CHAPTER III
THE CURRENCY REGULATIONS OF THE EAST INDIA COMPANY
(1793-1833)

Introduction

1. Bengal Presidency:
   A. Bengal, Bihar and Orissa: Expansion of Silver Currency:
      a. Silver Currency
      b. Gold Currency
      c. Copper Currency
   B. Cuttack
   C. Ceded Provinces (Awadh):
      a. Silver Currency
      b. Gold Currency
      c. Copper Currency
      Establishment of Farrukhabad Mint
      Mint Management
      Improved Minting Techniques
   D. Ceded and Conquered Provinces
   E. Benares:
      a. Silver Currency
      b. Gold Currency
      c. Copper Currency

   Minting Charges

2. Madras Presidency:
   A. Silver Currency
   B. Gold Currency
   C. Copper Currency

3. Bombay Presidency:
   A. Silver Currency
   B. Gold Currency
   C. Copper Currency

4. Other Measures:
   A. Customs, Transit and Town Duties and Monetary Policies
   B. Laws on Counterfeiting: Assertion of Sovereignty or Sound
      Monetary Policy?

5. Establishment of a Uniform Currency throughout British India:
   A. Standardization and Revenue Collection
   B. James Prinsep

Summing up
CHAPTER III
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The Charter Act of 1793 (33 Geo. III, c. 52) made significant changes in East India Company’s administration of its Indian possessions. The year also saw the commencement of the legislative process in the Bengal Presidency, when a series of 48 regulations were passed by the Governor-General-in-Council. Generally known as the ‘Cornwallis Code’, these regulations ranged from revenue and commercial administration to criminal and civil justice and, in a sense, ‘completed the edifice of reforms.’ The year 1793 is also a landmark in the history of the currency legislations of the East India Company. We shall discuss various legislations passed by the three presidencies over a period of four decades (1793-1833), at the end of which a uniform currency was established in the territories of the East India Company. Since most of these legislations were enacted in the Bengal presidency, the discussion is also aimed at establishing the leading role played by this presidency in institutionalising the currency reforms process in India.

1. Bengal Presidency:

On 1 May 1793 a number of regulations were passed by the Governor-General-in-Council, which laid the foundation of the currency reforms, initially in the Bengal Presidency but eventually in the whole of British India.

By Regulation III of 1793,2 aimed at ‘extending and defining the jurisdiction of the Courts of Dewanny Adawluts, or Court of Civil Judicature for the trial of Civil Suits in the first instance, established in the several Zillahs, and in the cities of Patna, Dacca, and Moorshedabad’, the Mint and Assay Masters along with their assistants and Native officers were granted immunity from trial in the Zillah or City Courts, for any act done in their official capacity. This step was aimed at insulating the minting activities by the Company’s servants from unnecessary litigation.3

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1 FWIHC XII 1978: 2.
2 Appendix A.1.
3 Even in the present day, most of the legislations have a similar clause granting immunity to the public servants for any action done by them in ‘good faith.’
A. BENGAL, BIHAR AND ORISSA: EXPANSION OF SILVER CURRENCY

Regulation VIII of 1793\(^1\) was aimed at giving a wide circulation to the Company’s Rupee – the Sicca. The revenues in Bengal were not only to be assessed in terms of the Sicca Rupees but also to be realized in that specie only. However, as not many Sicca Rupees were in circulation, a provision was made in the said Regulation to accept other species of rupees, subject to the bazaar rate of batta or discount. Thus, Section XLII of the Regulation VIII of 1793 read:

All engagements for the jumma [land revenues] whether executed by proprietors or farmers are to be for sicca rupees, and a clause is to be inserted, obliging them to pay Government siccas or the same specie of rupees as they may receive from their under farmers or ryots, at the bazaar rates of batta, until a sufficient number of sicca rupees can be circulated to make these the only legal tender. The collectors are to insert in their treasury accounts the rates of batta at which all rupees, not siccas, may be received by him.

Having made some preliminary provisions in the Regulations III and VIII of 1793, the Governor-General-in-Council enacted, also on 1 May 1793, Regulation XXXV of 1793\(^2\) ‘for the reform of the Gold and Silver Coin in Bengal, Behar, and Orissa; and for prohibiting the currency of any Gold or Silver Coin in those Provinces, but the Nineteenth Sun Sicca Rupee, and the Nineteenth Sun Gold Mohur, and their respective divisions and sub-divisions into Halves and Quarters; and for preventing the counterfeiting, defacing, or debasing of the Coin.’

This was the first of a series of comprehensive currency regulations passed by the Governor-General-in-Council. It contains twenty-eight Sections and runs into sixteen pages. Section I of this Regulation presents a vivid account of the currency situation in Bengal, Bihar and Orissa.

a. Silver Currency

The 19 Sun Sicca:

The principal districts in Bengal, Bihar and Orissa had a distinct silver currency of its own which consisted either of the 19 sun Sicca Rupee, or old or counterfeit rupees of different regnal years, coined either prior or subsequent to the Company’s administration. These coins served as the standard measure of value in all

\(^1\) Appendix A.2.

\(^2\) Appendix A.3.
transactions only in that district.

Thus, if a Sicca Rupee of the Nineteenth Sun, which is intrinsically worth about seven per cent more than an Arcot, was offered in payment in the Dacca Province, it was either reduced, or received nearly at the same value as an Arcot; whilst the holder of Arcots, or other sorts of Rupees, who carried them into Districts in which they were not current, was subjected to similar loss. ¹

However, when the Mints at Patna (Azimabad), Dacca (Jahangirnagar), and Murshidabad were shut down in 1772, 1773 and 1777 respectively, people at large and more particularly proprietors and farmers of land in the interior parts of these provinces, faced a lot of difficulties. The public revenue was assessed and payable in Sicca Rupees, which was obtainable only from the mint at Calcutta, and of which sufficient quantity was not yet pushed into circulation. Thus, as an alternative, the farmers were permitted to make their payment in older species of rupees at a fixed rate of exchange. In order to pay their rent in a particular sort of rupees, these farmers of land demanded it from the manufacturers in payment for their grain or raw materials, and the manufacturers, in turn, demanded the same specie of rupees from the traders who came to purchase their cloth, or other commodities. The merchants and traders, who generally operated across various districts, each with a specific specie of current or dominant rupee, on the other hand, were obliged either to procure the local coin from the *sarrafs* at a premium or discontinue their purchases.

Thus various sorts of old rupees remained in circulation and soon became the established currency of the particular district. As an inevitable consequence, the value of each rupee was enhanced in the district in which it was current, as it remained in demand for all transactions, while rupees current in other districts were not readily accepted and therefore attracted huge *batta* or discount which the possessor was obliged to pay upon exchanging them at the house of a *sarrafs*.

From the rejection of the coin current in one District, when tendered in payment in another, the Merchants and Traders, and the Proprietors and Cultivators of Land in the different parts of the country, are subjected in their commercial dealings with each other to the same losses by exchange, and all the other inconveniences that would necessarily result, were the several Districts under separate and independent Governments, each having a different coin. ²

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¹ Regulation XXXV, 1793, Sec. I; Appendix A.3.
² Ibid.
The profits which the sarrafs or money changers derived from this disordered state of the coin were enormous. These sarrafs had their agents in the different parts of the province, who purchased at a discount all rupees which are brought into the districts in which they are not current, and sent them at premium to those districts where they are the prevailing currency.

It was also noticed that due to the enhanced valuation of the rupees of older mintage in a particular district, the proprietors and farmers of land, or other persons concerned in making their payments to the Public Treasuries, derived a considerable advantage as they were able to obtain profit while exchanging them for Siccas at a rate considerably exceeding their intrinsic worth.

The Bengal Government, therefore, concluded that unless various old and counterfeit Rupees that were current in the different parts of the Presidency, are thrown out of circulation, and one specie of rupee made the standard measure of value in all transactions between individuals, Government and its subjects, the loss that falls upon the Government and the public at large, and would be perpetual.

The Regulation XXXV of 1793 sought to establish 19 sun Sicca as the established silver coin of the Bengal Presidency. As early as in 1777 [1773 in the text of the Regulation] it had taken a decision ‘that all Rupees coined in future should bear the impression of the Nineteenth Sun.’ However, as a temporary measure, Rupees of the 11th, 12th and 15th sun, were also directed to be considered current at par with the 19th sun Sicca Rupee until there was a sufficiency of the 19th sun Sicca Rupee. Again in 1792, on the recommendation of the Mint Committee, the Company’s Government in Bengal decided that ‘after April 10, 1794, only the 19th sun Sicca rupees be received in the public treasuries, or issued there from.’ These as well as other provisions of above-mentioned Regulations were re-enacted with amendments by the Regulation XXXV of 1793.

With a view to rendering the 19 sun Sicca Rupee generally current and making it the standard of value throughout the Bengal Presidency, the following measures were considered necessary:

First. To direct the officers employed in the provision of the investment, the manufacture of Salt, and all commercial transactions of the Company, to make their agreements with individuals for Sicca
Rupees of the Nineteenth Sun; for if Government in their extensive commercial dealings, and in the provision of the Salt, make contrails with their subjects in other species of Rupees, they must necessarily continue the measure of value where those concerns are transacted, and it would be as ineffectual to declare the Nineteenth Sun Sicca Rupees the only legal currency, as it would be unjust to attempt to enforce the rule.

Secondly. To oblige individuals to estimate their property by the Nineteenth Sun Sicca Rupee, by declaring the amount of Bonds and engagements entered into after a certain period (in fixing which a time was allowed that was presumed sufficient for the introduction of the necessary number of the Nineteenth Sun Sicca Rupees into circulation) whereby any sum of money might be stipulated to be paid in any species of Rupees excepting the Nineteenth Sun Siccas, not recoverable in any Court of Judicature.

Thirdly. To prohibit the receipt of any Rupees excepting Siccas of the Nineteenth Sun, at the public treasuries after the date above alluded to. This last measure was calculated to oblige the Proprietors and Farmers of Land to require Nineteen Sun Sicca Rupees from their under Renters and Ryots, and consequently induce the latter to demand them from the Manufacturers, who for similar reasons, would necessarily require them from the Merchants, and Traders, and thus make it the interest of all descriptions of persons to receive the Nineteenth Sun Sicca Rupee, and to reject every other species of Rupee, upon the principles on which they before demanded the particular Rupee current in the respective districts.

Fourthly. To establish Mints at the cities of Patna, Dacca, and Moorshedabad, to coin precisely the same Rupee as that struck at Calcutta. Without the adoption of this last arrangement, it would have been useless to declare the Nineteenth Sun Sicca Rupee the only legal tender of payment. For unless individuals had been afforded a ready means of procuring their old coin to be converted without loss into the new, they would have been obliged to have purchased the new money from the Shroffs, who would have demanded an exorbitant exchange upon it, as well with a view to reap the immediate advantage, as to prevent the establishment of the general currency of the Nineteenth Sun Sicca Rupee. Keeping open Mints in the interior parts of the country until the circulation may be filled up with that Coin, precludes the necessity of any person applying to Shroffs for it, and consequently deprives them of their influence (which is founded on the wants and necessities of individuals) by furnishing all persons with the new money at the cheapest rate, and with the least trouble.¹

It was hoped that by the operation of these rules the various sorts of old and light rupees would in a course of time fall to their intrinsic worth as compared with

¹ Ibid.
the Sicca of the 19 sun. As these old coins would nowhere pass or accepted as coin they will necessarily be brought to the mint to be converted into Siccas of 19 sun.

Thus, Sec. II of the Regulation XXXV, 1793 prescribed a silver rupee – 19 sun Sicca – of 179.666 grains Troy (11.642g) weight, with 97.916 per cent (175.923 grains/ 11.40g) of pure silver and 2.083 per cent (3.749 grains/ 0.242g) of alloy. This rupee, along with its half and quarter denominations of the same standard and proportionate weight, was thus established as the standard silver currency for the Bengal Presidency.

For the success of the new coinage it was important that the old and light coins of older mintage as well as bullion are drawn into the Company’s mints and recoined into the 19 sun siccas. To facilitate this re-minting process, this Regulation provided that no minting charges will be levied from any individual, provided the metal was equal to, or more than the above mentioned Sicca standard (Sec. IV). However, if the metal was below this standard, only refining charges at the rate of twelve annas per cent were to be paid for getting the bullion converted into 19 sun Sicca Rupees, half rupees or the quarter rupees (Sec. V).

To facilitate a fair exchange of the different sorts of rupees circulating in Bengal, Section XIV of this Regulation laid down rules and valuation according to which all rupees of older mintage were to be received in discharge of the public revenue until the 10 April 1794. For this purpose the Mint Committee at Calcutta obtained information from various district officials about different sorts of rupees then in circulation in the districts of Bengal. Based on this input, the Committee drew a list, in which 27 different types of silver rupees were recorded which included as many as 14 different types of Arcot rupees alone. The exchange rates for these different sorts of rupees were then calculated after ascertaining their intrinsic value through assay in the Calcutta mint. These exchange rates were then expressed in relation to the 19 sun Rupee, as follows:
<table>
<thead>
<tr>
<th>SORTS OF RUPEES</th>
<th>Sicca Weight</th>
<th>19 Sun Siccas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Siccas of Moorshedabad, Patna and Dacca, per</td>
<td>100</td>
<td>100 0 0</td>
</tr>
<tr>
<td>Phooley Sonats,</td>
<td>do</td>
<td>100 0 0</td>
</tr>
<tr>
<td>Delhy Mahomet Shai,</td>
<td>do</td>
<td>99 8 0</td>
</tr>
<tr>
<td>Money Surat large,</td>
<td>do</td>
<td>99 8 0</td>
</tr>
<tr>
<td>Benares Sicca,</td>
<td>do</td>
<td>99 8 0</td>
</tr>
<tr>
<td>Bissun Arcot,</td>
<td>do</td>
<td>97 14 6</td>
</tr>
<tr>
<td>Sonats Sobic and Duckie,</td>
<td>do</td>
<td>97 8 0</td>
</tr>
<tr>
<td>Forshee Arcots,</td>
<td>do</td>
<td>97 6 6</td>
</tr>
<tr>
<td>French Arcots,</td>
<td>do</td>
<td>97 0 0</td>
</tr>
<tr>
<td>Patanca Arcots</td>
<td>do</td>
<td>96 9 6</td>
</tr>
<tr>
<td>Arungzebee Arcots,</td>
<td>do</td>
<td>96 9 6</td>
</tr>
<tr>
<td>Gursaul,</td>
<td>do</td>
<td>96 9 6</td>
</tr>
<tr>
<td>Madras Arcots new,</td>
<td>do</td>
<td>96 4 9</td>
</tr>
<tr>
<td>Masulipatam and Shardar Arcots,</td>
<td>do</td>
<td>96 0 0</td>
</tr>
<tr>
<td>Patna Sonats old</td>
<td>do</td>
<td>96 0 0</td>
</tr>
<tr>
<td>Benares Rupees old;</td>
<td>do</td>
<td>95 14 6</td>
</tr>
<tr>
<td>Madras Arcots old,</td>
<td>do</td>
<td>95 14 6</td>
</tr>
<tr>
<td>Farukabad Rupees,</td>
<td>do</td>
<td>95 12 9</td>
</tr>
<tr>
<td>Jehaujee Arcots,</td>
<td>do</td>
<td>95 1 3</td>
</tr>
<tr>
<td>Chaunta Arcots</td>
<td>do</td>
<td>95 11 3</td>
</tr>
<tr>
<td>Calcutta and Moorshedabad Arcots,</td>
<td>do</td>
<td>95 6 6</td>
</tr>
<tr>
<td>Old Arcots,</td>
<td>do</td>
<td>95 3 3</td>
</tr>
<tr>
<td>Dutch Arcots,</td>
<td>do</td>
<td>95 0 0</td>
</tr>
<tr>
<td>Surat Arcots,</td>
<td>do</td>
<td>94 0 0</td>
</tr>
<tr>
<td>Benares Trisolie,</td>
<td>do</td>
<td>92 6 6</td>
</tr>
<tr>
<td>Viziery Rupees,</td>
<td>do</td>
<td>63 0 0</td>
</tr>
<tr>
<td>Narrany half Rupee new</td>
<td>Do</td>
<td>63 0 0</td>
</tr>
</tbody>
</table>

Source: Regulation XXXV, 1793, Sec. XIV; see Appendix A.3.

It was clarified that 100 Sicca weight of each of the sorts of rupees specified in the first column irrespective of the number of the rupees that may go to that weight, are to be considered equal to the number of 19 sun Sicca rupees placed opposite to it in the second column (Sec. XV). If any specie of rupees other than those specified in the said Table was tendered in payment at any of the Public Treasuries, the Regulation provided that ‘one hundred Sicca weight of them, indiscriminately taken from the sum paid in the presence of the payer or his agent, is to be sent to the nearest Mint to be assayed, and the payer shall receive credit for a number of the Nineteenth Sun Sicca Rupees equal in weight to the Silver of Sicca Standard that the Rupees so paid may be estimated to contain according to the Assay, after deducting twelve annas per cent, for the expence of refining, should the Rupees be under Sicca Standard.’ (Sec. XVI).

After one year of the operation of the Regulation XXXV of 1793, it was
noticed that the number of the 19 sun Sicca in circulation was still not sufficient to enforce it as the sole legal tender, a provision that was to come into effect from 10 April 1794. Hence, by Regulation VI of 1794,1 passed by the Governor-General-in-Council on 30 May 1793, the provisions of the Sections XVIII, XIX, XX and XXIII of the Regulation XXXV of 1793 were postponed for another year – to 10 April 1795.

Another year passed but there was no significant change in the currency situation. Thus, Regulation LIX of 1795,2 passed by the Governor-General-in-Council on 29 September 1795, records:

The reasons assigned in the preamble to Regulation VI, 1794, for suspending certain rules in Regulation XXXV, 1793, until the 10th April 1795, continuing to operate, and consequently rendering it necessary that the enforcement of those rules should be further postponed;

The provisions of the Sections XVIII, XIX, XX and XXIII of the Regulation XXXV of 1793 were postponed for yet another year – now to 10 April 1796. However, this Regulation directed that all specie of rupees other than the 19-Sun Sicca, received in the public treasuries ‘are not on any account to be disbursed from the said treasuries, but are to be sent to the mint to be recoined into siccas of the nineteenth sun...’

The operation of the provision under Sec. XX of Regulation XXXV of 1793, which specifically rendered void all bonds and agreements for any sum of money ‘stipulated to be paid in any species of Rupees excepting Sicca Rupees, or Gold Mohurs, of the Nineteenth Sun, or the halves and quarters each’ was suspended till the end of 10 April 1798 in the district of Sylhet (Regulation III, 17993) and till 16 August 1803 in the district of Chittagong (Regulation LIV, 18034).

Prior to the passing of Regulation VIII of 1793, all payments in silver were made by weight. This practice was aimed at keeping up the circulating coin to its full standard weight by obliging the holders of the light weight coin to carry it to the mint for re-coinage. After 1793, the demand of Government on the proprietors of the

1 Appendix A.4.
2 Appendix A.5.
3 Appendix A.9.
4 Appendix A.13.
estates came to be fixed in perpetuity at a specific amount of money. It was noticed that the 19 sun Sicca coined in the Company's mints at Calcutta and Murshidabad lost some of its weight immediately after being issued from the mints. Though this deficiency was negligible (2 to 4 anna weight per 100 Sicca Rupees), it invited the charging of batta on these lightweight coins. By virtue of batta, these lightweight coins remained in circulation, making the Gresham's Law operative.

To overcome this difficulty, which hampered the circulation of the 19 Sun Sicca, certain orders were issued to the Board of Revenue and to the Collectors of the districts on 2 October 1795, 'to obviate the loss and inconvenience that would have resulted both to the public and individuals by rejecting the new coin in payment on account of the smallest deficiency in weight, and consequently compelling the holders to return it to the mint almost immediately after its being issued from thence... .' These orders were modified and enacted into Regulation LXI of 1795, which was passed by the Governor-General-in-Council on 13 November 1795. By this Regulation, 'the salutary custom of receiving coin by weight' was preserved. It was now declared that all 19 sun Sicca rupees, 'which shall not have lost by wear a greater proportion of their full standard weight than six annas per cent, or six fifteenth of a rupee in one hundred rupees; shall be considered as of standard weight, and be received as such in all public and private transactions.' The catch in this Regulation was 'loss in weight by wear'; any loss in weight 'by filing, clipping, or other artificial means' was not covered by this Regulation and such lightweight coins were to be received at their intrinsic value. It was also enacted that the lightweight rupees thus received at the public treasuries, were not to be disbursed again, but were invariably to be sent to the mint to be recoined. The Mint Master of the Calcutta Mint was ordered to prepare stamped metal weights of fifty Sicca weight for the use of the Collectors of the districts.

