territories of the East India Company. On 10 February 1836 orders were issued by the Governor-General Charles Metcalfe that all government accounts at the different Presidencies should be kept in Company’s Rupee.

However, enactment of the Act XVII of 1835 introducing a universal silver rupee for the whole of East India Company’s Indian territories did not bear the stamp of approval the Court of Directors. The Court apprehended that the prevailing confusion due to the existence of multiple species of coins in India would become still worse by the addition of one more and entirely new currency. The Court of Directors was more appalled due to the fact that a ‘change so extensive and important having been determined upon’ merely in anticipation of their approval and without waiting for their formal orders. The Directors, nevertheless, grudgingly granted their ex-post facto approval to the enactments of the Act XVII as well as Act XXI of 1835. The reluctance of the Court of Directors in granting their approval is reflected in its letter dated 27 July 1836, where it record:

We are aware of the inconvenience and confusion which would now result from the abandonment or suspension of the plan you have thus prematurely and unadvisedly determined to adopt. We shall not, therefore, at present direct any departure from it, though we cannot but entertain the apprehension that the course you have pursued ... may yet involve your Government in very serious embarrassment, while the alteration of the currency in which your accounts are stated will unquestionably occasion great inconvenience and confusion (emphasis added). 2

In his reply, Lord Auckland (1836-42), who had in the meanwhile succeeded Sir Charles Metcalf (1835-36) as the Governor-General of India, allayed the fears and apprehensions of the Court of Directors. On 8 February 1837 he wrote:

4th. Your Honorable Court has not expressed doubts as to the importance of the object of the benefits expected from it nor do we find that you attach blame to the specific measures adopted by us for its accomplishment. Your animadversion is directed mainly against

1 Dayal Dass 1958: 70.
2 NAI, Finance General, Letters from Court, No. 9, 27 July 1836, para 5.
your Government for having determined upon effecting so important a change in opposition to the instructions contained in the dispatch from your Honorable Court dated 11 Mar 1829 which forbade the Government to proceed in the matter without previous communication with you.

7th. The necessity of acting in contravention of your expressed wishes although thus of old date and founded on views which your Government had reason to believe you could not still entertain was the last defensible part of the proceedings adopted on this occasion, and your Government felt that in determining not to delay the measure longer for the expected result of the prohibition they were incurring a heavy responsibility. But your Honorable Court's prohibition rested on doubts as to the success of any attempt to make the desired reform, and on a view of difficulties in the execution, all which your Government having a nearer view of circumstances felt to be without foundation. In the assurance therefore of certain and complete success of the measures they were able to undertake your Government relied upon the present to justify them for hazarding your displeasure.¹

The Court also did not approve of the Government of India's action to issue a new copper coinage from the Calcutta mint under the Act XXI of 1835, especially at a time when copper coinage was witnessing a great depreciation in the Calcutta bazaar owing to its excessive supply. In a strongly worded letter addressed to the Governor General of India, the Court noted that, 'in the three-year ending with 1832/33, coins to the value of 12,38,508 rupees and amounting in number to more than 87 millions of pieces were worked up at the Presidency and for the most part put in circulation.'²

The Court regretted that 'the serious inconvenience were not foreseen and duly appreciated' by the Government before they pushed a fresh supply of copper coinage into circulation.³

The gold muhr, though it lost its legal tender status in 1835, remained in high demand. In 1837 we find that Anand Mohan Seal, a bullion merchant of Calcutta offering to pay a premium of five to eight per cent on purchase of 'New Company's Muhrs' from the Calcutta mint.⁴

However, as the later events showed, the universalization of currency was a

¹ NAI, Finance General, Letters to Court, No. 6, 8 February 1837, paras 4 and 7.
² NAI, Finance General, Letters from Court, No. 13, 12 October 1836, para 4.
³ Ibid.: para 10.
⁴ NAI, Financial Department, Mint Committee, Proceedings dated 19 April 1837, No. 17 and 22 April 1837, No. 19.
fait accompli and the Court’s remonstration notwithstanding, there was no going back on that issue.

The death knell for the old Calcutta Sicca Rupee was sounded by Act XIII of 1836 which declared that after 1 January 1838, the Calcutta Sicca Rupee shall cease to be a legal tender, but shall be received at public treasuries by weight, subject to a charge of one pie for recoinage. However, various old species of rupees remained in circulation for quite some time. For example in 1847, J. Thornton, Secretary to the Government of North-Western Province, gleefully reported to the Government of India that ‘the new Company’s Rupee has superseded the old currencies throughout almost the whole of these Provinces, and the inconveniences ... [arising] out of the state of the circulating medium have entirely disappeared.’ But later, by a first hand experience, the Lieut.-Governor of the North-Western Provinces found that in Rohilkhand, ‘Farruckabad Rupee still extensively in circulation throughout the parts of that district which are farthest removed from the River Ganges.’

Within two years of their issue, the new gold and silver coins bearing the image of King William IV came in for a change with the accession of Queen Victoria in 1837. The problems involved in change of device and issuing of new coins led to the passing of Act XXXI of 1837, which suspended those parts of the Act XVII of 1835 that referred to the issue of coins bearing ‘the head and the name of the reigning sovereign of the United Kingdom of Great Britain and Ireland.’ It was not until 1840 that rupees bearing the head of Queen Victoria were ushered from Indian mints.

The universalization of copper coins was also eventually established when by Act XXII of 1844, the provisions of Act XXI of 1835 were extended to ‘all the territories of the East India Company.’

The legacy of the Universal Coinage established by the East India Company continued even after the transfer of its powers and property to the Crown of England by an Act of Parliament passed on 2 August 1858. From 1 November 1858, when assumption of the Government of India by Queen Victoria was formally announced in India by a Royal Proclamation, until the 30 October 1862, coins issued from the three

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mints of Bombay, Calcutta and Madras continued to bear the designs and titles of the East India Company. On 23 April 1862, the British Government of India enacted the Act XIII of 1862 – ‘An Act to provide for a new silver and a new copper coinage.’ Under the provisions of this Act, from 1 November 1862 new silver and copper coins were issued from the British mints in India, and a new era of Imperial coinage finally begun.