By Regulation LXII of 1795, passed by the Governor-General-in-Council on 11 December 1795, the mint at Murshidabad was abolished. The 'inconsiderable quantity of coin and bullion brought to it for coinage' was cited as the reason for the

1 Regulation LXI of 1795, Sec. I, Appendix A.6.
2 Appendix A.6.
3 Appendix A.7.
abolition. There was no change in the weight and fineness standard of the 19 sun Sicca rupee for the next twenty-five years, of which the minting was now confined to the Calcutta mint.

On the basis of the experience of over a quarter century, it was noticed that due to high contents of pure metal, both 19 sun Sicca and 19 sun Gold Muhr, were easily malleable and ‘ill calculated to resist the wear and defacement to which coins are necessarily exposed.’ Besides, the high purity of metals also necessitated the ‘expensive process of refining, diminishing consequently the productiveness of most of the sorts of Bullion imported into the Company’s territories.’\(^1\) The Bengal Government was also under pressure to achieve ‘as much uniformity as can be established between the currencies circulating at the different Presidencies.’\(^2\) Thus, by Regulation XIV of 1818, which was passed on 24 December 1818, the Bengal Government increased the weight of the 19 sun Sicca rupee, as follows:

<table>
<thead>
<tr>
<th>Established by</th>
<th>Weight</th>
<th>Fineness</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grs</td>
<td>Gms</td>
<td>Grs</td>
</tr>
<tr>
<td>Reg. XXXV, 1793</td>
<td>179.666</td>
<td>11.64</td>
<td>175.923</td>
</tr>
<tr>
<td>Reg. XIV, 1818</td>
<td>191.916</td>
<td>12.44</td>
<td></td>
</tr>
</tbody>
</table>

Half and quarter rupees of proportionate weight and fineness were also authorised (Sec. I, Second). The coins of the revised standard were to circulate at par with those of the old standard throughout the provinces of Bengal, Bihar and Orissa (Sec. II).

b. Gold Currency:

The prevailing crises of silver currency in Bengal had forced the Mint Committee of Calcutta to recommend the integration of gold currency in the monetary structure of the province. Therefore, a gold coin called the ‘19-sun Gold Muhr’, weighing 190.894 troy grains (12.37g) was established as the legal tender by Regulation XXXV of 1793 (Sec. II).\(^3\)

\(^1\) Regulation XIV of 1818, Preamble, Appendix A.30.

\(^2\) Ibid.

\(^3\) Appendix A.3.
Provisions were also made for the coinage of half and quarter muhrs and the choice of fixing as to what quantity of each denomination may be coined out of bullion or light weight coins of earlier mintage supplied by the individuals, was left to them (Sec. VI). A duty ranging from Rs.2.8 annas to Rs.3.12 an., depending on the fineness of the metal, was imposed on gold bullion sent to the government mints for coinage (Sec. XXIV). This was done to offset the expense ‘incurred in refining gold [which was] not of Gold Muhr standard’ [i.e. 99.25 per cent (189.462 grains/12.27g) gold and 0.75 per cent (1.431 grains/ 0.92g) alloy]. This was also aimed at discouraging ‘the importation of Gold bullion in preference to Silver bullion’ (Sec. XXIV). However, no charges were prescribed for re-coinage of gold muhrs, including their halves and quarters, coined at the Calcutta mint since 20 March 1769, or for those authorised to be coined at the mints of Calcutta, Murshidabad, Dacca and Patna.

The factors which necessitated the increase in the alloy contents of the 19 sun Sicca rupees and thereby an alteration in the overall weight of that coin in 1818, were equally applicable for the 19 sun gold muhrs. Therefore, by Regulation XIV of 1818, the standard of weight and fineness of the gold muhrs was altered, as follows:

<table>
<thead>
<tr>
<th>Established by</th>
<th>Weight</th>
<th>Fineness</th>
<th>% (in carat)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grs</td>
<td>Gms</td>
<td>Grs</td>
</tr>
<tr>
<td>Reg. XXXV, 1793</td>
<td>190.894</td>
<td>12.37</td>
<td>189.462</td>
</tr>
<tr>
<td>Reg. XIV, 1818</td>
<td>204.710</td>
<td>13.26</td>
<td>187.651</td>
</tr>
</tbody>
</table>

However, unlike the silver rupee where the amount of pure metal had remained unchanged, the Regulation XIV of 1818 in fact reduced the contents of pure gold in the new muhr by 1.811 grains (0.11g). This reduction in overall fineness of

1 In 1769, mintage of gold muhr weighing 17 annas Sicca weight or 190.773 troy grains (12.36g) and having a fineness of 99.63 per cent, was authorized. With a view to easing the pressure due the scarcity of silver coin, this muhr was declared legal tender, and thus for the second time since 1766 a bimetallic currency was established in the Bengal Presidency. However, as the exchange rate between silver and gold coins that was officially fixed by the government was overvalued, this measure, like the previous one in 1766, was foredoomed to failure.
the new gold muhr was done with a view to bringing it to the 22 carat standard, so as to make it less malleable and resistant against wear. However, as a fallout of this measure, a ground was provided for adding a premium on the gold muhrs of the old mintage. Half and quarter muhrs of the proportionate weight and fineness were also authorized by this Regulation (Sec. II).

c. Copper Currency:

The Regulation XXXV of 1793 was confined to the reform of silver and gold currency and as such we find no mention of the copper coin in it.

The need for having a copper currency for minor transactions could not remain neglected for long. In his letter dated 17 February 1795, Robert Blake, the Assay Master of the Patna Mint, informed James Miller, the Mint Master at Calcutta, about the scarcity of copper coin in Bihar. About the effects of this scarcity, Blake writes:

... this species of coin is the principal currency amongst the manufacturing and labouring class of people in this quarter, hence a deficiency of this currency in circulation, whether real or artificial, the evil will fall principally on the lower classes of people.¹

The effect of this scarcity in money supply was directly evidenced in the exchange rate of copper pice with the silver rupee, which soared from 64 to 52 to a rupee.² To overcome this situation, the Bengal Government, in 1795, authorized the minting of two denominations of copper coins, viz., ‘One Pie Sikka’, weighing 179.6 grains troy (= 11.64g) and ‘Half Pie Sikka’, weighing 89.8 grains troy (= 5.82g).

<table>
<thead>
<tr>
<th>One Pie Sikka</th>
<th>Half Pie Sikka</th>
</tr>
</thead>
</table>

However, the minting of these coins was confined to the Calcutta mint. Both these coin denominations were made legal tender for fractions of a half a rupee and were to pass at the rate of one-fourth and one-eighth of an anna respectively throughout the provinces of Bengal, Bihar and Orissa. It was also decided that the

¹ NAI, Finance Department, Mint Proceedings, Vol. 1795, 29.
² Ibid.
coins of the said two denominations would be struck for an equal value ‘until it could be ascertained which coin was in greatest demand.’

After a few months of the coinage of these two denominations, in May 1796 their weights were reduced to 134.7 grains troy (=8.73g.) and 67.3 grains troy (=4.36g.) respectively.

In 1817, the Bengal Government passed a regulation ‘for fixing the weight of the Pice struck at the Calcutta Mint, and for giving circulation to Pice struck at any of the Mints subordinate to this Presidency’ (Regulation XXV of 1817). By this regulation, the weight of the Calcutta pice was further reduced to 100 grains troy (=6.47g.) (Sec. II), and its rate of exchange was fixed at 64=1 Sicca Rupee. To augment the supply of copper coins in the ever-expanding boundaries of the Bengal Presidency, the copper coins struck at the Benares and Farrukhabad mints under the provisions of the Regulations X of 1809, VII of 1814 and XXI of 1816, were also authorized to circulate at par with the Calcutta pice throughout these provinces. (Sec. IV).

In 1831, the Bengal Government passed another regulation ‘for legalising the circulation of Copper Half Ana and Single pie pieces’ (Regulation III of 1831). The need for introducing other divisions of the copper coinage can be attributed to the increasing monetization of the markets and a shift from cowries to metallic currencies for minor transactions. According to Pridmore:

The gradual extension of the Company’s rule in India and a stable currency policy increased the demand for coin, including the need for smaller copper denominations. ... For smaller fractions, the cowries shell had served the need. By 1830 the situation had changed. The cowrie shell had no intrinsic value, nor was its import under any regulation. Consequently, for several years a steady influx had taken place and the shells no longer possessed the stability of value of former years.

2 Appendix A.28.
3 Appendix A.19.
4 Appendix A.24.
5 Appendix A.25.
6 Appendix A.38.
Thus by Regulation III of 1831 two new denominations were added. These were: Half Anna pice weighing 200 grains troy (=12.95g.) (Sec. III), and a Pie, or one-twelfth of an anna, weighing 33.33 grains troy (=2.16g.) (Sec. IV).

<table>
<thead>
<tr>
<th>Pie</th>
<th>Half Anna</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="" /></td>
<td><img src="image" alt="" /></td>
</tr>
</tbody>
</table>

The rates of exchange of various copper coins were now fixed as follows:

- 3 Pie = 1 Pice
- 2 Pice = 1 Half Anna
- 2 Half Anna = 1 Anna

Both Pie and Half Anna denominations were likewise legal tender at above rates throughout all the provinces under the Bengal Presidency. (Sec. V). One interesting feature of these coins is that while all other coins struck by the East India Company during this period (1793-1835) were issued in the name of the Mughal Emperor, on these coins his name is conspicuously absent.

**B. CUTTACK**

When Cuttack came under the control of the East India Company in 1805, the rules relating to the coinage of Bengal, Bihar and Orissa were extended to that district, and as a result the 19 sun Sicca rupees and 19 sun gold mohurs were introduced in the district of Cuttack (including the pergunnahs of Puttispore, Kummadichour and Bograe, which were earlier part of the Midnapore district of Bengal) by Regulation XII of 1805\(^1\) which was passed on 5 September 1805. It was stipulated by Sec. XIII of the Regulation XII of 1805 that ‘all engagements for the payment of the public revenue by the zemindars, talookdars, farmers and other holders of land, shall be made in Calcutta Sicca Rupees of the nineteenth sun.’ However, in order to facilitate a smooth transition, various sorts of rupees were allowed to be received in payment of public revenue until the end of 1808. The rates of exchange for rupees of various sorts were to be calculated in accordance with the table of rates contained in the Sec. XIV

\(^1\) Appendix A.15.
of Regulation XXXV of 1793, which list 27 different types of silver rupees. As this table was not exhaustive, the Collector of Cuttack was asked to collect specimens of 'any other specie of rupees' that might be current in that district. These specimens were then to be forwarded to Calcutta for assay and a supplementary table of rates was to be drawn up for use in the transition period.

In Cuttack, as in other parts of Orissa, cowries were a popular medium of exchange and were an accepted medium for the payment of public revenue. For the transition period their acceptance in the public treasuries was also allowed at the rate of four kahans per sicca rupee.

Apart from the payment of public revenue in 19 sun Sicca, the Regulation XII of 1805, also provided that all bonds, writings or other agreements made 'prior to the expiration of Williaity year 1213 (= AD 1806), whereby a sum of money is stipulated to be paid in any specie of rupees, excepting the nineteenth sun sicca, or the gold mohur of the nineteenth sun' may be liquidated (Sec. XIV), and all new agreements may be made in Calcutta (19 sun) Sicca rupees or the 19 sun gold mohur. (Sec. XVI) After the stipulated date (i.e. 1806) persons were to forfeit the right to realize any payment under a bond or agreement, 'by which any sum of money shall be stipulated to be paid in any species of rupees, excepting Calcutta Sicca rupees, or gold mohurs of the nineteenth sun, or the halves or quarters of each (Sec. XV). This provision was, however, rescinded in 1807 (Sec. III, Regulation XIII of 1807\(^1\)). The Regulation also prohibited all proprietors and the farmers of land 'from concluding engagements with their under-farmers, ryots, or dependent talookdars, after the expiration of the Williaity year 1213 (= AD 1806) in any specie of rupees or gold mohurs, excepting the Calcutta Sicca rupees and the gold mohurs of the nineteenth sun’ (Sec. XVI). The defaulters were to face the penalty 'of not being permitted to recover any arrears, that may become due to them under such engagement,’ (Sec. XVI).

Hereafter all regulations that were framed for the provinces of Bengal, Bihar and Orissa, were also made applicable to Cuttack (see for e.g. Secs. IV, VI, VII & XV of Regulation XIII of 1807).

The Williaity year 1215 (= AD 1808) was fixed as the cut off year for the

\(^1\) Appendix A.18.
settlement of revenue in Cuttack. After the expiry of 1808 the said revenue settlement was to be made in Calcutta 19 sun Sicca rupees and thereafter ‘no rupee excepting Calcutta Siccas’ only were to be received into the public treasuries (Sec. IX, of Regulation IV of 1807).

During the intervening period such portions of rupees of sorts received into the government treasury at Cuttack as could be withdrawn ‘without impeding the general circulation of the district’, were to be sent to Calcutta mint to be recoined into siccas (Sec. IX, of Regulation IV of 1807). The pergunnahs of Puttispore, Kummardichour and Bograe, however, were ordered to remit their entire revenue receipt in rupees of sorts to Calcutta mint for similar recinage into siccas (Sec. X, Regulation IV of 1807).

C. CEDED PROVINCES (AWADH)

In 1801, a large tract of land in the Doab region was ceded to the East India Company by the Nawab Wazir of Awadh, who obtained in return a yearly subsidy for his maintenance. By the Treaty of Lucknow signed on 10 November 1801 the districts of Gorakhpur (including Azamgarh and Basti), Allahabad (including Fatehpur), Kanpur, Etawah, Etah, Mainpuri, Bareilly, and Muradabad were taken over by the East India Company.

To manage the affairs of the new territories, a ‘Board of Commissioners for the Management of Ceded Province’ was constituted on 14 November 1801 and Henry Wellesley, younger brother of the Governor-General Lord Wellesley, was appointed as ‘Lt. Governor of Ceded Provinces (of Oudh).’ Bareilly was selected as the seat of the new administration. The territories ceded by the Nawab of Awadh in 1801 were further augmented by another cession by Nawab of Farrukhabad, who in 1802 surrendered his territories to the East India Company and obtained in return an annual subsidy.

Henry Wellesley’s Commission was dissolved on 21 February 1803, ‘with all its offices, authorities and power.’ In its place a new division called ‘Provinces Ceded by the Nawab Vazir’ was created which comprised seven districts designated as

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1 Appendix A.17.
follows:

1. Muradabad  
2. Bareilly  
3. Etawah  
4. Farrukhabad  
5. Kanpur  
6. Allahabad  
7. Gorakhpur.

John Fombelle was appointed as the ‘Secretary to the Government for the Affairs of the Ceded Provinces.’

Having settled the administration, the Government now turned its attention to the state of currency in this new territory. On 24 March 1803, Regulation XLV of 1803 was passed by the Governor-General-in-Council ‘for the Reform of the Gold, Silver, and Copper Coin of the Provinces ceded by the Nawaub Vizier...’ The reasons for promulgating this Regulation are spelt out in its preamble. These included: circulation of ‘rupees of various denominations, differing in weight and standard’ throughout the Ceded Provinces. Before the cession to the East India Company, that land revenue in these territories, as well as other transactions, whether with the government or between the individuals themselves, were carried on ‘in the currency of the zillah.’ However, ‘continually fluctuating’ relative current or nominal value of these currencies caused much inconvenience and loss to the transacting parties. Thus, with a view to withdrawing from circulation various sorts of rupees, and instituting a standard silver rupee throughout the Ceded Provinces, the Regulation XLV of 1803 was issued.

a. Silver Currency:

Partial Standardization: The 45-Sun Sicca Rupee:

The Silver Rupee which the Regulation XLV of 1803 sought to institute as ‘legal silver coin’ in the Ceded Provinces was modelled on the weight and standard of the Lucknow Rupee coined by the Nawab of Awadh at the Lucknow mint. Though the East India Company’s proposed silver rupee was to be struck at the Farrukhabad mint, they preferred to call it ‘Lucknow Sicca Rupee of the forty-fifth sun’ (Sec. II). However, the specific weight and standard of the proposed Lucknow Sicca rupee was not immediately laid down, but was deferred to a later date (Sec. III). For its size the Lucknow Sicca rupee was to adopt the size of the Company’s 19 sun Sicca rupee struck at the Calcutta mint (Sec. V). Apart from the rupees of full denomination, the minting of fractional silver

1 Appendix A.12.
coins viz. the Half-Rupee and the Quarter-Rupee of proportionally less size, but with the same inscription as rupee was also authorized (Sec. VI). All these denominations of the silver coins were declared legal tender throughout the Ceded Provinces.

b. Gold Currency:

Under Regulation XLV of 1803, while silver rupee was installed as the legal tender general currency, no attempt was made either to establish a gold coinage on the lines of the silver rupee, or to fix any relative value or an official exchange rate between coinages of these two metals. Instead, the gold coins or *muhrs* were allowed to circulate as before, as per the 'established usage of the country' (Section XLII). However, the status of 'legal tender of payment, in any public or private transaction' was not granted to these *mohurs* under this Regulation.

c. Copper Currency:

On the other hand, Regulation XLV of 1803 did envisage a copper currency to substitute silver rupees in small transactions, usually under a rupee. Thus, a copper pice of 284.50 grains (18.43g) and its half denomination was established by this Regulation (Section XLIII). These copper coins were also to bear '45 sun' legend, similar to those of their silver counterparts (Sec. XLIV). With a view to ensuring a proper and extensive circulation of these copper coins throughout the Ceded Provinces, the Regulation provided for their free minting and also for their receipt and issue at all public treasuries (Sec. XLIX). However, no copper coins established under Regulation XLV of 1803 were ever issued and these provisions remained only on paper. Later it was noticed that no application from the private individuals for minting copper coin had been received at the Farrukhabad mint.¹ In 1806, therefore, the Government decided to withdraw its offer of free minting of the copper coins and restricted the copper coinage only on Government's account. By Regulation III of 1806² it was laid down that 'pice shall only be coined on account of Government, and in such quantities and at such times, as the Governor-General-in-Council may direct.' (Sec. III).

In 1816, the weight of the copper coin was reduced to 200 grains (12.96g) for the

¹ Pridmore 1975: 223
² Appendix A.16.
full denomination or 'double pie' and 100 grains (6.48g) for its half or 'single pie.'¹ Later, by Regulation XXV of 1817,² it was decided to mint copper coin of 100 grains (6.48g) at the Calcutta mint was and to declare it a legal tender throughout the Bengal Presidency at the rate of 64 pie to a rupee (Sec. IV). The copper coins of Benares and Farrukhabad mintage were equalized with the Calcutta pie (Sec. V), and thus a uniform copper currency was established throughout the Bengal Presidency.

When a copper currency was conceptualized for the Ceded Provinces in 1803, no attempt was made by the Government to fix any official exchange rate between silver and copper coins. Section XLIX of the Regulation XLV of 1803 clearly stated that the copper pice 'shall be received and issued according to the rate at which pice may be current in the bazaar.' However, by Regulation III of 1806 the exchange rate of copper coin was fixed at 26 pice to one Lucknow Sicca rupee. Later when in 1816 two new denominations of the copper coins were approved, their exchange rate was fixed at 32 double pice = 64 single pice = 1 rupee (Sec. IV of Regulation XXI of 1816). The new exchange rates are significant as they indicate the appreciation in price of copper in comparison with that of silver. In 1806 one Lucknow Sicca rupee fetched 7,397 grains (479.31g) of copper at the rate of 26 pice to one rupee; a decade later, in 1816, one rupee fetched only 6,400 grains (414.71g) of copper at the rate of 32 double pice to one rupee. These copper coins were made legal tender for payment under a rupee, and any refusal to receive these coins was made punishable.

Establishment of Farrukhabad Mint:

The provisions for substituting the multiple species of silver rupees with one standard 45 sun Lucknow Sicca, and introducing a subsidiary coinage in copper, entailed a large minting infrastructure, capable of producing large quantities of coins of the prescribed weight and standard. Any short supply in the coins was bound to result in the very abuses that these measures were pitched against, namely hoarding, inflation, and premium or discount in monetary transactions. Therefore, to ensure adequate supply of the newly established 45 sun Lucknow Sicca rupee, a new mint was set up at Farrukhabad

¹ Sec III of Regulation XXI of 1816, Appendix A.25; and Pridmore 1975: Coin Nos. 335 and 335A.
² Appendix A.28.
Besides, this Regulation gave Governor-General the right ‘to increase or reduce the number of mints in the Ceded Provinces, or to remove the mint or mints to any other place or places, within the dominion of the Company.’ (Sec. IV). Under this provision the mint at Bareilly was abolished (Sec. XL).

Mint Management and Technology:

For the supervision of the mint, a Mint Committee was also established at Farrukhabad, which had the District Magistrate and the District Collector as its members. This Mint Committee was to function under the overall supervision of the Mint Committee at Calcutta. The Farrukhabad Mint Committee was also required to conduct surprise checks at the mint and collect random samples of the coins for onward transmission to the Calcutta Mint, where these were to be examined and assayed. (Sec. XIII). To ensure that the coins struck at the Farrukhabad Mint are consistently of identical weight standard and appearance, the Regulation XLV of 1803 stipulated that ‘the dies for striking silver coin in the Ceded Provinces, shall be cut in the mint at Calcutta.’ (Sec. VIII). Broken or unserviceable dies were required to be returned to the Calcutta Mint, so as to avoid their misuse. The silver coin that was made legal tender in the ceded provinces by the Regulation XLV of 1803 was ‘45 sun Sicca.’ The ‘45 sun’ or the 45th regnal year of the Mughal Emperor Shah Alam II in whose name these coins were to be struck commenced on 9 August 1802 and terminated on 28 July 1803, whereas the actual striking of these coins in the Farrukhabad Mint commenced only in 1806.

With the institution of 45 sun Sicca, the mechanized minting was also introduced in the Ceded Provinces. Up till now all the coins struck in various mints in this territory were hand-minted. Due to its being struck by a machine [press= kal] the Farrukhabad rupee soon acquired the sobriquet ‘kaldar rupiya.’ The establishment of a mechanised mint at Farrukhabad was aimed at meeting the supply needs for replacing the existing multiple currencies.

Farrukhabad mint was first established during the 6th regnal year of Farrukhsiyar (1716-17), by the first Bangash Nawab of Farrukhabad, Muhammad Khan Bangash (d. 1743). On the coins issued subsequent to 1167 AH (AD 1753-54) the mint name appears as Ahmednagar Farrukhabad. The Bangash Nawabs later became tributaries of the Nawab of Awadh. This mint was located at Fatehgarh, the administrative headquarters of Farrukhabad. Prinsep 1858: 26. The new Farrukhabad mint started production in 1806 and continued its operations till 1824. It was finally abolished by Regulation II of 1824.
Another improvement that 45 sun Sicca had over the hand-minted coins, was the appearance of coin-legend. In the hand-minted coins, the dies of the coins were slightly larger than the flan of the coins, and a result part of the die-impression remained 'off-the-flan.' The Regulation XLV of 1803 prescribed that the dies of the 45 sun Sicca were to be made 'of the same size as the coin, so that whole of the impression may appear upon the surface of it' (Sec. VII).

Thus, we see that by Regulation XLV of 1803, the East India Company aimed at substituting the multiple hand-minted coins of differing weights and fineness with its own machine-struck standard rupee of uniform weight and fineness, throughout the newly acquired territories designated as the 'Ceded Provinces.' However, any switchover of this kind was impossible overnight and the Company was well aware of this fact. They had tried a similar experiment while introducing '19 sun Sicca' in Bengal, Bihar and Orissa, through Regulation XXXV of 1793. The implementation of that Regulation had to be postponed twice – once in 1794 (Regulation VI of 1794) and again in 1795 (Regulation LIX of 1795) – due to insufficient circulation of that specie in the designated territories. Therefore, we find that in Regulation XLV of 1803, sufficient time cushion was granted to maintain the status-quo in payment of revenue, and by accepting 'various sorts of rupees, current in those provinces' (Sec. XVIII). This arrangement was to continue till the end of the harvest (Fasli) year 1215 (1808 AD), after which no other rupee, but the 45-Sun Sicca was to be legal tender of payment in any public or private transactions’ (Sec. XXIII). To make the usage of 45 sun Sicca universal throughout the Ceded Provinces, the Regulation XLV of 1803 made ample provisions for its use not only as currency but also as money of account. Thus, all 'bonds, or writings, or other agreements, whether written or verbal entered prior to the commencement of the year 1216 Fussily (1809 AD)', whereby a sum of money was pledged in any other currency except the 45-Sun Sicca, were to be liquidated (Sec. XXIV). The same cut-off date was stipulated for all proprietors and farmers of land who were prohibited 'from concluding engagements with their under-farmers, ryots, or dependent talookdars, in any (other) specie of rupee’ (Sec. XXVI).1

The Regulation XLV of 1803, finally aimed at drawing all other circulating specie

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1 However, even before the expiration of this cut-off date, this order was rescinded in 1807 (Sec. IX of Regulation XIII of 1807, see Appendix A.18)
to the mint for re-coinage into the 45 sun Sicca, and, therefore, prohibited the Government Officers 'from issuing, from public treasuries, rupees of sorts which may be received at the same... excepting in instances in which the exigencies of the public service shall render the issuing of such rupees in dispensably necessary' (Sec. XXII).

To facilitate the stipulated short-term co-existence of rupees of different mintage along with the newly established 45 sun Sicca, the Regulation XLV of 1803 conceptualized a table prescribing the exchange rates between the 45 sun Sicca and various other rupees, then circulating in the Ceded Provinces (Sec. XVII). The conversion rate was to be fixed on the basis of the intrinsic value of such rupees, 'as ascertained by assay in the Calcutta Mint.' This table was published under Regulation III of 1806, wherein 49 specie of silver rupees have been listed and their conversion rate into 45 sun Sicca laid down.

Before we analyze other provisions of the Regulation III of 1806, let us turn to some political developments that ultimately had a bearing on the said Regulation.

D. CEDED AND CONQUERED PROVINCES

The opening years of the nineteenth century saw expansion of the territorial possessions of the East India Company. After securing a large tract of land in the Doab from the Nawab of Awadh in 1801, the Company on 17 December 1803, concluded the Treaty of Deogaon with the Bhonsla ruler Raghuji II of Nagpur, by which the province of Orissa, and the country west of the river Wardha and south of Narnalla and Gwaligarh, was annexed to the Company's territories.

A few days later, on 30 December the Company concluded the Treaty of Surji Anjangaon with Daulat Rao Sindhia. By this treaty, all territories lying between Yamuna and Ganga; all those situated between the north of Jaipur, Jodhpur and Gohad; those between Ajanta and Godavari, as well as the towns of Ahmednagar and Bharoch came into the Company's hand.¹

To take care of the administrative responsibilities of the newly acquired territories, the Department of Ceded Provinces, created in 1801, was reorganized and from 27

¹ By a separate treaty, namely Treaty of Mustafapur concluded on 21 November 1805 with Daulat Rao Sindhia, the town of Gohad and the fort of Gwalior was restored to him, and in return he renounced his claims in favour of the Company on the territories north of the river Chambal.
November 1804, it came to be known as ‘Department of Ceded and Conquered Provinces.’

With a view to establishing the currency of the yet-to-be-issued 45 sun Sicca in the newly acquired territories, the Company, on 15 August 1805 issued Regulation XI of 1805, ‘for extending to the conquered provinces, situated within the Doab and on the right bank of the river Jumna; and to the territories Ceded to the Honourable the East India Company in Bundelcund by the Peishwah Regulation XLV, 1803, entitled …’

This Regulation abolished the operation of any mint within these territories, except for ‘the coinage of whatever silver bullion and silver coin may be deposited in such mint or mints for coinage’ (Sec. III), thus centralizing the minting activities at the Farrukhabad mint.

Now it was a high time that the much discussed 45 sun Sicca was minted and pushed into circulation. While Regulation XLV of 1803 had laid down the rules for the general appearance of the 45 sun Sicca, its weight and standard was not fixed until 17 March 1806 when Regulation III of 1806 was issued, ‘for defining the weight and standard of the silver coin, established in the Ceded and Conquered Provinces…’

The weight of the silver rupee was fixed at 173 grains (11.21g) out of which 95.5 per cent was pure silver and 4.5 per cent alloy.

Similarly, the weight of the copper coin of 284.50 grains (18.43g) established by Regulation XLV of 1803 was also expressed in Lucknow and Calcutta Sicca weights, so as to fix their conversion rates vis-à-vis these silver coins (Sec. III). Accordingly, the rate of 26 copper pice were equalled to one Lucknow (45 sun) Sicca rupee (Sec. IV). The most important component of the Regulation III of 1806 was the table of rates ‘for determining the receipt and payment of different descriptions of rupees, not being the rupees declared [viz. 45 sun Sicca]’:

1 Appendix A.14.
2 Appendix A.16.
Table showing the intrinsic comparative value that each specie of rupee, bears to the Lucnow Sicca rupee, or in other words, the number of Lucnow Sicca rupees, intrinsically equal to one hundred Lucnow Sicca weight of each of the different sorts of rupees specified in the table.

<table>
<thead>
<tr>
<th>Sorts of Rupees</th>
<th>Lucnow Sicca Weight</th>
<th>Lucnow Sicca Rupee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sicca of Lucnow, Troy weight grains 173,</td>
<td>100</td>
<td>0</td>
</tr>
<tr>
<td>fine silver, grains 165</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Calcutta, Moorschedabad, Patna, and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dacca, 19 sun Sicca rupees,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ditto.</td>
<td>102</td>
<td>9</td>
</tr>
<tr>
<td>Furruckabad rupees,</td>
<td>ditto.</td>
<td>97</td>
</tr>
<tr>
<td>Bareilly rupees,</td>
<td>ditto.</td>
<td>97</td>
</tr>
<tr>
<td>Nudjeebad rupees,</td>
<td>ditto.</td>
<td>96</td>
</tr>
<tr>
<td>Lucnow rupees coined at Allahabad</td>
<td>ditto.</td>
<td>96</td>
</tr>
<tr>
<td>Old 18 suns Lucnow,</td>
<td>ditto.</td>
<td>95</td>
</tr>
<tr>
<td>Viziery rupees,</td>
<td>ditto.</td>
<td>89</td>
</tr>
<tr>
<td>Benares rupees,</td>
<td>ditto.</td>
<td>101</td>
</tr>
<tr>
<td>Corah 12 suns,</td>
<td>ditto.</td>
<td>91</td>
</tr>
<tr>
<td>--------------- 20 suns,</td>
<td>ditto.</td>
<td>91</td>
</tr>
<tr>
<td>--------------- 12 suns,</td>
<td>ditto.</td>
<td>92</td>
</tr>
<tr>
<td>Furruckabad 31 and 39 suns,</td>
<td>ditto.</td>
<td>97</td>
</tr>
<tr>
<td>Etawah rupees,</td>
<td>ditto.</td>
<td>95</td>
</tr>
<tr>
<td>Saharunpore old rupees,</td>
<td>ditto.</td>
<td>96</td>
</tr>
<tr>
<td>Saharunpore new rupees,</td>
<td>ditto.</td>
<td>96</td>
</tr>
<tr>
<td>Panniput rupees,</td>
<td>ditto.</td>
<td>95</td>
</tr>
<tr>
<td>Samlie rupees,</td>
<td>ditto.</td>
<td>94</td>
</tr>
<tr>
<td>Kerhanah rupees,</td>
<td>ditto.</td>
<td>96</td>
</tr>
<tr>
<td>Lundowrah rupees,</td>
<td>ditto.</td>
<td>95</td>
</tr>
<tr>
<td>Thannah rupees,</td>
<td>ditto.</td>
<td>94</td>
</tr>
<tr>
<td>Ruckaby rupees,</td>
<td>ditto.</td>
<td>91</td>
</tr>
<tr>
<td>Sirdannah rupees,</td>
<td>ditto.</td>
<td>96</td>
</tr>
<tr>
<td>Delhi siccas,</td>
<td>ditto.</td>
<td>101</td>
</tr>
<tr>
<td>Delhi 38 suns,</td>
<td>ditto.</td>
<td>96</td>
</tr>
<tr>
<td>Bhurtapore rupees,</td>
<td>ditto.</td>
<td>100</td>
</tr>
<tr>
<td>Khotah rupees,</td>
<td>ditto.</td>
<td>95</td>
</tr>
<tr>
<td>Ghutsun 29 suns,</td>
<td>ditto.</td>
<td>99</td>
</tr>
<tr>
<td>Mahomed Shahee 19 suns,</td>
<td>ditto.</td>
<td>101</td>
</tr>
<tr>
<td>Gocul 46 suns,</td>
<td>ditto.</td>
<td>96</td>
</tr>
<tr>
<td>Jeend rupees,</td>
<td>ditto.</td>
<td>84</td>
</tr>
<tr>
<td>Siccas of Lucnow,</td>
<td>ditto.</td>
<td>100</td>
</tr>
<tr>
<td>Gourshahee 7 suns,</td>
<td>ditto.</td>
<td>95</td>
</tr>
<tr>
<td>--------------- 8 suns,</td>
<td>ditto.</td>
<td>95</td>
</tr>
<tr>
<td>--------------- 9 suns,</td>
<td>ditto.</td>
<td>93</td>
</tr>
<tr>
<td>--------------- 10 suns,</td>
<td>ditto.</td>
<td>93</td>
</tr>
<tr>
<td>--------------- 11 suns,</td>
<td>ditto.</td>
<td>92</td>
</tr>
<tr>
<td>--------------- 12 suns,</td>
<td>ditto.</td>
<td>91</td>
</tr>
<tr>
<td>Siringwy rupees,</td>
<td>ditto.</td>
<td>93</td>
</tr>
<tr>
<td>Tamboshahree rupees,</td>
<td>ditto.</td>
<td>91</td>
</tr>
<tr>
<td>Ballashahee rupees, coined at Culpie,</td>
<td>ditto.</td>
<td>93</td>
</tr>
<tr>
<td>Hattrass rupees,</td>
<td>ditto.</td>
<td>99</td>
</tr>
</tbody>
</table>
This table lists 49 varieties of silver rupees and their conversion rate in Lucknow (45 sun) Sicca rupees. Out of 49 varieties, only five were found intrinsically superior to the 45 sun Sicca. These were 19 sun Sicca struck at the Company’s mints at Calcutta, Murshidabad, Patna and Dacca; Benaras rupees, also struck by the Company; Delhi Siccas; Bharatpur rupees, and Muhammad Shahi 19 sun (i.e. Rupees struck in the 19th regnal year of the Mughal ruler Muhammad Shah).

The rupees struck at Jind (in Haryana) and at Vrindavan (near Mathura in UP) had the poorest conversion rates in comparison to the Lucknow (45 sun) Sicca rupees. For the purpose of conversion, various sorts of rupees were first equated to 100 Lucknow Sicca weights (173 grains or 11.21g) and than their equivalence to the number of Lucknow (45 sun) Sicca rupees was fixed according to the assay.

The enactment of Regulation III of 1806 provided a sound basis for an efficient monetary administration of the Ceded and Conquered Provinces. However, the calculation and settlement of revenue of this vast tract of land in the terms of the newly established legal currency was a tedious and time consuming process. The Regulation XLV of 1803 had provided that after the expiry of the ongoing triennial settlement of the land revenue of the Ceded Provinces in 1212 Fusli (1805 AD) ‘all future settlements of the land revenue in those provinces, shall be made in the Lucknow forty-fifth sun sicca rupee.’

However, due to fast changing political situation and consequent territorial expansion of the East India Company, the triennial settlement of the land revenue could not be affected. As a result, by Regulation IV of 1807¹ which was passed on 19 March 1807, the operation of clause 1 of Sec. XVII of Regulation XLV of 1803 was suspended – in the Ceded and Conquered Provinces till the end of 1215 Fusli (1808 AD) and in

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¹ Appendix A.17.
Bundelkhand till the end of 1216 Fusli (1808/09 AD) (Sec. II). During the intervening period all sorts of rupees current in these provinces were to be received in payment of government dues, as per the table prescribed by Regulation III of 1806.

Meanwhile, another measure introduced by Regulation XLV of 1803 was posing hurdles in the spread of money use in the society. The Section XXII of Regulation XLV of 1803 had ruled that rupees of various sorts that might be received at the public treasuries, shall not on any account be re-issued there from, but shall be sent to the mint at Farrukhabad, to be recoined into the Lucknow 45 sun Siccas. The Regulation IV of 1807 realized that this measure 'might not be practicable' because it substantially reduced the quantum of money in circulation, and at the same time, the Farrukhabad Mint, which had commenced its operations in 1806, was unable to cope with the recoinage of 'large proportion of rupees of sorts' that were thus withdrawn from circulation. It was, therefore, decided that only 'mintable quantities of different specie will be withdrawn from circulation and sent for recoination.' (Sec. IV).

The minting of Farrukhabad rupee, was initially confined to the Farrukhabad mint. Though, in 1813 its minting was also authorized at the Delhi (Shahjahanabad) mint, but the production of kaldars could never be effected at Delhi and that mint was finally shut down in 1818. However, in 1817 the Bengal Government resolved to extend the right of minting the Farrukhabad rupees to the mints of Calcutta and Benares, and to any future mint to be established by the Company. Thus, by Regulation XXVI of 1817, dated 16 December 1817, Farrukhabad rupee minted at any of the Company's mints was declared to be 'the established and legal silver coin in the Ceded and Conquered Provinces' (Sec. II). As a follow up of this decision the Calcutta mint was declared open for the coinage of Farrukhabad as well as Benares rupees on account of individuals, and an advertisement for general notice in this regard was published in September 1818.

By Regulation XI of 1819, the Farrukhabad rupee, irrespective of its mintage, was declared 'a legal tender in all the territories under the Bengal Government', except the Provinces of Bengal, Behar and Orissa (Sec. IV). The weight of the Farrukhabad rupee

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2 Appendix A.29.
3 NAI, Financial Department, OC, 4 September 1818, No. 25.
4 Appendix A.32.
was raised from 173 grains (11.21g) to 180.234 grains (11.67g) though there was no change in the weight of the pure contents, which remained constant at 165.215 grains (10.70g), thus retaining the proportion of $\frac{11}{12}$ part of pure metal and $\frac{1}{12}$ part of alloy (Sec. III).

By Regulation II of 1824, dated 5 February 1824, the Government decided to abolish the Farrukhabad mint (Sec. II), and thereafter the minting of the Farrukhabad rupees was carried out in the mints at Calcutta and Benares. The total value of the silver coinage struck at the Farrukhabad mint throughout its existence (1806-24) was Rs.7,75,42,114. With a view to augment the production of Farrukhabad rupee, a mint was opened in Saugor in the same year (1824), where minting of Farrukhabad rupees commenced in 1825. Next year, the area of circulation of the Farrukhabad rupee was officially extended to the Saugor and Nerbudda territories which the East India Company had acquired from Peshwa Baji Rao II after the Third Anglo-Maratha War (1817-18). The total value of the silver coinage of the Saugor mint during the entire period of its operation (1825-35) was Rs.53,27,503.

E. BENARES

The mint at Benares was first established in the 15th regnal year of Muhammad Shah (1732-33). Up to 1748 it remained under the charge of the Mughal emperor, but was usually farmed. From 1748 to 1751 it remained under the charge of Raja Balwant Singh of Benares. Even after the cession of this district to the East India Company in May 1775, the control of Benares mint remained in the hands of the Raja of Benares – Chait Singh. However, after the expulsion of the Raja in 1781, the Company took over the direct control of the mint, but it continued the mintage of gold, silver and copper coins on the existing pattern.

In 1812, a Mint and Assay Master was formally appointed for the Benares mint.

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1 Appendix A.35.
2 Pridmore 1975: 257.
3 NAI, Financial Department, OC, 19 January 1826, Nos. 1-3 and 16 March 1826, No. 2.
4 Pridmore 1975: 257.
6 Mishra 1975: 177.
and the control of the mint was vested in the Board of Commissioners of the Ceded and Conquered Provinces.¹ By Regulation VII of 1826² this control was transferred to a Local Committee.

a. Silver Currency:

At the time of the cession of Benares to the East India Company the rupee coined at the Benares mint weighed 630 chowals (or grains = 11.29g approx) and had a alloy of 18 chowals (or 0.32g).³ These bore a mint mark – that of a fish – on the obverse, and were thus popularly known as the Machhlidar Rupees.

In 1812 the East India Company took steps to regulate the mintage of silver rupees at the Benares mint. By Regulation II of 1812, the weight of the Benares rupee was fixed at 175 grains (11.34g). It was to contain 96.5 per cent pure silver and 3.5 per cent alloy (Sec. XI). Though it was somewhat inferior in weight and standard when compared to 19 sun Sicca (179.66 grains = 11.64g), struck at the Calcutta mint, it was to adopt the size and form of 19 sun Sicca (Sec. XIII). To facilitate this provision, it was decided that the dies for striking these coins will be prepared at Calcutta Mint, and all broken or unserviceable dies will be returned thereto (Sec. XIV).

![Benarasi Rupee](image)

The Benares rupees, including its halves and quarters, were declared legal tender throughout the province of Benares (Sec. XX). The deficiency in weight up to ‘six annas per cent, or six-sixteenth of a rupee in one hundred rupee’ by way of usual wear was permitted (Sec. XXI), beyond which these coins were to be sent to the mint for recoinage.

In 1818, the Bengal Government decided that along with the Farrukhabad rupee, the minting of the Benares rupee must be extended to Calcutta mint as well. Though the

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¹ Regulation II of 1812, Sec. XV, Appendix A.23.
² Appendix A.37.
³ The local jewellers' weights at Benares were based on the following metrology:
    8 chowals (or grains of rice) = 1 ratti
    64 chowals = 8 ratti = 1 masha (1 masha approx. 17.7 troy grains)
    768 chowals = 96 ratti = 12 masha = 1 tola
minting of Farrukhabad rupee did take place at the Calcutta mint, the proposal to mint Benares rupees at Calcutta remained on paper.

b. Gold Currency:

The mintage of the gold *muhrs* at the Benares mint was not regular. A letter dated 16 September 1811 states the quantity of gold coined in the Benares mint since 1782, only amounted to 1,21,949 *muhrs*.¹ Weighing 168.44 troy grains (10.91g) and with the fineness of 23 carat 1 grain, it was inferior both in weight and standard to the Calcutta *muhr*.² Like the silver rupees, the gold *muhrs* of Benares too bear the mint mark of fish on their obverse.

c. Copper Currency:

When the East India Company assumed the control of the Benares mint in 1781, a copper pice weighing 138.490 grains troy (8.47g) was coined there. In 1786 the weight of this coin was raised to 155.333 grains troy (10.06g) and a mark of trident (*Trisul*) was added. Henceforth the copper pice of Benares was popularly known as the *Trisuli paisa*. However, this change seems to have been effected at the local level, without any express authority of any official regulation, for in 1806 we find Dr. Thomas Veld, the Mint Master at Benares reporting that ‘there is no regulation for the weight, size, or impression of pice.’³ A large quantity of these *trisuli* coins was manufactured in ‘Oudh, the Riwa Raja’s country, and other places and smuggled into circulation.’⁴ Yeld, therefore, suggested a plan to establish a copper coinage for the Benares province, according to which four denominations were contemplated, viz.

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Weight</th>
<th>Exchange rate with a Rupee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grs</td>
<td>Gms</td>
</tr>
<tr>
<td>Double Pice</td>
<td>240</td>
<td>15.55</td>
</tr>
<tr>
<td>Single Pice</td>
<td>120</td>
<td>7.77</td>
</tr>
<tr>
<td>Half Pice</td>
<td>60</td>
<td>3.88</td>
</tr>
<tr>
<td>Quarter Pice</td>
<td>30</td>
<td>1.94</td>
</tr>
</tbody>
</table>

¹ Thurston 1893: 70.
³ Thurston 1893: 67.
⁴ Ibid.
Yeld did not recommend the minting of these pieces at any other place but Benares conceding to the ‘prejudices of the natives of Benares’, though he suggested that ‘the machinery of the Calcutta mint could be used in laminating the derabs [coin blanks].’

No immediate steps were, however, taken to adopt this plan but eventually minting of the first three denominations was undertaken at the Calcutta mint between 1807/08 and 1809/10, for circulation in the Benares province. The weights of these three denominations were slightly less than what was initially recommended by the Mint Master of Benares mint.

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Weight</th>
<th>Exchange rate with a Rupee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grs</td>
<td>Gms</td>
</tr>
<tr>
<td>Do-Pai Sikka</td>
<td>192.298</td>
<td>12.46</td>
</tr>
<tr>
<td>(Double Pice)</td>
<td></td>
<td>32</td>
</tr>
<tr>
<td>Ek-Pai Sikka</td>
<td>96.149</td>
<td>6.43</td>
</tr>
<tr>
<td>(Single Pice)</td>
<td></td>
<td>64</td>
</tr>
<tr>
<td>Adha-Pai Sikka</td>
<td>48.074</td>
<td>3.11</td>
</tr>
<tr>
<td>(Half Pice)</td>
<td></td>
<td>128</td>
</tr>
</tbody>
</table>

The mint mark trident was omitted from these coins. To give currency to these copper pieces of Calcutta mintage in the Benares province, the East India Company, on 15 December 1809, enacted Regulation X of 1809 for the establishment of a copper coinage in the province of Benares. It was to be of pure copper, weighing ‘Sicca weight eight annas nine pie each’ (= 6.23g) (Sec. III). It was denominated as ‘One Pie Sicca’ and bore the name and the 37th regnal year of Shah Alam II in Persian. Its exchange rate was fixed at ‘sixty-four pice for one Benares sicca rupee’, and it was declared legal tender of payment in the province of Benares ‘for any sum being the fractional part of a rupee’ (Sec. IV). However, as this time bracket was found to be impractical so as to withdraw all other copper coins then circulating in the province of Benares, the implementation of this Section was postponed by Regulation XII of 1810, which declared:

... copper coin, which has been hitherto current in the province of Benares, shall continue to be received in discharge of all private and public
demands, until the Governor General in Council or Vice President in
Council, shall signify by proclamation, that an adequate supply of copper
coin of the size and weight prescribed by Sec. III, of that Regulation
[Regulation 10, 1809], has been introduced into the province of Benares.¹

With a view to deter the counterfeiters and fraudulent money-changers etc., the
Regulation declared ‘melting, counterfeiting, clipping, filing, drilling, defacing, or
debasing’ of the copper pie a criminal act liable for prosecution (Sec. V).

A transition period of six months was allowed for the acceptance of various other
sorts of copper coins then circulating in Benares, after which only Benares ‘One pie
Sicca’ was to be accepted as legal tender (Sec. VI). However, as even this time bracket
was soon found to be impractical to call in other copper coins then circulating in the
province of Benares, the implementation of this Section was further postponed by XII of
1810, which declared that:

... the copper coin, which has been hitherto current in the province of
Benares, shall continue to be received in discharge of all private and public
demands, until the Governor-General-in-Council shall signify by
proclamation, that an adequate supply of copper coin of the size and
weight prescribed by the Section 3, Regulation X, 1809, has been
introduced in the province of Benares.²

It is thus clear that the supply of copper coins from Calcutta fell far short of the
demand of that specie in the Benares province. To make the effects of this supply crunch
still worse, the sarrafs of Benares found it more profitable to export the new pice intended
for Benares to the neighbouring Bihar, where the demand for copper money was much
greater.³ The worst hit by this situation were the people belonging to the ‘lower classes of
the community’ who were subject to ‘the impositions and hardship ... by the monopoly
and combination of the shroffs and money changers.’⁴ The Mint Master of Benares,
therefore, urged the Government to ‘accelerate the introduction of a new copper coinage
into this Province, by allowing such copper as may be brought by Individuals to be coined
in the Benares Mint.’⁵ It was also noticed that the sarrafs of Benares had also devised a

¹ Regulation XII of 1810, Sec. III, Appendix A.21.
² Thurston 1893.
³ T. Yeld, Mint Master, Benares Mint to Sir J.E. Colebrrooke and John Deane, Board of Commissioners,
Province of Benares, dated 18 December 1812: NAI, Finance Department, Mint Committee, Letters
Received, Vol. 1811-13, 269.
⁴ Ibid.: 270.
⁵ Ibid.: 275.
novel way to depreciate the exchange value of the old *trisuli* pice that was still current in Benares province:

... since the 'trisoolie pisa' was originally established as the copper currency of Benares, no measures had been adopted to renew it, and the inscription had, by the process of time, become more or less indistinct, and the shroffs had reduced the value of the pice in which the trisul was defective by reducing it 11 percent in current value for no other reason than the defectiveness of the trisul.¹

The Government responded to the need for establishing a copper currency for the Benares province by passing a regulation for the purpose.

Accordingly, Regulation VII of 1814² was passed on 29 April 1814, which superseded the provision laid down in Sec. II of Reg. X of 1809 requiring the pice to be struck at the Calcutta mint, and provided for their minting at the Benares mint. While there was no change in the weight of these coins (Pice= 6.23g), the mint mark *trisul* (trident) was reintroduced in the design, viz.

In compliance with established usage, the figure of a Trisool shall be impressed upon all the copper coin which may hereafter be struck at the city of Benares.³

![Trisuli pice](image)

By retaining *trisul* on the copper pice, the Government hoped that 'the coin cannot circulate in any other Province.'⁴ At the same time this move was also aimed at obtaining 'for the copper coin of the Benares mint, a local currency and circulation which the pice coined in Calcutta did not possess.'⁵

To undertake the minting of large quantity of copper, new machinery fabricated at the Calcutta mint was installed at Benares in early 1815 and by May the production of *Trisooli paisa* commenced. Though initially restricted to circulate in Benares province

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¹ Thurston 1893: 72.
² Appendix A.24.
³ Ibid.: Sec. III.
⁵ Harrington 1814-15: 632.
alone, the circulation of *Trisooli* pice was extended to all the provinces of Bengal Presidency by Regulation XXV of 1817, giving it a legal par with the Farrukhabad and the Calcutta pice. The legal tender, however, as in other instance, was restricted to fractional parts of a rupee, and the exchange rate of 64 pice to a rupee was retained (Sec. V).

The minting of *Trisooli* pice at Benares mint continued till that mint was abolished in September 1829. The circulation of these coins was again restricted to the province of Benares by Act XIII of 1836 and these coins were demonetized from 1 August 1844 by Act XIII of 1844.

**Minting Charges:**

All the mints of the Company were open to the reception of bullion for coinage on private account. All bullion intended for coinage was brought to the office of the Mint Master, where it was examined by the processes of cutting and burning so as to ascertain that there was no fraudulent admixture. After examination a receipt for the weight of the bullion was issued to the proprietor of the bullion. A specimen of the bullion was then taken to the Assay Office where it was assayed to ascertain its fineness. A deduction was made 'from the assay produce of bullion to cover the expenses of coinage.'\(^1\) After the assay was over, the proprietor exchanged his mint receipt for a certificate 'of the standard value of the bullion in gold or silver money.'\(^2\) This certificate was then converted into cash at the Treasury as soon as the new coins were transmitted there from the mint.

The minting charges varied at the different mints of the East India Company. Up to 1812, no charges were levied on the bullion sent to the East India Company’s mints in Bengal for coinage. Only a small charge for refining the metal of inferior standard was levied. For all silver bullion, or old or light silver coin which were below the Sicca standard (i.e. having alloy contents of more that 2.089 per cent), a refining charge of 12 annas per cent was levied under Regulation XXXV of 1793 (Sec. V). Similarly, on gold bullion which was below the Gold Muhr standard fixed by the Regulation XXXV of 1793 (i.e. having alloy contents of more that 0.75 per cent), the proprietors of such bullion were charged a refining duty depending on the alloy contents of the bullion (Regulation XXXV of 1793, Sec. XXIV). While there was no refining charge on gold or bullion of, or above the Gold Muhr standard, a duty of Rs.2.8 annas per cent (2½ per cent) was imposed by

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1 Prinsep 1858: 9.
2 Ibid.: 8.
Regulation XXXV of 1793 'with a view to discourage the importation of Gold Bullion in preference to Silver Bullion' (Sec. XXIV). Thus, coining charge or seignorage did exist on gold coins under the Regulation XXXV of 1793. However, the receipts on these counts were negligible and the entire expenditure on the mint establishment was borne by the Government. According to a statement dated 27 April 1787 prepared by the Auditor of Indian Accounts at the East India House, the Bengal Presidency suffered a loss of Rs.93,670 on mint establishment during four years between 1781/82 and 1786/87.

Table: Mint Accounts for 1781-82 to 1786-87

<table>
<thead>
<tr>
<th>Year</th>
<th>Receipts (in Rs.)</th>
<th>Disbursements (in Rs.)</th>
<th>Net (+/-)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1781-82</td>
<td>25,789</td>
<td>44,777</td>
<td>-18,990</td>
</tr>
<tr>
<td>1782-83</td>
<td>39,214</td>
<td>58,538</td>
<td>-19,324</td>
</tr>
<tr>
<td>1783-84</td>
<td>11,861</td>
<td>37,138</td>
<td>-25,277</td>
</tr>
<tr>
<td>1784-85</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>1785-86</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>1786-87</td>
<td>15,319</td>
<td>45,398</td>
<td>-30,079</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>92,183</strong></td>
<td><strong>1,85,853</strong></td>
<td><strong>-93,670</strong></td>
</tr>
</tbody>
</table>

* Figures not available


With a view to turning government mints into a possible source of revenue or at least offset a part of the mint charges, the Bengal Government, on 21 March 1812, passed Regulation II of 1812\(^1\), that instituted a duty of 2 per cent on silver and 2½ per cent on gold, exclusive of the refining charges that were levied earlier. This regulation incorporated tables of produce of various sorts of silver bullion at the Calcutta, Farrukhabad and Benares mints, and a similar table for gold coinage at the Calcutta mint.\(^2\) An additional duty of 1 per cent was charged if the proprietor wanted his silver bullion converted into halves and quarters of a rupee. (Sec. II: Third). The rate of refining silver was also now fixed at 12 annas for 100 rupees. (Sec. II: Fifth).

As can be seen from the accounts of the subsequent years, the mints of the Bengal Presidency were able to reduce their liability on the government.

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\(^1\) Appendix A.23.

\(^2\) Some inaccuracies were noticed in the calculations of the produce of gold bullion at the Calcutta mint, which were later removed by passing Regulation XIV of 1818 on 9 September 1817.
Table: Mint Accounts for 1814-15

<table>
<thead>
<tr>
<th>Mint</th>
<th>Receipts (in Rs.)</th>
<th>Disbursements (in Rs.)</th>
<th>Net (+/-)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calcutta</td>
<td>1,37,719</td>
<td>1,39,422</td>
<td>-1,703</td>
</tr>
<tr>
<td>Benaras</td>
<td>77,803</td>
<td>75,648</td>
<td>+2,155</td>
</tr>
<tr>
<td>Farrukhabad</td>
<td>7,865</td>
<td>74,695</td>
<td>-66,831</td>
</tr>
<tr>
<td>Total</td>
<td>2,23,387</td>
<td>2,89,765</td>
<td>-66,378</td>
</tr>
</tbody>
</table>


2. **Madras Presidency - Bengal Laws and the Madras Presidency:**

The process of passing regulations and legislations concerning coinages and currencies that is so manifestly witnessed in the case of Bengal presidency ever since the passing of the Regulating Act of 1793 (33 Geo. III, c. 52), was apparently absent in the case of Madras and the Bombay presidencies. To quote Edward Thomas:

> The Madras and Bombay Governments seem to have pertinaciously abstained from legislating on coinages and currencies, and their Statute Books are altogether silent on these subjects, until the action of the Supreme Government [i.e. Bengal] is brought to bear on them in 1835.¹

The reason for this situation are not far to seek. By the Regulating Act, 1773 (which came into operation in October 1794), Madras and Bombay presidencies were subjected to the Bengal presidency so far as the commencement of hostilities or declaring war against any Indian power or entering into any treaty of peace or other treaty was concerned. For these actions they were required to seek prior approval of the Governor General of Bengal and his Council.² Though these two presidencies were in no way legally subordinate to the Bengal presidency for their internal administrations, including the currency management, they did look upon it for guidance and support, and, therefore, constantly and diligently transmitted true and exact copies of all orders and resolutions and their acts in Council to the Government of Bengal.

The position of the ‘Supreme Government’ (Bengal) vis-à-vis the ‘Subordinate Governments’ (Madras and Bombay) was further strengthened by the Pitt’s India Act of 1784, which now empowered the Governor-General-in-Council ‘to superintend, control and direct’ the Subordinate Governments in matters relating to the application of the revenues or forces in times of war. To make the subordination of Madras and Bombay presidencies complete, the Pitt’s India Act (1784) provided that these presidencies must

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¹ Prinsep 1858: 79.
² Keith 1937: 71-2.
obey the Governor General unless they had received different orders from the Court of Directors, which were not known to the Governor General. According to Keith, ‘this new rule for the first time established a real subordination.’

The dependency of the Madras and the Bombay Governments on the Bengal Presidency in the matters concerning currency reforms in India was established by the famous despatch of the Court of Directors in 1806. In their letter dated 25 April 1806, the Court of Directors directed the Governments of Madras and Bombay to transmit their reports to Bengal ‘with all convenient dispatch, and that our Governor General lose no time in reporting to us on the plan herein detailed [about the currency reforms in India] as it applies to the several countries comprising British India; and also on such parts of the reports from Madras and Bombay as may appear to require their notice.’

That the Madras and Bombay presidencies were guided in their actions concerning coinages and currencies by the Bengal Presidency can also be illustrated by citing the case of the Mint Committee of Calcutta that was initially constituted in 1792, and was reconstituted in 1813 under an order of the Court of Directors (dated 3 September 1813). This Committee was ‘referred to upon questions connected with the mints at Fort St. George and Bombay.’

Committee of Finance (1805):

In 1805, the Madras Government appointed a second Committee of Finance to review its financial stringency resulting from the failure of its attempt to raise a 10 per cent loan earlier that year. This Committee, composed of T. Oakes, C. Smith, G. Buchan and J. Taylor, inter alia also dwelt upon various problems of the coinage, especially the multiple varieties of coin-types and denominations that plagued the Madras Presidency. In its Report submitted to Lord William Bentinck, the Governor-in-Council of the Fort St. George on 12 October 1805, the Committee recommended the introduction of the coinage of Bengal as the sole currency of the Madras Presidency. In its findings the Committee

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1 Ibid.: 97
2 British Parliamentary Papers, 1898, No. 127, para 41.
had noted that the market rate of gold and silver was higher than the official rate between
gold pagoda and silver Arcot rupee which stood at 100:350. As a result the silver coins
disappeared from the market. The Committee, therefore, believed that introduction of the
coinage of Bengal would simultaneously introduce the exchange rate of Bengal. Had this
recommendation of the Committee been accepted, a greater part of Company’s territories
in India would have seen the introduction of a uniform coinage. But this was easier said
than done.

The idea of having a uniform coinage throughout India was questioned by
Benjamin Roebuck, the Assay Master of the Madras Mint, on the ground that there was
no evidence to prove that it would immediately establish a standard rate of exchange
between gold and silver throughout India. Dismissing the whole idea as ‘laughable’,
Roebuck asserted that it would ‘no more effect the relative exchange between the
different Presidencies, than it would the exchange between Madras and China, or Madras
and London.’

Meanwhile a general reform of the coinage of India was being actively debated in
the meetings of the Court of Directors in England. The results of these deliberations were
embodied in their dispatch dated 25 April 1806 to the Government of the three
presidencies in India, which settled the question of choosing the most appropriate metallic
standard for India. However, no time frame was prescribed by the Court to implement its
recommendations.

Madras Mint Committee (1808):

The 1806 despatch of the Court of Directors set the process of currency reform in
motion in the Madras presidency. Acting upon these directives, in 1808 the Madras
Government appointed a three-member Madras Mint Committee, to suggest steps
required to be taken to implement the currency reform recommended by the Court of
Directors. Besides, the Committee was also asked to submit its recommendations for the
interior management of the Madras mint.

Ibid.
British Parliamentary Papers, 1898, No. 127.
The three members were, Cecil Smith, John Hodgson and Edward Greenway. However, the composition of
the Committee changed from time to time. Stevens 2004: 136.
Ramachandran 1970a: 37
A. Silver Currency

In its report the Madras Mint Committee recommended that in compliance with the directives of the Court of Directors, the currency system of their presidency should adopt silver monometallism. The Madras silver currency at this time consisted of coins struck under two different standards, viz. the Pagoda standard and the Rupee standard.

Earlier, by a Proclamation dated 15 July 1807, the Madras Government had approved eight denominations of the silver coins – four each under the two weight standards.

<table>
<thead>
<tr>
<th>Pagoda standard</th>
<th>Rupee standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denomination</td>
<td>Weight (in gms)</td>
</tr>
<tr>
<td>1 Fanam</td>
<td>0.91</td>
</tr>
<tr>
<td>2 Fanam</td>
<td>1.83</td>
</tr>
<tr>
<td>3 Fanam</td>
<td>*</td>
</tr>
<tr>
<td>5 Fanam</td>
<td>4.65</td>
</tr>
</tbody>
</table>

* Never seemed to have been issued for general circulation.

Two new denominations, viz. half-pagoda (21.17g) and quarter-pagoda (10.58g) were approved under the pagoda standard by another Proclamation of the Madras Government dated 22 August 1807. Another denomination, namely one-eighth rupee or two anna (1.51g), was added to the coin series under the rupee standard by a Proclamation dated 28 November 1807, though it did not achieve a general circulation.

The pagoda standard coins display distinct English design elements and have their denominations inscribed upon them in four different languages – English, Persian, Telugu and Malayalam, which is indicative of their area of circulation. A Proclamation dated 28 November 1807 declared that the area of circulation of the silver half and quarter pagoda was extended to include ‘every part of the Dominions of the Honorable Company, subject to the Government of Fort St. George.’

All these coins were struck from silver obtained from the imported Spanish dollars and had the fineness of the dollar standard. The adoption of dollar standard for the silver
coins of Madras in the place of the Arcot Sicca standard was apparently based on two premises. First, that is was harder and therefore less liable for wear, and secondly that large denomination silver coins, viz. half pagoda and silver double rupee, which were nearly of the same size as the dollar, could be struck without the necessity of melting the dollars, and thereby assuring the dollar fineness without the necessity of assaying all silver.\(^1\) However, the assay and experiments of these coins conducted in the Tower Mint, London, soon established that the dollar standard coin wear faster than the English standard and that not all dollars had a uniform standard of silver. The Court, therefore, felt that the standard should have remained the same as that of the old Arcot rupee.\(^2\) However, a large quantity of silver coins was already minted at Madras, with the help of new machinery obtained from Calcutta. The Madras mint, which was shifted from inside the Fort St. George to a new location at Mint Street at George Town, minted over 79.38 lakh pieces silver coins of various denominations between April 1807 and March 1808.\(^3\) Recalling this huge quantity of the recently issued coins was found impracticable and therefore, these coins were allowed to remain in circulation, and the question of altering the standard of fineness of the silver coins was postponed to a later date.

Meanwhile, the new coinage of 1807/08 came under sharp criticism of the Court of Directors. In its letter dated 6 March 1810 to Fort St. George, the Court expressed serious objections to the multiplicity of types of coins that comprised the new coinage at Madras.\(^4\) The Court, therefore, ordered that the coinage of Madras should consist of a silver rupee coinage composed only of the following four denominations: Single rupee, 8 annas, 4 annas and 2 annas.\(^5\)

This letter, somehow, did not reach Madras till December 1811.\(^6\) However, in compliance of the Court’s instructions, the next major step for currency reform was taken by the Madras Government in 1812, when by a Proclamation dated 19 June the coinage of double-rupees as well as of various denominations of the pagodas standard was

\(^1\) Letter from Court to Fort St. George, dated 6 April 1808. IOL Coll. F/4/477, No. 11486, quoted in Stevens 2004: 134.
\(^2\) Ibid.
\(^3\) Stevens 2004: Tables 3-5, 126-8.
\(^5\) Ibid.: 139.
\(^6\) Ibid.: 142
discontinued, and the silver currency was now confined to rupees, half-rupees and quarter-rupees. The said Proclamation also laid down the weight and fineness of the surviving denominations as follows:

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Weight (in gms)</th>
<th>Pure Silver</th>
<th>Alloy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Weight (in gms)</td>
<td>%</td>
<td>Weight (in gms)</td>
</tr>
<tr>
<td>Rupee</td>
<td>11.66</td>
<td>10.78</td>
<td>92.45</td>
</tr>
<tr>
<td>½ Rupee</td>
<td>5.83</td>
<td>5.39</td>
<td>92.45</td>
</tr>
<tr>
<td>¼ Rupee</td>
<td>2.91</td>
<td>2.69</td>
<td>92.43</td>
</tr>
</tbody>
</table>

Another denomination viz. one-eighth rupee weighing 1.46g with proportionate fineness seems to have been added in 1813, which was to pass at the rate of 28 to one pagoda.¹

Though the weight of these coins was less than the coins issued under the Proclamation dated 15 July 1807 – where the weight of the rupee was fixed at 12.09g – their fineness was slightly better. The new rupee, in fact, had 0.001g more of pure silver. However, this fraction was so miniscule that it was decided to treat the old coins at par with the new coins. Accordingly, old coins, both of the pagoda as well as the rupee standards, were allowed to remain in circulation ‘and be issued and received at the treasuries at the same rate and value as heretofore.’² The exchange rate of old and the new coin, designated in the said Proclamation as ‘Arcot’ and the ‘Company’ rupee respectively, with the gold coin – the star pagoda – was fixed at 350 rupees to 100 star pagodas.³

Having abolished the pagoda standard from the silver coinage, the Madras Government now decided to institute the Arcot rupee as the standard of value and money of account in the territories subordinate to the Madras Presidency, and thus establish the silver monometallism that was urged upon by the Court of Directors in their despatch dated 25 April 1806.

By a Proclamation dated 9 December 1817 Madras silver rupee was declared ‘the standard circulating medium.’

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¹ Pridmore 1975: 37.
² Thurston 1890: 44.
³ Ibid.: 45.
By another Proclamation dated 7 January 1818, the fineness of the Madras rupee was re-adjusted. While it retained the old weight of 11.66g, the standard of fineness or the pure silver contents were reduced to 10.69g. The same weight and standard of fineness was also adopted for the gold currency – the Gold Rupee – which then superseded the long-established Star Pagoda. Thus the Madras silver Rupee became the standard circulating medium of the Madras Presidency and retained its characteristics when it was assimilated in a general plan to establish a uniform currency for all the three Presidencies of the East India Company in 1833.

It would also be interesting to note that Madras Rupees were extremely popular as circulating medium in Chittagong and Dacca districts of Bengal Presidency. Till 1757, the Company did not possess any mint in Bengal and therefore, all its requirements for coined money were met by the Madras mint, where silver rupees bearing the mint name Chinapatan were regularly coined since 1692. Since south India had a predominantly gold based currency regime, most of the silver output of various mints of the Madras presidency was shipped to Bengal. Bengal also subsumed a large quantity of Arcot rupees, initially struck by the Nawab of Arcot but later also coined by the English and the French Companies. The Arcot rupee was ‘lower in value than the Bengal Sicca rupee, but despite this, it was imported by the merchants of Calcutta in large quantities. The popularity of Arcot rupees in Bengal was an enigma for the Company’s administrators too. Prinsep notes that ‘from some reason or other, perhaps from commerce between two places, the Chittagong and Dacca currency formerly consisted of Arcot rupees. It is quite likely that economic factors such as easy liquidity of Arcot rupees in Bengal as well as profit due to metal price disparity between the two regions must have contributed significantly in popularizing their use in Bengal. We have evidence that during 1823-25 Madras Rupee of 1818 standard were also minted at the Calcutta Mint for circulation in these districts.

2 Ibid.: 8.
3 Prinsep 1858: 24.
B. GOLD CURRENCY

Since 1740, the established gold currency of Madras was ‘Star' Pagoda of 3.40g, which derived its name from the five-pointed star which occupied the dotted or granulated field on the reverse. The obverse showed a standing figure of Vishnu.

This coin is referred to in the official records as the ‘Madras current or Star Pagoda.’ To encourage people to bring their gold bullion to the Mint to be coined into the Star Pagoda, the $\frac{1}{2}$ per cent mintage was suspended for six months in 1742.\(^1\) The Star Pagoda soon became the principal circulating medium of the gold coin in the Madras Presidency, except for the Northern Circars and Hyderabad, where an old variety, viz. the ‘3 Swami’ pagoda was more popular.

For nearly seven decades, the Star Pagoda minted at the Madras Mint remained the only denomination of the gold coin. In 1808, two new denominations, viz. Two Pagoda of 5.94g and a Pagoda of 2.97g were added to the gold currency by a Proclamation dated 3 February 1808.

However, the Madras Presidency was working towards implementation of the Court of Directors’ recommendation to establish a general silver currency. Even since the introduction of the Arcot Rupee into the general currency of Madras in 1749, the established exchange rate of 1 Star Pagoda was $3\frac{1}{2}$ Arcot Rupee, or 42 silver fanams.\(^2\) However, the pure silver contents in the exchanged value of Arcot Rupees and silver fanams ($3\frac{1}{2}$ and 42 respectively) varied as $3\frac{1}{2}$ Arcot Rupees contained 0.51g more fine silver than 42 silver fanams, both of which exchanged for one Star Pagoda – which, in

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\(^1\) Pridmore 1975: 27.

\(^2\) Despatch from the Court of Directors, to the Governments of Bengal, Madras and Bombay, dated 25 April 1806, British Parliamentary Papers, 1898, No. 127, para 26.
turn, was the money of account in all transactions. It was, therefore, felt necessary that all public accounts should be kept in the same denomination of rupees, annas and pice.¹ The Committee of Reform established by the Madras Government in 1799, therefore, recommended (para 54 of their report) that their accounts of the Madras Government ‘might be assimilated as much as possible to the Government accounts of Bengal and Bombay’, where silver rupee was the money of account.

No action seems to have been taken on the recommendations made by the Committee of Reforms in 1800, until its plan was endorsed by the Court of Directors in their despatch of 1806.² Even, thereafter there was a lapse of over a decade when finally in 1817 a Proclamation was issued on 9 December by which the coinage of Star Pagoda was discontinued and the Madras (Arcot) silver Rupee was declared as the standard circulating medium. By a further Proclamation dated 7 January 1818, a gold ‘rupee’ or *muhr* equivalent in weight and fineness with the silver rupee, each weighing 11.66g and containing 10.69g of fine metal, was established as the gold currency. The gold ‘rupee’ also had two fractional denominations, viz. half rupee/*muhr* (5.88g) and quarter rupee/*muhr* (2.91g).

In a major move to establish the Company’s sovereign position through its coins, the gold rupee, which till now bore the name and titles of the Mughal ruler, were ordered to be redesigned, so as to bear name, Arms and Crest of the East India Company. On 7 August 1818 the Mint Master of the Madras Mint submitted the specimens of the new designs which were immediately approved by the Governor of the Madras Presidency. The redesigned gold coin was denominated as *Ashrafi*, and bore the Arms of the East India Company on the obverse and the value and the name of the Company – *Ashrafi Kampani Angrez Bahadur* – in Persian on the reverse:

![Ashrafi, 1817](image)

The half and the quarter denominations were called *Nim Ashrafi* and *Pau Ashrafi*

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¹ Ibid.: para 21.
² Ibid.
respectively and bore the crest of the East India Company on the obverse and the value in Persian on the reverse. All these denominations were announced to the public by a Proclamation dated 9 March 1819.

The last change in the gold currency of the Madras Presidency was in 1820. It was then recommended by the Mint Committee that for the convenience of computation, the gold rupee should be divided into thirds instead of halves and quarters, so that $\frac{1}{3}$ gold ashrafi would be equivalent to 5 silver rupees. Thus, the fractional denominations of half and quarter gold ashrafi were replaced by a new one called Panj Rupiya or 5 rupees, weighing 3.88g and equivalent to the $\frac{1}{3}$ of a gold ashrafi.

This measure had its precedent in the Bombay Presidency where $\frac{1}{3}$ gold muhr, called Panchia weighing 3.86g was introduced in 1801, primarily due to the scarcity of silver. The Madras Panj Rupiya was similar in design to the half and quarter ashrafi that it had replaced, viz. it had the Crest of the East India Company on the obverse and the value written in Persian on its reverse. Henceforth, the gold coinage of the Madras Presidency, except for a small coinage of gold half rupees struck during 1822-23, consisted entirely of the ashrafi and its $\frac{1}{3}$ fraction.

C. Copper Currency

The Madras Presidency had a large variety of copper coins. The various denominations can be grouped under three nomenclatures, viz. Dudu, Cash and Dub.

The weight of the dudu was regularized in the middle of the eighteenth century, and was fixed at 6.30g for the full and 3.14g for the half dudu piece. The copper coinage of Madras underwent a change in 1803, when four new denominations called ‘Cash’ were introduced.

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Weight (in gms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>XX Cash</td>
<td>12.95</td>
</tr>
<tr>
<td>X Cash</td>
<td>6.47</td>
</tr>
<tr>
<td>V Cash</td>
<td>3.23</td>
</tr>
<tr>
<td>I Cash</td>
<td>0.64</td>
</tr>
</tbody>
</table>
CHAPTER III

All these coins were struck at a private mint (Matthew Boulton) at Soho, Birmingham. Their design — showing Arms of the Company with date ‘1803’ on the obverse of XX, X, and V Cash and the crest of the Company on the I Cash denomination along with the value of the coin in Persian and English on the reverse — was prepared by Company’s Librarian, Charles Wilkins, and the dies were engraved by John Philip of Matthew Boulton.

The reason for this experiment of European minting of copper coins for the Madras Presidency can be traced to 1786, when the Court of Directors entered into a contract with Messrs Boulton and Watt of Soho, Birmingham for the supply of copper coinage for the British settlement on the west coast of Sumatra. According to Pridmore, ‘struck by machinery developed by Boulton, the Directors had evidently decided that the supply of minor copper coinage could be effectively executed in England, and produced equally as cheaply as in their mints in India, notwithstanding the higher price of copper in Europe and the freight costs.’

These coins of four denominations were sent to Madras where these were immediately pushed into circulation. However, shortly thereafter, when a general reform in the currencies of the Madras Presidency was made in 1807, the copper coinage also underwent a change. It appears that the copper coins of the European minting were in short supply and had limited circulation. Consequently, the Proclamation of the Madras Government on 22 August 1807 was issued ‘with a view to remedy the inconvenience

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1 Pridmore 1975: 34.
which have hitherto been felt from the want of a proper copper coinage in the Honorable Company's Districts under this Presidency' (para 1). The Proclamation issued ‘New Copper Coinage’ under two series: The first series (Dubs) was meant for the Northern Circars while the second series (Cash) was for other districts of the Madras Presidency.

*Dubs* (called *fulus* lit. ‘a copper coin’, on the coins) were struck at the new Madras mint which began operations in the spring of 1807. The following denominations were struck.

<table>
<thead>
<tr>
<th>Coin Type</th>
<th>Weight</th>
<th>Value in Rupee</th>
<th>Value in Pagoda</th>
</tr>
</thead>
<tbody>
<tr>
<td>Double Dubs</td>
<td>20.61g</td>
<td>24</td>
<td>84</td>
</tr>
<tr>
<td>Single Dub</td>
<td>10.31g</td>
<td>40</td>
<td>168</td>
</tr>
<tr>
<td>Half Dub</td>
<td>5.15g</td>
<td>96</td>
<td>336</td>
</tr>
<tr>
<td>Quarter Dub</td>
<td>2.57g</td>
<td>192</td>
<td>672</td>
</tr>
<tr>
<td>Regulating Dub</td>
<td>7.56g</td>
<td>229½</td>
<td></td>
</tr>
</tbody>
</table>

The Regulating dub was essentially for computation purposes and to facilitate payments made in copper dubs. In the same Proclamation, the exchange rate of various Dub coins with new silver fanam (0.92g) was fixed as follows:

1 Fanam = 3 single Dubs + one Regulating Dub
= 6 half Dub + one Regulating Dub
= 12 quarter Dub + one Regulating Dub

Interestingly, the inscription on the Regulating Dub mentions the value as well as its exchange rate with the silver fanam, viz. *In sikka wa seh fulus yak falam khurd ast* [or ‘this coin and three fulus are [equal to] one small falam [fanam].’]
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<table>
<thead>
<tr>
<th>Coin Type</th>
<th>Weight</th>
<th>Rate</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Double Dubs</td>
<td>20.61g</td>
<td>@ 24 to the Rupee or 84 to a Pagoda</td>
<td></td>
</tr>
<tr>
<td>Single Dub</td>
<td>10.31g</td>
<td>@ 40 to the Rupee or 168 to a Pagoda</td>
<td></td>
</tr>
<tr>
<td>Half Dub</td>
<td>5.15g</td>
<td>@ 96 to the Rupee or 336 to a Pagoda</td>
<td></td>
</tr>
<tr>
<td>Quarter Dub</td>
<td>2.57g</td>
<td>@ 192 to the Rupee or 672 to a Pagoda</td>
<td></td>
</tr>
<tr>
<td>Regulating Dub</td>
<td>7.56g</td>
<td>@ 229½ to one Pagoda</td>
<td></td>
</tr>
</tbody>
</table>

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Interestingly, the inscription on the Regulating Dub mentions the value as well as its exchange rate with the silver fanam, viz. In sikka wa seh fulus yak falam khurd ast [or ‘this coin and three fulus are [equal to] one small falam [fanam].’]
CHAPTER III

Cash

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Weight (in gms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>XL Cash</td>
<td>19.31</td>
</tr>
<tr>
<td>XX Cash</td>
<td>9.65</td>
</tr>
<tr>
<td>X Cash</td>
<td>4.82</td>
</tr>
<tr>
<td>V Cash</td>
<td>2.41</td>
</tr>
<tr>
<td>2½ Cash</td>
<td>1.21</td>
</tr>
</tbody>
</table>

It could be seen that while an exchange rate of the Dub and the silver and gold currency was officially fixed, no such attempt was made with regard to the coins issued under the ‘cash’ series.

As expected, this led to confusion in the money market and shortly thereafter an agreement was reached with the *sarrafs* of Madras to fix the exchange rate as follows:

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Silver Fanam</th>
<th>Copper Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>One Pagoda</td>
<td>44</td>
<td>70</td>
</tr>
<tr>
<td>Half Pagoda</td>
<td>22</td>
<td>35</td>
</tr>
<tr>
<td>Quarter Pagoda</td>
<td>11</td>
<td>17½</td>
</tr>
<tr>
<td>One Rupee</td>
<td>12</td>
<td>65</td>
</tr>
<tr>
<td>Half Rupee</td>
<td>6</td>
<td>32½</td>
</tr>
</tbody>
</table>

The Government agreed to supply to the shroffs adequate quantities of fanams and copper coins of different denominations so to enable them to carry on their business of money exchange smoothly. The details of this Agreement were announced through a Proclamation dated 28 November 1807.

Coins of both the series (Dub and Cash) were minted at the new mint erected in the black town in Madras. Between August 1807 and March 1808, a total of 84.34 lakh pieces of different denominations of the above mentioned copper coins were minted.¹ Now ‘Cash’ series of the European mintage and ‘Cash’ series of Madras mintage, of which three common denominations (XX, X and V Cash) that followed two different weight standards, circulated indiscriminately, since the former was not withdrawn from circulation before the latter was issued. In a bit to rationalize their weights, the weights of the two denominations of the European mintage (XX and X Cash) were reduced in 1808.

¹ Stevens 2004: 126 and 129, Tables 3 and 6.
But still the weights of the coin of the two mintages were not at par.

During 1824 copper coins of altogether different denominations were struck for the Madras Presidency. These coins called 4 pice, 2 pice and one pice were struck at the royal mint at London and showed the Arms of the Company on the obverse and the value in Persian on the reverse. According to an estimate, a total of 19,003,880 pieces were minted between 1824 and 1825.

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Number of Pieces Minted</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Pice</td>
<td>71,36,448</td>
</tr>
<tr>
<td>2 Pice</td>
<td>71,26,104</td>
</tr>
<tr>
<td>1 Pice</td>
<td>47,41,328</td>
</tr>
<tr>
<td>Total</td>
<td>19,003,880</td>
</tr>
</tbody>
</table>

However, all denominations remained in circulation until 1835 when the universal copper coinage was finally introduced.

The statute books of the Madras Government commence from the year 1802 when, on the model of the Bengal Presidency, a regular code for all regulations passed by the Government of Fort St. George was established. However, as has been noted in the beginning of this section, these statute books are generally silent on the question of coinage and currency. These issues, as we have seen, were regulated over the years by issuing proclamations under the authority of the Governor-in-Council of the Government of Fort St. George.

The earliest regulations passed by the Madras Government, nevertheless included some provisions so far as the trade in bullion, both internal and external, was concerned.

3. **Bombay Presidency:**

As noted under the Madras presidency, the silence of the Statute Books on the subject of coinage and currency legislation is also witnessed in the Bombay presidency. Much of the changes which were introduced in the coins and currency system of this presidency, were thus by way of Proclamations issued under the authority of Governor-in-
A. Silver Currency

After the minting of silver rupees was suspended in Bombay in 1778, the Bombay mint had been practically shut down, and all the minting activities were operated from the Surat mint. However, in May 1800 the East India Company secured the control of the Surat mint and following this move, 'the Surat Rupee was adopted by the Company as the standard currency unit for western India.'1 From November 1800, the Bombay Government started minting silver rupee of the Surat standard – 11.60g with 92.03% (10.67g) pure silver and 7.97% (0.92g) alloy – at the Bombay mint. These rupees were called '46 san Surat rupees.'2 Shortly thereafter this standard was regularized by a Proclamation dated 27 January 1801.

The move to adopt silver monometallism and a rupee of uniform weight and fineness throughout the territories of the British India that was declared the most important agenda for currency reforms in India by the 1806 despatch from the Court of Directors, played a catalytic role in the Bombay Presidency as well.

The views of the Court of Directors on the introduction of silver monometallism and uniformity of coinage throughout India, however, drew sharp criticism by H. Scott, the Assay Master of the Bombay Mint, who argued that unlike the Bengal presidency, silver was no longer the principal circulating medium in the Bombay presidency and 'most of the ordinary business of the place was carried without the assistance of silver.'3 Describing the monetary economy of the Western India as the one based on gold standard, Scott informs that 'silver has really lost here one of the great qualities that usually attend the precious metals the straitness (sic straightness) of their value at all times and by which

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they are so fitted to become the measure of value of every other kind of property.¹

During this period, apart from the presidency mint at Bombay, the East India Company had under its control the mints at Surat and Broach, which it had taken over from the local rulers in 1800 and 1803 respectively.² In a bid to establish a greater control over the quality of coin production, the Bombay Government was pursuing a policy of suppressing the mints in the region. In this process the coinage of silver was closed at the Broach mint in 1814.³

Next year, the Surat mint too was closed and all its minting operations were transferred to Bombay. This change was announced through a public notice published in the Bombay Gazette dated 31 October 1815.

With the closure of the Surat mint, the Bombay mint came under heavy pressure to meet the demands of the silver currency. With a view to easing this pressure, plans were finalized to get the Bombay ‘Surat’ Rupee minted at Calcutta. Between the financial years 1822-23 and 1824-25, a total of 30 lakh rupees were minted at the Calcutta mint on account of the Bombay government. The first lot of these rupees were released sometime towards the end of 1823, as we learn from a notice dated 19 December 1823 issued to the Collector’s of various districts under the Bombay Presidency.⁴ In this Notice the Collectors were informed about the rupees of the new coinage being in circulation. No fractional divisions of the rupee of this type were minted.

These rupees were of superior mintage and machine-struck, as compared to the hand-struck or hammered coinage of the Bombay/ Surat mintage.

However, it was soon found that these coins were susceptible for counterfeiting. In

¹ Ibid.: 330-1
² Stevens 2004d: 25-32.
³ Ibid.
⁴ Pridmore 1975: 134.
a letter dated 7 November 1829, Major John Hawkins of the Bombay Engineers drew the attention of the Bombay Mint Committee towards 'great and increasing want of the silver currency and... extensive counterfeits of the old rupees in the Deckan.' According the Hawkins, 'I have seen several of the milled Bombay Rupees struck in Calcutta counterfeited in this side of India, and accordingly well executed.'

This experiment of the Government of Bombay to meet its demand of silver currency from Calcutta proved to be a failure. It was then decided to augment the minting operations of the Bombay mint. A plan to construct a new mint at Bombay, which was half the capacity of the proposed mint at Calcutta, was prepared in 1824. The plan to construct the new mint at Bombay was approved by the Governor-in-Council on 10 November 1824 and the construction work was assigned to Capt. John Hawkins, who had earlier successfully completed the construction of the Town Hall building, following the death of its architect, Col. Thomas Cowper.

Meanwhile, the Bombay Government also decided to implement the recommendation of the Court of Directors. The successful example of the Madras Government was also before them, where an Arcot rupee of 11.66g was adopted as the standard currency in 1818. By a Proclamation dated 6 October 1824, the Surat rupee of the Bombay Presidency was assimilated to the Madras standard. It was to weigh 180 grains (11.66g) with 165 grains (10.69g) or 91.66 per cent of pure silver and 15 grains (0.97g) or 8.33 per cent of alloy. The new rupee was designated as Bombay Rupee and, along with its subdivisions, it was declared 'at par with the present Bombay rupee and its subdivisions, within the territories subordinate to this Presidency, and as such receivable wherever the present Bombay rupee and its subdivisions are current as a legal tender in all public and private transactions.'

Following the completion of a new mint at Bombay in 1829, suggestions were made to adopt a new design for the silver currency. Hawkins was of the opinion that the design should be such that would render its counterfeiting most difficult. In his letter dated 7 November 1829 to JD Devitre, President of the Bombay Mint Committee, Hawkins writes: '... a well engraved human head is the most difficult to be imitated by

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1 NAI, Mint Committee, Letters Received, Vol. 1826-1830, 489.
the Natives of India, and next to it the human figure or that of animal.'

However, on the question of a new design the Court of Directors, had already communicated their views in their despatch of 27 May 1829, wherein they had ordered that the gold and silver coins should continue to have ‘the present inscriptions and of the same denomination.’ The Mint Committee, therefore, refused to deviate from the instructions of the Court, and by July 1832, all preparations were completed to issue the Bombay rupee of ‘improved form and impression, but of the same weight and standard as the present current money.’ The prototype for these coins was the Bombay Rupee minted at Calcutta during 1823-24. The minting of these coins of ‘improved’ design commenced at the Bombay Mint in September 1832 and they were declared current by a Proclamation dated 17 October 1832. By this Proclamation, four denominations of the silver currency were announced, viz.:

- The Bombay Rupee
- The Bombay Half Rupee
- The Bombay Quarter Rupee
- The Bombay Eighth of Rupee or two anna piece

The last named denomination, however, remained on paper and was never minted.

Coinage of this new improved silver currency continued at Bombay until December 1835 when the Company’s universal Rupee replaced it.

B. GOLD CURRENCY

At the time of reopening of the Bombay mint for coinage of silver in 1800, a recommendation was made in the report prepared by the Mint and the Assay Master that the exchange rate between gold and silver be fixed as one to fifteen, and that the weight and fineness of both the gold muhr and the silver rupee be the same, viz. weight 179 grains (11.60g) with 164.74 grains (10.67g) of pure metal and 14.26 grains (0.92g) of alloy. The minting of gold coins recommenced at the Bombay mint in 1801 when Gold Muhrs were allowed to be coined on account of a private firm – Bruce Fawcitt and Company. This full denomination was also supplemented by fractional denominations. The first of these was authorized in May 1801. It was called ½ muhr (3.86g). As it passed at the rate of 5 rupees, it soon acquired a popular name ‘panchia.’ The second fractional

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1 NAI, Mint Committee, Letters Received, Vol. 1826-1830, 490.
denomination was the same as \( \frac{1}{3} \) muhr of 1775 mintage. It weighed 0.77g and was declared legal tender and equal to one silver rupee. Thus in 1801, a gold currency was established in the Bombay presidency with the following three denominations.

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Weight Grs</th>
<th>Weight Gms</th>
<th>Fineness</th>
<th>Value in Silver Rupee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muhr</td>
<td>179.0</td>
<td>11.59</td>
<td></td>
<td>15</td>
</tr>
<tr>
<td>( \frac{1}{3} ) Muhr or Panchia</td>
<td>59.6</td>
<td>3.86</td>
<td>92%</td>
<td>5</td>
</tr>
<tr>
<td>( \frac{1}{12} ) Muhr</td>
<td>11.9</td>
<td>0.77</td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

By a Government Order dated 3 February 1802, the fineness of the above-mentioned denominations was increased by two per cent. In a move to assimilate the gold coins to the new weight standard of the silver coins that was established in 1824, the weights of the gold coins were slightly increased in 1825 as follows:

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Old Weight Grs</th>
<th>Old Weight Gms</th>
<th>New Weight Grs</th>
<th>New Weight Gms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muhr</td>
<td>179.0</td>
<td>11.59</td>
<td>180</td>
<td>11.66</td>
</tr>
<tr>
<td>( \frac{1}{3} ) Muhr or Panchia</td>
<td>59.6</td>
<td>3.86</td>
<td>60</td>
<td>3.88</td>
</tr>
<tr>
<td>( \frac{1}{12} ) Muhr</td>
<td>11.9</td>
<td>0.77</td>
<td>12</td>
<td>0.77</td>
</tr>
</tbody>
</table>

With the new weight standards, these three denominations continued to be minted at Bombay till 1833.

C. Copper Currency

The supply of copper coins from England stopped after the last shipment in 1794, and by the turn of the century the demand for copper currency was once again soaring in the Bombay presidency. In 1802, a proposal to revive the coinage of copper coins in the Bombay mint was submitted to the Government by the Mint and Assay Masters. It was noted by them that if the same weight standard as that of copper coins of English mintage was adopted there would be a great loss, since the price of copper has gone up. They, therefore, suggested that the weight of the full denomination should be reduced to 164
grains (10.62g). They also recommended scrapping of the denomination of one and a half pice, as it was frequently mistaken either for the Double Pice (8 reas) or the Single Pice (4 reas), and was hardly necessary for the accounts purpose. Both these recommendations were accepted by the Government on 15 November 1802 and a new series of copper pice commenced at the Bombay mint. The design of these coins was copied from the 1791-94 series, but the execution was much cruder. The new series initially had four denominations, to which another one, namely Quarter Pice was added later.

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grs</td>
</tr>
<tr>
<td>4 Pice</td>
<td>656</td>
</tr>
<tr>
<td>2 Pice</td>
<td>328</td>
</tr>
<tr>
<td>1 Pice</td>
<td>164</td>
</tr>
<tr>
<td>½ Pice</td>
<td>82</td>
</tr>
<tr>
<td>¼ Pice</td>
<td>41</td>
</tr>
</tbody>
</table>

It was soon realized that even at the reduced weight the minting of copper coins at Bombay was still an expensive and unprofitable affair. In a letter dated 12 December 1802, the Mint and Assay Masters recommended that it was ‘desirable to have the Copper Money sent hither from England.’ The Bombay Government accordingly wrote to the Court of Directors requesting them to send the copper coins worth one lakh rupees.

The Court of Directors placed orders for this supply with the Soho Mint at Birmingham. For these coins the denomination and the weight standard of the 1791-94 mintage was adopted, but with a modified design. Though the reverse of these coins was same as the earlier series, the obverse now bore the Arms, motto and the titles of the East India Company instead of their balemark.

However, unlike the 1791-94 series only three denominations of the copper coins of Soho Mintage are known; One and a half pice, though mentioned in the mint records,
has not been traced so far.

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Weight</th>
<th>Grs</th>
<th>Gms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Double Pice</td>
<td>200</td>
<td>12.95</td>
<td></td>
</tr>
<tr>
<td>1½ Pice*</td>
<td>150</td>
<td>9.71</td>
<td></td>
</tr>
<tr>
<td>Pice</td>
<td>100</td>
<td>6.47</td>
<td></td>
</tr>
<tr>
<td>Half Pice</td>
<td>50</td>
<td>3.23</td>
<td></td>
</tr>
</tbody>
</table>

*Not traced.

These coins would have only temporarily offset the pressure on the copper coins of Bombay mintage, whose minting is reported to have continued, though not all denominations were struck each year. The huge quantities of copper coins minted at Bombay can be judged by a report dated 15 September 1819, according to which, copper coins worth 2,77,357 Rupees, producing 1,71,79,650 pieces of pice, half pice and the quarter pice were struck during 1809-19.

In 1819, the minting process of the Bombay mint underwent a change with the installation of new machinery. At the same time plans were also formulated to replace the existing copper coins of twin weight standards (100 grain English minting and 164 grain Bombay minting) with a uniform weight. The new weight was to equate the pice to a quarter of an anna, resulting in a change in its exchange rate from 50 to 64 pice per silver rupee. Under this scheme four denominations were suggested; viz., Anna, Half Anna, Quarter Anna and Pice.

The specimens of the above denominations struck with the machinery installed at the Bombay mint in 1819, were submitted to the Government on 5 December 1821, and patterns of the Half Anna and the Quarter Anna denominations have also been noticed.¹ However, these coins were never struck for general currency and the plan was shelved, though temporarily, as we would see.

The issue of copper coinage at Bombay presidency was scrutinized by the Court of Directors and in their despatch dated 27 March 1829, they authorized the following three denominations for the copper coins:

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Weight</th>
<th>Grs</th>
<th>Gms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Half Anna</td>
<td>200</td>
<td>12.95</td>
<td></td>
</tr>
<tr>
<td>Quarter Anna</td>
<td>100</td>
<td>6.97</td>
<td></td>
</tr>
<tr>
<td>Pice or 1/2 Anna</td>
<td>33 1/2</td>
<td>2.15</td>
<td></td>
</tr>
</tbody>
</table>

By 1829, the construction of the new building of the Bombay Mint was complete and its production began in November 1830 with the issue of the new copper coin authorized by the Court of Directors. By a Proclamation issued 29 November 1830 the above mentioned denominations were declared 'legal tender to the amount of a rupee and its fractional parts, in all public and private transactions through out the provinces subject to this Presidency.' Their value in term of exchange was fixed as follows:

32 Half Anna or 64 Quarter Anna = 1 Rupee
12 Pie = 1 Anna

The design of these coins was adopted from the Pice series that was struck in England during 1804, with the addition of the value of the coin in English characters on the reverse. The same denominations of the copper coins continued to be struck and circulate in Bombay till well after the introduction of the Universal Currency by the East India Company, and it was only in 1844 when it was replaced by the universal copper coins of the East India Company.

Thus, we see that for regulating coinage and currency, the Government of Bombay, like that of Madras, resorted only to issuing Proclamations. The only pieces of legislation regarding the questions of coinage and currency in the Bombay Presidency relate either to the transit, import/export of treasure (coin or bullion) or to check the menace of counterfeiting of coins. The coinage of Bombay during this period show a phase of transition from the gold based economy to silver.

4. Other Measures:

A. CUSTOMS, TRANSIT AND TOWN DUTIES AND MONETARY POLICIES

After the grant of the Diwani rights of Bengal, Bihar and Orissa, the Company had developed its own tariff system. However, all the three presidencies were independent of each other so far as the regulation of customs and transit duties were concerned.1 ‘The result was that not only did each Presidency administer its own customs department, but

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1 The term ‘CUSTOMS Duty’ has been used in this work to denote the duties on import into and export outside India, while ‘Transit duty’ has been used for duties levied on inland trade of India. However, in the sources, the word ‘Custom duty’ is frequently used to describe the duties on inland trade as well; sometimes distinguishing the two by using ‘Sea customs’ for duties on export/import and ‘Land customs’ for duties on inland trade. Both Banerjea and Borpujari agree that ‘the British deliberately confused these terms so as to apply to the inland trade of India the concessions they had acquired from the native Indian rulers regarding the payment of customs duty on the foreign trade of India.’ Banerjea 1928: 209; Borpujari 1973: 218.
CHAPTER III

had its separate tariff." However, the fact that all these regulations passed by the presidency governments were subject to final approval by the Court of Directors and the Board of Control, ensured some degree of similarity in the tariff structure, though uniformity was still elusive.

a. Bengal:

In Bengal the customs and transit duties were administered by a Board of Customs under the Revenue Department. In 1793 it was transferred to the Commercial Department of that Government. In 1797, the Company introduced a duty of one per cent on all imports and exports from the Calcutta port. This levy was in addition to the existing duty of 2.5 per cent charged on a large variety of goods, including those goods that were then exempted from duties. However, all bullion and coins imported or exported from the Calcutta port, were exempted from this new levy (Regulation I of 1797, Sec. III).

Similarly, when a cess known as the 'Calcutta Town duties' that was abolished in 1795 and was re-introduced in 1801, the exempted list included 'bullion and coins' as well as copper imported from Madras. (Regulation V of 1801, Sec. II: Sixteenth).

In 1803, while organizing the Ceded Provinces, it was decided by the East India Company that all rahdary or transit duties in these territories should be abolished and instead Government customs and the gunj (market) duties may be levied on goods. Once again an exemption was made for bullion, whether imported into or exported from the Ceded Provinces. However, in a clever move to keep a tab on the quantity of bullion movement, a provision was made in the Sec. XIII of the Regulation XXXVIII of 1803 that 'the value and quantity of these articles must, however, regularly entered in the Custom House books.' This measure was later found to be impractical and was, therefore, rescinded by Regulation IX of 1810.

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1 Report of the Select Committee on the Affairs of the East India Company, 1810, quoted in Banerjea 1922: 8.
3 Appendix A.8.
4 Appendix A.10.
5 Appendix A.11.
6 Appendix A.20.
By Regulation XV of 1825, the import of bullion and coin from Britain, Europe and the United States of America were also declared free from any duties or levies.

While bullion and treasure was exempted from the customs, transit and town duties in the Bengal Presidency, a duty of 5 per cent *ad valorem* was levied on cowries imported by sea at Calcutta, Chittagong and Balasore. This was obviously aimed to support the currency policy of the Company which sought to substitute cowrie currency of Orissa and Bengal, with that of a metallic currency.

b. Madras:

In Madras too right from the beginning the bullion and treasure were kept out of the tariff net. Here the revision of customs regulations took place in 1781 and again in 1786. A series of regulations aimed at regulating the import and export of different merchandise, both by sea and the land routes, were passed by the Madras Government in 1803. A common feature of these regulations is that treasure and bullion were placed in the exempted list and no duty whatsoever was levied on trade of these commodities (1803: Regulation IX, Sec. XXV; Regulation XI, Sec. XXIII and Regulation XII, Sec. XXX).

Similarly, when ‘Town duties’ were introduced in Madras by Regulation X of 1803, the exemption list included treasure and bullion (Sec. XIX). However, like the regulations of Bengal, the quantity and value of all treasure and bullion, whether imported or exported, was required to be registered at the custom house or at the check posts situated at the transit points.

c. Bombay:

The earliest legislation concerning export and import of bullion appearing in the statute books of the Government of Bombay is dated 14 May 1805. By Regulation I of 1805 the Bombay Government ruled that all treasure imported into that presidency would be opened and examined at the custom house. Though no import duty was to be levied on

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1 Appendix A.36.
2 Milburn 1825: 264.
3 Banerjea 1922: 32.
4 Appendix B.1, B.3 and B.4.
5 Appendix B.2.
6 Appendix C.1.
the bullion thus imported, the said regulation prescribed that no bullion would be permitted to be imported or exported without a manifest (Sec. XVII).

In 1810, the Bombay Government also decided to reintroduce the ‘town duties’ which had ceased to exist since April 1805 (Regulation I of 18101). However, bullion was exempted from this duty.

In 1813, an export duty was introduced on coin or bullion to foreign nations. Regulation X of 18132 prescribed a duty ‘to be levied on all coin or bullion exported from Bombay or from any part subordinate thereto, either to America or Europe, at the rate of three percent if exported on British vessels and six percent if exported on foreign bottoms’ (Sec. IX).

Thus, we see that while bullion and treasure was generally free from various duties under the Company’s government, some measures were undertaken to record and quantify their movement, both within and outside India. The reason for this free movement of precious metals was perhaps the objective of the currency administrators of the Company to keep their supply for coinage purposes unhindered.

B. LAWS ON COUNTERFEITING: ASSERTION OF SOVEREIGNTY OR SOUND MONETARY POLICY?

The precious metal coins were always prone to some fraudulent practices. Whether it was debasing the coin by reducing its fine metal contents by; or reducing its weight by sweating; or punching holes in the coin and filling it with base metal; or issuing a base metal coin with silver plating or gilding as the case may be, the practices varied. In fact, the history of counterfeiting the official coin is as old as the history of coin itself, and this phenomenon was common both in the East as well as in the Western world. Counterfeit coins of the Bactrian, Saka and Kushan rulers have been reported,3 while clay moulds of punch-marked coins have been discovered in India.4 Similarly, moulds for counterfeiting die-struck Roman imperial coins have been found in many parts of the Roman Empire.5

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1 Appendix C.2.
2 Appendix C.4.
3 Cunningham 1840 and 1840a; Kala 1947.
4 Prasad and Gupta 1956.
5 Grierson 1975: 158.
The Islamic rulers considered *Sikka* and the *Khutba* as the exclusive prerogative of the sovereignty, and as such any incidence of counterfeiting the royal *sikka* was viewed as a crime against the State.

The English Company in India had no such privilege. Officially they were the *Diwans* of the Mughal emperor, whose name and titles their coins bore. The Company, therefore, resorted to technological improvement in coin production as a measure to check material injury to the coins and also against their counterfeiting. Thus, the milled coinage was established at the Calcutta mint in 1790 as an attempt by the Company to secure its coins against fraudulent practice of clipping the coins from the edges. Now the milling on the edge made such an attempt easily detectable. With its high workmanship, it was also seen as a bulwark to stop its counterfeiting. However, soon after the new gold *muhrs* were released in the market the counterfeiters set out at work and one incident of detection of counterfeit gold *muhr* came to light in July 1791.¹ While examining the accused, G.C. Myers, the Preparer of Reports in the Revenue Department, suggested that in the absence of any penal law to punish the manufacturers of counterfeit coins, the provisions of an Act passed in 1572 [14 Eliz. I, c.3], and entitled ‘An Act against the forging and counterfeiting of foreign coin, being not current within this Realm’ can be extended to India. He also suggested that the Government should ‘issue Public Notice that all offenders against this act will be prosecuted with the utmost severity in the Supreme Court of Judicature, and an adequate reward may be offered by the Government to any person who shall give information against them, so that they may be apprehended, and convicted according to law.’² The Advocate General of the Company, however, opined differently. According to him no statute pertaining to coins extended ‘to the offence of counterfeiting the coin of this country current in Calcutta; tho’ undoubtedly the uttering such coin knowing it to be forged, and with an intent to defraud, might be prosecuted and punished as a fraud by indictment.’³

We, therefore, find that the earliest currency Regulation (Regulation XXXV of 1793) that formed part of the ‘Cornwallis Code’ in Bengal, incorporated some pointed

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¹ NAI, Home Department, Public Branch, Proceedings, 20 July 1791, Nos. 9-11.
² Ibid.: 29 July 1791, Nos. 16.
³ T.H. Davies, Advocate General to the Governor-General in Council giving his opinion on the applicability of statutes to the offences counterfeiting coin in India, letter dated 8 September 1791. NAI, Home Department, Public Branch, OC, 14 September, 1791, No. 4.
directions as to how this menace was to be tackled.

a. Bengal:

Regulation XXXV of 1793 prescribed that the ‘Persons charged with counterfeiting, clipping, filing, defacing, or debasing, the Gold or Silver Coin, are to be committed to the Criminal Courts, and punished according as the law may direct.’ (Sec. XII)

The menace of counterfeiting of the coins was quite widespread. The town of Calcutta, districts of Burdwan, 24 Parganahs, Kishennagar, Midnapore, Murshidabad and Chandernagore, under the Bengal province and Birbhum and Bhagalpur in the Bihar province were reportedly the production centres for the counterfeit coins. However, the writ of the Supreme Court of Judicature, which was established in Calcutta in 1773 under the provisions of the Regulating Act, did not prevail outside the town of Calcutta. Therefore, for apprehending counterfeiters outside Calcutta something analogous to ‘Backing Warrants’ of England was contemplated. However, even that possibility was ruled by the Advocate General of the Company: ‘a Proceedings analogous to ... which in England is described by the expression of Backing Warrants [as they] may from the situation of this country and the peculiar constitution of the Supreme Court be subject to some Difficulties and Delays...’ The problem in prosecuting the offenders was grave as none of the then existing laws treated counterfeiting of coins as a ‘capital offence.’ In the opinion of the Advocate General and the Standing Counsel of the Company, ‘the persons guilty may be prosecuted for a misdemeanor, but if convicted will not be subject to any heavier punishment than fine and imprisonment, unless the circumstances appearing against them shall be sufficient to maintain an Indictment for a conspiracy.’

Like the Regulation XXXV of 1793, the Regulation XLV of 1803 too provided

1 NAI, Home Department, Public Branch, OC, 2 September, 1793, No. 2 and 7 October 1793, No. 21; Datta 1968: 215-6, 219-20, 222-3, 290, and 292-3.

2 Backing Warrants were issued by the Justices of Peace in England for apprehending persons residing outside the jurisdiction of their county. Such warrants required endorsement (or ‘backing’) by the Justice of Peace of that county where the accused resided.

3 W. Burroughs, Advocate General, to E. Hay, Secretary to the Government, Fort William, giving his opinion as to the prosecution of coiners guilty of circulating base coins, letter dated 8 February 1793. NAI, Home Department, Public Branch, OC 11 February, 1793, No. 10

4 W. Jackson, Company’s Attorney, to C. Shakespeare, Sub Secretary, Fort William, embodying the opinion of the Advocate General and the Standing Counsel on the punishment to be awarded to the persons concerned in counterfeiting gold muhrs, letter dated 17 August 1793. NAI, Home Department, Public Branch, OC, 19 August, 1793, No. 9.
that, instead of the then existing hand-minted coins, the new 45 sun Sicca of the Farrukhabad Mint should have milled edges to guard against ‘counterfeiting, drilling, filling, defacing or debasing’ (Sec. VII). Any person charged with these acts was to be committed to the Criminal Courts (Sec. XIV). But once again any specific legislation for punishing the act of counterfeiting the coins was absent from the law books.

Finally, by Regulation XVII of 1817, certain penal provisions were introduced to check counterfeiting of coins. Any person convicted of having forged or procured to be forged any coin in imitation of the gold, silver or copper coins of the British Governments in India, or of any coin usually received as money in the British possessions in India or involved in ‘clipping, filing, drilling, defacing, or debasing’ these coins, was liable ‘to receive thirty stripes with a corah [whip], and to be imprisoned in banishment from the district, for the period of seven years; or for the term of fourteen years’ (Sec. IX, Second). The same penalties were also extended for counterfeiting and forging credit instruments such as bank notes, promissory notes and public securities.

b. Madras:

The counterfeiting of gold pagodas was not confined to India alone. In a letter dated 24 September 1796, the Secret Committee of the Court of Directors informed the Governor General that ‘counterfeit Pagodas were making (sic) in this country, for the purpose of being sent to India.’ The Committee noted that ‘considerable quantities having been ordered for the purpose of taking them out as private ventures’, and, therefore, cautioned the Indian authorities to ‘be upon its Guard’ and take such steps, ‘previous to the arrival of the Fleet from Europe, as may prevent these counterfeit Pagodas becoming current.’ The Indian Government was also directed to take adequate measures for ‘detecting and bringing to punishment the Persons who may attempt to circulate them [counterfeit Pagodas] in India.’

However, in the regulations for the administration of criminal justice in Madras presidency, counterfeiting, debasing etc. of the legal coin was made a cognizable offence.

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1 Appendix A.27.
2 NAI, Foreign Department, Secret Branch, Letters From Court, dated 24 September 1796.
3 Ibid.
4 Ibid.
as late as in 1827. By Regulation VI of 1827, provisions against the counterfeiting of coin were made and even ‘making, mending, buying, selling, concealing, or having possession of implements for coining’ was declared a punishable offence (Sec. IV. First).

An interesting part of this legislation is that under the scope of this offence, all ‘gold, silver, or copper coins of the British Government in India, or any of coin usually received as money in the British possessions in India’ were included.

c. Bombay:

To curb the menace of counterfeiting of coins, a legislation was issued by the Bombay Government on 25 March 1812, under the authority of an Act of British Parliament – An Act for the better Government of the Settlements of Fort St. George and Bombay, 1807 (47 Geo. III, c.68). It prohibited the manufacturing of any coin current in the island of Bombay, without the authority of Government, was prohibited. The act of debasing the current coins was likewise brought under the definition of ‘criminal misdemeanour’ and all violators were made liable for trial by the ‘Court of Petty Sessions’ (Regulation I of 1812, Title Ninth: Of Coining, Article I).

The provisions of the said regulation were reiterated in a comprehensive legislation for ‘defining crimes and offences, and specifying the punishments to be inflicted for the same’ was passed by the Government of Bombay 1 January 1827. By Regulation XIV of 1827 the persons convicted for illegal coining, counterfeiting or debasing the coin were ‘punishable with fine, ordinary imprisonment not exceeding eight years, or flogging, or any of these combined (Sec. XVIII and XIX). For petty crimes concerning counterfeiting etc., where the amount was limited to ten rupees the fine was limited to three times of the sum involved, ‘commutable to ordinary imprisonment, without labour, for a period to two days for each rupee of fine’ (Sec. XIX, Second).

The laws on counterfeiting coins that were enacted by the governments of the three presidencies could not eliminate this evil, which now spread to territories falling outside the Company’s domains. Thus, as late as in 1831 we notice the coiners in Oudh

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1 Appendix B.5.
2 Ibid.: Sec. IV. First.
3 Appendix C.3.
4 Appendix C.5.
counterfeiting the coinage of the Company.¹ Many of these counterfeiters were patronised by the local zamindars and other officials, who in turn received from them a hefty amount as ‘tax’. Apart from penalties imposed in the legislations mentioned above, the government also tried to tackle the problem of counterfeiting both through technological improvements of the coin device. As we shall see in Chapter IV, the change in the device of the coin which the Company ultimately choose to install as the common currency in its territories, was aimed both as an assertion of its sovereign status in India as well as an ultimate check against its possible counterfeiting.

5. Establishment of a Uniform Currency throughout British India:

As early as in 1799, the Committee of Reforms set up by the Madras Government had proposed a regulation for the adoption of Bengal coinage comprising of 19 sun Sicca and 19 sun Muhr and their fractional denominations, as the general coinage throughout British India.² Had this plan been accepted a uniform currency throughout British India would have come into force with effect from 1 January 1802 – the date proposed by the said Committee.³

A general plan for establishing a uniform currency throughout the British India was later laid down in a despatch from the Court of Directors dated 25 April 1806, addressed to the presidencies of Bengal, Madras and Bombay. The Court referred to a letter from the Earl of Liverpool to the King on the coins of the realm wherein he had propounded a principle of monometallism for a sound monetary system.⁴ The Earl noted, ‘the money or coin which is to be the principal measure of property ought to be of one metal only.’⁵ The Court, therefore, concluded that, ‘In applying this argument to the general use in India, there cannot be a doubt, in our opinion, that such coin must be of silver.’⁶

The decided preference of the Earl of Liverpool in favour of monometallism and the subsequent decision taken by the Court on that basis was nothing new for India. In his

¹ NAI, Foreign Department, Political Branch, OC, 11 February 1831, Nos. 72-73.
² NAI, Financial Department, Mint Committee, Letters Received, Vol. 1811-13, 153-65.
³ Ibid.
⁴ Liverpool 1805.
⁵ Despatch from the Court of Directors, to the Governments of Bengal, Madras and Bombay, dated 25 April 1806, British Parliamentary Papers, 1898, No. 127, Para 6.
⁶ Ibid.
Minute dated 29 September 1796, the then Governor-General of India, Sir John Shore had dwelt at length on the question of currency reforms in Bengal and had proposed that coin of only one metal should be legal tender and that metal should be silver.\(^1\)

The next question was to decide upon the weight for the proposed silver coin. The Court noted that the standard weight of the Mughal rupee ‘was uniformly one sicca, or 10 massa, being 179\(\frac{3}{4}\) troy grains or 179.5511 \([11.63\text{g}]\).\(^2\) The Court, though inclined to adopt the weight of the former Mughal rupee for their proposed uniform coin for British India, chose to ‘fix the gross weight in whole numbers’ and therefore, adopted ‘180 troy grains as the nearest to the sicca weight.’\(^3\)

Having decided upon the metal and the weight of the proposed uniform coin for India, the Court then considered the question of fineness of this coin. This question was already deliberated upon, albeit in a different context, by the Committee of Privy Council appointed in January 1803, ‘to take into consideration the state of coins of this country [England] and the present establishment and constitution of His Majesty’s mint.’ In its Report, the said Committee had recommended the ratio of \(\frac{14}{12}\) pure metal and \(\frac{1}{12}\) alloy as the ‘best proportion.’ The Court decided to adopt this proportion for the proposed coin of India, as follows:\(^4\)

\[
\begin{align*}
\text{Troy grains} & \quad 180 \\
\text{Deduct one-twelfth} & \quad 15 \\
\text{And contain of fine silver, troy grains} & \quad 165
\end{align*}
\]

Coming to the adoption of the foregoing principles of standard weight and fineness in India, the position regarding the principal units of silver currencies circulating in the three presidencies presented a very divergent picture. In Bengal alone there were three different silver coins, viz. the 19 sun sicca, the Farrukhabad rupee and the Benares (Machhlidar) rupee, which had different weights and pure metal contents. In Madras there was Arcot rupee while Surat rupee was the principal currency in Bombay, which again had weight and fineness that was different from each other. The overall picture emerged as follows: (Table)

\(^1\) Referred to in NAI, Public, Letters from Court, dated 25 May 1798, para 25.
\(^2\) Despatch from the Court of Directors, to the Governments of Bengal, Madras and Bombay, dated 25 April 1806, British Parliamentary Papers, 1898, No. 127, Para 6: Para 8.
\(^3\) Ibid.
\(^4\) Ibid.: Para 9.
Table: Principal Units of Silver Currency in British India (c. 1806)

<table>
<thead>
<tr>
<th>Issued by the Government of</th>
<th>Territory in which it circulated.</th>
<th>Date and Authority of Issue.</th>
<th>Silver Coins.</th>
<th>Name</th>
<th>Gross Weight (in gms)</th>
<th>Pure Contents (in gms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bengal</td>
<td>Bengal, Bihar and Orissa</td>
<td>Regulation XXXV of 1793</td>
<td>Sicca (19 Sun) Rupee</td>
<td>11.64</td>
<td>11.40</td>
<td></td>
</tr>
<tr>
<td>Cuttack</td>
<td>Regulation XII of 1805</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ceded and Conquered Provinces</td>
<td>Regulation XLI of 1803</td>
<td>Furrukhabad (Lucknow 45 Sun Sicca) Rupee</td>
<td>11.21</td>
<td>10.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benares Provinces</td>
<td>Regulation III of 1806</td>
<td>Benares (Muchhildar) Rupee</td>
<td>11.34</td>
<td>10.94</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Madras</td>
<td>Madras Presidency</td>
<td></td>
<td>Arcot Rupee</td>
<td>11.43</td>
<td>10.78</td>
<td></td>
</tr>
<tr>
<td>Bombay</td>
<td>Bombay Presidency</td>
<td>Proclamation, 27 January 1801</td>
<td>Surat Rupee</td>
<td>11.60</td>
<td>10.67</td>
<td></td>
</tr>
</tbody>
</table>

Source: Despatch from the Court of Directors, to the Governments of Bengal, Madras and Bombay, dated 25 April 1806, British Parliamentary Papers, 1898, No. 127, Para 6.; Ambedkar 1947: 17.

In order to reduce all these silver currencies to a common standard, except for the 19 sun sicca, only a slight adjustment in their fineness was required. (Table)

Table: Deviations of the Proposed Standard of Fineness from that of the Principal Recognized Rupees

<table>
<thead>
<tr>
<th>Silver Coins recognised as Principal Units and their Fineness</th>
<th>Standard Fineness of the proposed Silver Rupee (in gms)</th>
<th>More valuable than the proposed Rupee (in gms)</th>
<th>Less valuable than the proposed Rupee (in gms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of the Coin</td>
<td>Its Pure Contents (in gms)</td>
<td>By %</td>
<td>By %</td>
</tr>
<tr>
<td>Sicca (19 Sun) Rupee</td>
<td>11.40</td>
<td>0.708</td>
<td>6.211</td>
</tr>
<tr>
<td>Farrukhabad (Lucknow 45 Sun Sicca) Rupee</td>
<td>10.77</td>
<td>0.073</td>
<td>0.683</td>
</tr>
<tr>
<td>Benares (Muchhildar) Rupee</td>
<td>10.94</td>
<td>0.253</td>
<td>2.511</td>
</tr>
<tr>
<td>Arcot Rupee</td>
<td>10.78</td>
<td>0.095</td>
<td>0.887</td>
</tr>
<tr>
<td>Surat Rupee</td>
<td>10.67</td>
<td>-</td>
<td>0.026</td>
</tr>
</tbody>
</table>


Thus except for the Sicca and the Benares Rupee, all other principal units agreed closely to the new standard of fineness, viz. 165 grains (10.69g) of pure silver. Even in the
case of Sicca Rupee, where the proportion of pure metal was much higher than the proposed standard, the Court of Directors did not 'apprehend any objection on the part of the people of Bengal' and remarked that 'no objection but what a very short experience of the advantages of the general currency would remove.'

The Court also contemplated the fractional units of the principal coin as follows:

- Half rupee weighing troy grains 90
- Quarter rupee do. 45
- Anna do. 11¼

For small monetary transactions, the Court recommended a copper coinage consisting of the following three denominations:

- 6 pice or half anna
- 3 pice or quarter anna
- 1 pice or one-twelfth anna

The pice was to be the smallest currency unit. To guard against clandestine melting of this specie, the Court directed that:

... the weight of this coin to be so adjusted, according to the price of copper and expenses of coining, as to leave a profit on its issue; which would have the good effect of preventing the melting of the coin, as its value in currency would be something more than the value of the metal, with all the export charges upon it.

While establishing the silver rupee and its fractional denominations as the principal monetary unit and a copper coinage as a subordinate currency medium for small transactions, the Court also considered the issue of gold coinage and noted that they were 'by no means desirous of checking the circulation of gold, but of establishing a gold coin on a principle fitted for general use.'

The gold coin, according to the Court, was to be modelled on the same standard of weight and fineness as that of the proposed silver rupee, 'viz. 180 troy grains, gross weight, and 165 troy grains, fine gold.' It was to be called 'gold rupee' and was to have half and quarter denominations of the proportionate weight and fineness. However, the gold coinage was not to have any fixed value with regard to the silver coin 'but left to find

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1 Despatch from the Court of Directors, 25 April 1806, op.cit., para 10.
2 Ibid.: para 14.
3 Ibid.
5 Ibid.: para 16.
6 Ibid.
its own level according to... the market value of the metals.¹

As for the general device of the new coinage the Court recommended the following pattern:²

Obverse: Company’s arms and motto, with an inscription “English East India Company” as also the denomination and value of the coin, with the year of coinage, viz., Sicca rupee, 1806/ Half rupee or ½ rupee, 1806/ Anna, 1806.

Reverse: Persian inscription, expressing the English one on the obverse, with the value and denomination of the coin, together with the date of coinage.

It was also mentioned that ‘If the smaller gold and silver coins (perhaps below the half rupee) do not present surface sufficient for a clear impression, it would be proper to substitute for the arms, the Company’s crest, the inscriptions to remain alike in all.’³ No device was prescribed for the copper coins.

No time frame was prescribed for the adoption of these measures in India, and the three presidencies were left to carry these recommendations into effect at their discretion as to the time and manner of doing it.

The task of reducing the existing units of currency to that proposed by the Court was first accomplished in Madras.⁴ By a Proclamation issued by the Government of Fort St. George on 7 January 1818, a gold rupee and a silver rupee, each weighing 180 grains troy and containing 165 grains of pure metal was established. Six years later, the Bombay Government followed suit. By a Proclamation issued on 6 October 1824 the Surat rupee of the Bombay Presidency was re-designated as ‘Bombay Rupee’ and was assimilated to the Madras standard. The gold muhr of Bombay was likewise assimilated to the new standard in 1825.

In Bengal Presidency, three principal currencies were established, viz.:

<table>
<thead>
<tr>
<th>Denomination</th>
<th>Area of Circulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sicca Rupee</td>
<td>Provinces of Bengal, Bihar and Orissa</td>
</tr>
<tr>
<td>Farrukhabad Rupee</td>
<td>Upper Provinces, Lower Provinces, Saugor and Nerbudda Territories</td>
</tr>
<tr>
<td>Benares Rupee</td>
<td>Benares Province</td>
</tr>
</tbody>
</table>

¹ Ibid.: para 18.
² Ibid.: para 37.
³ Ibid.
⁴ Ambedkar 1947: 16.
As a first step to reduce the coin types, the Benares rupee was abolished by Regulation XI of 1819, dated 31 December 1819, and the circulation of Farrukhabad rupee was extended to the province of Benares. Secondly, the weight of the Farrukhabad was altered as follows:

<table>
<thead>
<tr>
<th>Established by</th>
<th>Weight</th>
<th>Fineness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grs</td>
<td>Gms</td>
</tr>
<tr>
<td>Reg. III, 1806</td>
<td>173</td>
<td>11.21</td>
</tr>
<tr>
<td>Reg. XI, 1819</td>
<td>180.234</td>
<td>11.67</td>
</tr>
</tbody>
</table>

Thus, while there was no change in the contents of the pure metal, the Regulation XI of 1819 brought the weight of the Farrukhabad rupee within the close proximity of the standard prescribed by the Court of Directors. But even now two measures of value prevailed in the Bengal Presidency in contrast with the Madras and Bombay presidencies, where by now Arcot and the Bombay rupees respectively, had been established as the measure of value.

<table>
<thead>
<tr>
<th>Coin</th>
<th>Weight</th>
<th>Fineness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grs</td>
<td>Gms</td>
</tr>
<tr>
<td>Sicca Rupee</td>
<td>191.916</td>
<td>12.44</td>
</tr>
<tr>
<td>Farrukhabad Rupee</td>
<td>180.234</td>
<td>11.67</td>
</tr>
</tbody>
</table>

A. STANDARDIZATION AND REVENUE COLLECTION

The question of having only one silver coin for the Bengal Presidency was now contemplated and the option of having either the Farrukhabad (or the Kaldar Sicca) or the Sicca Rupee, both of which followed different weights, was debated in several consecutive meetings of the Mint Committee. Holt Mackenzie, Secretary to the Government and a Member of the Calcutta Mint Committee, recorded his observations in his Minute dated 12 May 1825, where he writes: 'The question resolves itself into the discussion, whether the Calcutta Sicca or the Furruckhabad Rupee shall be our standard of value.'

The chief hindrance in adopting the Calcutta Sicca Rupee as the general standard was the potential loss of revenue from the areas where the revenue assessment had been

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1 NAI, Financial Department, OC, 26 July 1826, No. 10.
done as per the Farrukhabad (or Arcot/ Bombay) Rupee standard which was $\frac{1}{16}$ (or 6.25 per cent) less in the intrinsic value as compared to the Calcutta Sicca Rupee. Mackenzie estimated this loss to the tune of Rs.52 lakhs:

In the land revenue of the Western Provinces, and of Madras and Bombay, a remission to the extent of $6\frac{3}{4}$ per cent must be made amounting to about Rupees 52,00,000. This would be a dead loss to the Government ... the sacrifice of the revenue would be so great as to oppose an insuperable to the adoption of this branch of alternative.¹

On the other hand if the Farrukhabad Rupee was adopted as the standard measure of value it would have clashed directly with the provisions of the Permanent Settlement of Bengal, Behar and a portion of Orissa, where annual revenue of Rs. 2.85 crores had been fixed in the Calcutta Sicca. As Mackenzie observes:

If we continue to demand the same nominal amount of Rupees, we shall sustain an annual loss of about Rupees 17,80,000 by taking Farruckabad instead of the Sicca Rupees. If we increase the nominal amount of the Revenue in proportion to the reduced value of the coinage, we shall ostensibly enhance a demand, which the nation is so solemnly pledged to continue unaltered. We shall thus probably give occasion to much complaint, and for a time at least may actually injure the zemindars.²

In spite of the obvious difficulties Mackenzie was in favour of adopting the Farrukhabad rupee as the uniform currency for the Bengal presidency. In the subsequent years, while efforts were made to regularize the minting operations of different mints of the Bengal Presidency and to facilitate the circulation of various sorts of old and new currencies, no breakthrough was apparently made either in reducing the two principal silver currencies of the Bengal Presidency to a single coin type, or to assimilate either of the two to the principal units of the other Presidencies, namely Madras and Bombay.

The principal individual who spearheaded the task of assimilating the Farrukhabad rupee to the Bombay and Arcot rupees and thus achieving uniformity in weight and fineness of the principal silver rupees of the three presidencies was James Prinsep (1799-1840), the son of John Prinsep, who during 1780-84, had supplied copper coinage to the Bengal Government from his private mint at Falta. Thus, James had the genes of a coiner in his blood.³

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¹ Ibid.
² Ibid.
JAMES PRINSEP

James Prinsep had earlier served as the Assay Master and the Secretary of the Mint Committee at Benaras (1820-29) and, after the abolition of the Benaras Mint in 1829, as Deputy Assay Master at Calcutta Mint (1830-1832). In January 1833, when the then Assay Master Dr. H.H. Wilson left for England to take up his new assignment as the Boden Professor of Sanskrit in the University of Oxford, James Prinsep succeeded him as Assay Master of the Calcutta Mint and Secretary of the Mint Committee.

Immediately after assuming these responsibilities, James Prinsep got an opportunity to review the question of weight and measures of India and formulate, inter alia, a plan for establishing the uniformity in the weight and fineness of the principal silver currencies of British India.

The occasion was provided by an error which Prinsep discovered in the table of weights of various coins that was prepared by H.H. Wilson before his departure for England. This table was printed by the order of Government and circulated for guidance of the revenue officers of the Bengal Presidency. In his letter dated 11 April 1833 addressed to the Mint Committee of Calcutta, Prinsep pointed out that in this table the new Farrukhabad rupee has been "inserted as weighing 180 grains troy [11.66g.] instead of 180.234 [grains = 11.67g] as provided by Reg. XI of 1819, Sec. 5."¹

Prinsep then described the existing twin weight and fineness standard for the same specie, viz. the Farrukhabad rupee, coined at Farrukhabad, Calcutta and Benaras mints on the one hand and at Saugor mint on the other.

**Minting of Farrukhabad Rupee (1819-1833)**

<table>
<thead>
<tr>
<th>Mint</th>
<th>Years</th>
<th>Weight</th>
<th>Fineness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Grs</td>
<td>Gms</td>
</tr>
<tr>
<td>Farrukhabad</td>
<td>1819-1824*</td>
<td>180.234</td>
<td>11.67</td>
</tr>
<tr>
<td>Calcutta</td>
<td>1819-1833†</td>
<td>180.234</td>
<td>11.67</td>
</tr>
<tr>
<td>Benares</td>
<td>1820-1829*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saugor</td>
<td>1825‡-1833‡</td>
<td>180</td>
<td>11.66</td>
</tr>
</tbody>
</table>

* Mint abolished  # New Mint established § Minting continued till 1833

¹ NAI, Financial Department, Mint Proceedings, 1 July 1833, No. 2.
While the Farrukhabad, Calcutta and Benaras mints followed the weight and fineness standard prescribed by Regulation XI of 1819, the Farrukhabad rupee coined at Saugor, followed right from its inception, the weight and fineness standard of the Arcot rupee established in 1818, and to which standard Bombay rupee was assimilated in 1829. Thus by 1829, uniformity of weight and fineness of principal silver currency circulating in a large part of British India was virtually established.

However, the existence of two differing weight and fineness standards of the same specie caused both loss and confusion, as noted by James Prinsep in his letter to the Mint Committee, referred to above. He records, ‘... it is a waste of silver to coin heavier money to circulate at par with them [lighter coins]’ and adds that ‘confusion at the Collector’s office will prevail in ascertaining when the current coin is to be deemed of short weight what are still issuable at one Treasury will have caused to be so at another and vice versa as long as the two weights remain.’

Referring to the ‘expressed desire’ of the Court of Directors ‘to equalize the coin of the whole of their Indian possessions, both in weight and standard’, Prinsep advocated the adoption of 180 grains (11.66g) as the standard weight for the Farrukhabad rupees minted at Calcutta in a hope that ‘the adoption of the smaller weight will tend to keep the present currency afloat for a longer period.’

As the weight of 180 grains was $\frac{15}{16}$ th of 192 grains (12.44g) – the weight of Calcutta Sicca, comprising 16 annas, the problem of conversion was also expected to be simplified, ‘since the commonest understanding could comprehend the calculation of one anna per rupee which would be leviable upon all fixed settlements in excess of their jumma [revenue] if paid in new Farrukhabad Rupee.’

Prinsep hoped that if this arrangement was adopted, ‘the abolition of the [Calcutta] Sikka Rupee (or the suspension of any further coinage of it) might be at once effected.’

Thus Prinsep’s plan was two fold: First, to reduce two principal currencies of the Bengal

1 Ibid.
2 Ibid.
3 Its weight was actually 191.916 grains or 12.43g. as fixed by Regulation XIV of 1818.
4 NAI, Financial Department, Proceedings, 1 July 1833, No. 2.
5 Ibid.
Presidency to one and, secondly to assimilate it to the weight and fineness standard of Arcot and Bombay rupees, and thereby complete the process of uniformity of currency that was started in Madras in 1818, in accordance with the roadmap laid down in Court of Directors' despatch of 1806.

Associated with the reform of the coin was the problem of weight that was in general usage. During this time the weights throughout the country were expressed in terms of the principal coin and thus *ser* and *man* were simply the multiples of the principal coin current in that area:

Thus, throughout the Marathi states, the *ser* is referred to the Puna or Ankusi rupee: in Gujarat, to the Baroch rupee: in Ajmir to Salimsahi; in Bengal, to the old Murshidabad rupee…¹

In Bengal two systems of weights were prevalent. First was the Factory weight, based on the English avoirdupois pound system, while the second, called the *Bazaar* or the *Sikka* weight, was based on the old Murshidabad rupee weighing 176.666 grains (11.64g). In those parts of the Bengal province where Farrukhabad rupee was in circulation, the *ser* and *man* were expressed as the multiples of that coin. Prinsep was aware that any change in the weight system was not an easy task. He writes:

However desirable it may be, in theory, to reduce the system of weights throughout the vast continent of India to order and uniformity; in practice, it is well known that insuperable difficulties oppose the execution of such a project.²

To start with, such a change required a corresponding adjustment in all the weights in use at the Mint, the Custom House, the Treasury, the banks, Collector's offices, and a number of other Government offices.

Undeterred by the apparent difficulties, Prinsep, by his mathematical calculations and statistical analysis, successfully demonstrated that only by a slight modification in the Sicca weight, it could be adopted as the standard unit for the weights as well as for the new rupee coins.

When the weight of the Calcutta Sicca rupee was increased from 179.666 grains (11.64g) to 191.916 grains (12.43g) by Regulation XIV of 1818, corresponding alteration on weights of general use was not carried out.

¹ Prinsep 1858: 109.
² Ibid.
... it was not deemed expedient to extend the alteration to the weight founded upon the old coin and consequently a Sikka weight was retained as the unit of weight contradistinguished from the Sikka Rupee of the new currency.1

Prinsep found a great opportunity in this anomaly as the old Sicca weight (179.666 grains) was "but a trifling fraction of a grain lighter than the proposed Rupee of 180 grains."2 This difference of 0.333 grains (21mg) or nearly 600th part was too negligible and was, therefore, readily adaptable "without the smallest difficulty or inconveniences in commercial or revenue transactions."3

Having had studied the coin and currency systems of India through the ages, Prinsep was also aware of the fact that the traditional Indian weight of tola was in fact the weight of the silver rupee, 80 of which went for a ser. The tola, in turn, matched closely with the weight of the Farrukhabad rupee (180 grains) that was proposed by Prinsep as the sole silver currency unit for the Bengal Presidency. On the other hand the multiples of tola also synchronized with the English troy weights, viz.:4

<table>
<thead>
<tr>
<th>English</th>
<th>Hindi</th>
<th>English</th>
<th>Hindi</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 rattis</td>
<td>1 masha</td>
<td>15 grains troy</td>
<td>0.97g.</td>
</tr>
<tr>
<td>12 mashas</td>
<td>1 tola</td>
<td>180 grains troy</td>
<td>11.66g.</td>
</tr>
<tr>
<td>80 tolas</td>
<td>1 ser</td>
<td>2½ lbs. troy</td>
<td>933.1g.</td>
</tr>
<tr>
<td>40 sers</td>
<td>1 man</td>
<td>100 lbs. troy or bazaar maund</td>
<td>37.32 kg.</td>
</tr>
</tbody>
</table>

Prinsep, therefore wanted the weights to be fabricated on this system, for the distribution of general use. He also preferred the use of 'the universal Hindi word tola' in contrast with 'Sikka weight' which he found objectionable — "... it is an English compound and cannot be translated into the native language."5

The plan proposed by Prinsep was forwarded to the Governor-General on 12 April 1833.6 In his reply dated 1 July 1833, G.A. Bushby, Officiating Secretary to the Government in the Financial Department, informed the Mint Committee of Calcutta about the decisions of the Governor-General in this regard.7 First of all the proposed alteration

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1 Prinsep to the Mint Committee, dated 11 April 1833. NAI, Financial Department, Proceedings, 1 July 1833, No. 2.
2 Ibid.
3 Ibid.
4 Ibid.
5 Ibid.
6 Mint Committee to Secretary to Government in General Department. NAI, Financial Department, Proceedings, 1 July 1833, No. 1.
7 NAI, Financial Department, Mint Committee Proceedings, July 1833, No. 15.
in the weight of Farrukhabad Rupees to be coined at the Calcutta mint from 180.234 to 180 grains as well as that of the Calcutta Sicca rupees from 191.916 to 192 grains was approved. Similarly, the assimilation of the Sicca weight, ‘contradistinguished to the Sicca Rupee’, with the weight of the Farrukhabad rupee (180 grains) as well as the substitution of the term tola for ‘Sicca weight’ was also approved. However, regarding the enforcement of ‘the general use of the uniform weights and measures’ in all public transactions, the Governor-General observed that the same ‘could not be effected without prescribing penalties for employing others than those of the Regulation standard.’ As an alternative, therefore, he suggested that ‘where application is made to the Mint and Assay Offices for the verification or manufacture of Sicca weights, that a standard of 180 grains ought to be adopted.’

Subsequently, on 13 July 1833, Regulation VII of 1833 was passed which converted Prinsep’s proposals into a legislation. By this Regulation the weight of the Farrukhabad rupee – one of the principal coins of the northern India, was fixed at 180 grains troy, corresponding to the traditional Indian weight for the silver rupee, i.e. one tola of 12 mashas. This coin was then adopted as the unit of a general system of weights for Government transactions throughout India.

At the same time, by this alteration in the weight, the Farrukhabad rupee was also assimilated to the weights of the Bombay and the Arcot rupee – the principal coins of the Bombay and the Madras Presidency respectively. Now all the three Presidencies of the East India Company had their principal coins of the Uniform Weight. A Uniform Coinage was a fait accompli.

<table>
<thead>
<tr>
<th>Presidency</th>
<th>Denomination</th>
<th>Weight</th>
<th>Fineness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bengal</td>
<td>Sicca Rupee</td>
<td>192</td>
<td>176</td>
</tr>
<tr>
<td></td>
<td>Farrukhabad Rupee</td>
<td>180</td>
<td>165</td>
</tr>
<tr>
<td>Bombay</td>
<td>Bombay Rupee</td>
<td>180</td>
<td>165</td>
</tr>
<tr>
<td>Madras</td>
<td>Arcot Rupee</td>
<td>180</td>
<td>165</td>
</tr>
</tbody>
</table>

Source: Adapted from Ambedkar 1947: 17.

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1 Ibid.
2 Appendix A.39.
Prinsep at the same time was also convinced that such a wide ranging change touching almost every aspect of the public life cannot be affected by force. Thus, we find that the said Regulation expressly avoided any penal provision for default. The decision of the Government as well as a copy of the Regulation VII of 1833 was forwarded to the Court of Directors by Governor-General’s letter dated 9 September 1833.\(^1\)

The Uniformity of Currency thus achieved, the next target in the plan for currency reforms was the introduction of a Universal Coinage throughout the Indian possessions of the East India Company.\(^2\)

**Summing up**

Based on the recommendations made by the Mint Committee of the Bengal presidency, the Bengal government had initiated a systematic process of reforming the colonial currency. The regulations passed by the Governor General in Council in 1793 established the Company’s silver coin – the Sicca Ruppee – as the principal currency of the Bengal presidency. As new territories were added into the Bengal presidency new currencies were standardized for these regions – the Farrukhabad rupee for the Ceded and Conquered Provinces and the Benares rupee for the Benares province. Initially the currency system was modelled on bimetallism but in 1806 the Court of Directors decided in favour of monometallism, and consequently silver rupee was not only standardized but also firmly established in regions like those under the Madras presidency, which traditionally had predominantly a gold based currency system. By 1824 the principal rupees of the Madras and the Bombay presidencies – the Arcot rupee and the Bombay rupee – had been assimilated in weight and fineness to establish a uniform currency within a large part of Company’s territorial possessions in India. In 1825 the same weight and fineness was adopted for the Farrukhabad rupee coined at the newly established mint at Saugor, which catered to the monetary requirements of the Saugor and Nerbudda territories. Finally in 1833, the Farrukhabad rupee coined in the Company’s mints at Farrukhabad, Calcutta and Benares, which was the principal currency of the northern India, was also assimilated with the Arcot and the Bombay rupee. Thus a uniform

\(^1\) Bengal Letter to Court, No 16 of 1833. NAI, Financial Department, Letters to Court, Vol. 1833, 125-38.

\(^2\) The term ‘universal coinage’ used here and subsequently, has been discounted from the literal meaning of the word denoting ‘beyond the frontiers of one country and pertaining to the universe.’ The applied meaning of this term in this work is restricted to the territorial possessions of the English East India Company in India.
currency was established in the entire territories of the East India Company, excepting the Bengal province, where the Sicca rupee of slightly higher weight but of lesser fineness was still retained.

The process of currency reforms that was carried out by the East India Company between the years 1793 and 1833 addressed the liquidity crisis faced by the Company in its multifarious activities ranging from revenue collection to military campaigns. With the establishment of a uniform standard (silver monometallism) and assimilation of weight and fineness of the principal currencies of different regions, the velocity of money was greatly enhanced which, in turn, helped the Company to meet the currency crunch in one region by mobilizing surplus money from other regions. These reforms also struck down the menace of discount (batta) charged by the money changers, which resulted in streamlining the rates of exchange between different species of rupees circulating in a particular region.

The currency reforms also addressed the need for technological upgradation of minting process in India. Screw presses were introduced for the first time in Indian mints, which resulted in manifold increase in the output of these mints. This quantum leap in mint production greatly facilitated the replacement of various sorts of currencies in the region by the Company's coins. It also helped in meeting the demands of an expanding area of money use in the society.

Finally, by exempting the import and export of bullion from duty, the Company encouraged its free flow into its mints. The incidence of counterfeiting the established coin was curbed to a large extent by incorporating provisions for strict penalties for the violators, in the legislations dealing with the administration of criminal justice in the British India.

Thus, within a short span of four decades, the East India Company was able to integrate the currencies of its dominions and secure the currency administration firmly into its hands. This provided to the Company a powerful tool which not only helped her transform from traders to full-fledged administrators — a role bestowed upon it by virtue of the Charter Act of 1833 — but also in establishing an imperial currency to serve as the facilitator of the imperial finances.