

REPORT
OF THE
Controller of the Currency

for the year 1927-28

BY
H. DENNING, C.I.E., I.C.S.,
Controller of the Currency



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To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCE DEPARTMENT, SIMLA.

SIR,

I have the honour to submit my report on the operations of the Currency Department for the year ended the 31st March 1928.

Introductory.

2. *General features of the year.*—During the year under review economic conditions in most countries of the world showed a slow but steady improvement. In Great Britain the depressing effects of the prolonged coal strike of the previous year gradually disappeared and at the end of the year the prospects for trade and industry were distinctly brighter. In the United States of America prosperity continued at a high level, though during the last few months the expansion of production received a slight check. The return of Italy to the gold standard and the *de facto* stabilisation of the French exchange removed serious obstacles to the rehabilitation of the trade of Europe. On the other hand, conditions in the Far East and in Russia were unsatisfactory. The disorder in China, though less serious than in the previous year, interfered considerably with external and internal trade. In April, the failure of an important firm in Japan was followed by a severe banking crisis which necessitated the declaration of a moratorium by the Japanese Government and in spite of a remarkably rapid recovery financial conditions are not yet stable and the yen is still below par.

3. In India the improvement in economic conditions was marked. The monsoon was exceptionally good, and although floods caused considerable damage in some districts, crops generally were large. The foreign demand for the export staples was steady and in spite of an exceptional lag in the exports of cotton during the last three months of the year, the total exports of merchandise increased by about 19 crores. Imports of merchandise showed an increase of about 17 crores, but this was

partly counterbalanced by a decrease of over 7 crores in the net imports of bullion. The visible balance of trade was thus about 49½ crores as against 40 crores in the previous year. The result was greater strength in exchange, which nearly reached the upper gold point in December and January, and a large increase in the volume of the Government remittances through the market. These remittances, however, were insufficient to meet all the requirements of the Secretary of State and had to be supplemented by drawing on the sterling reserves early in the year, by India Bills in July, and by a sterling loan in January. The ways and means position in India was difficult during the latter half of the year, mainly on account of the comparatively small amount of the subscriptions to the rupee loan. In consequence treasury bills, which were re-introduced with the object of improving the financial facilities of the money market and checking the seasonal fluctuations in the market for Government securities, had to be issued in large amounts and at high rates of discount. The improvement in the revenues of Government continued. In spite of larger expenditure the revised estimates for 1927-28 showed neither a surplus nor a deficit and the budget for 1928-29 provided for a surplus of 5 lakhs after allotting 2,58 lakhs for the extinction of the outstanding Provincial contributions.

4. At the beginning of the year bills drafted in accordance with the recommendations of the Royal Commission on Indian Currency and Finance for the creation of a Reserve Bank of India to control exchange and currency policy and internal credit and for the modification of the Imperial Bank of India Act were under reference to a Joint Committee of both Houses of the Legislature. After considerable modification by the Joint Committee, the Reserve Bank Bill was debated in two sessions of the Assembly but in February Government decided that, in the absence of that measure of general support for the Bill among representatives of public opinion in the Assembly which should be forthcoming in carrying through so important a financial reform, they would not at present take any further steps with a view to the introduction of the reforms which the Bill was designed to bring about.

I.—Foreign Trade.

5. *Balance of international accounts.*—The following statement compares India's visible balance of accounts during the year with that of the preceding year and with the averages of the five pre-war years, the five war years, and the seven years immediately after the war. The detailed figures work up to a

plus or *minus* balance (*plus* representing net export and *minus* representing net import) for each of the three main heads of classification, namely (1) private imports and exports of merchandise, (2) private imports and exports of treasure, and (3) remittances through Government, leading up to a *plus* or *minus* total for the transactions as a whole.

(In lakhs of rupees)

	Average of 5 pre- war years ending 1913-14	Average of 5 war years ending 1918-19	Average of 7 years ending 1925-26.	1926-27	1927-28.
Exports of Indian merchandise (private).	+2,19,50	+2,15,98	+3,12,55	+3,01,43	+3,19,11
Re-exports of Foreign merchandise (private)	+4,62	+8,16	+14,59	+8,01	+9,54
Imports of Foreign merchandise (private) (b).	-1,45,85	-1,47,80	-2,44,49	(b) -2,29,98	(b) -2,46,78
Balance of trade in merchandise (private)	+78,27	+76,34	+82,65	+79,46	+81,87
Gold (private) (a)	-28,86	-7,81	-25,49	-19,40	-18,10
Silver (private) (a)	-7,21	-2,99	-13,73	-19,79	-13,85
Currency notes (private) (a)		...	-31	-14	-24
Balance of Transactions in treasure (private) (a).	-36,07	-10,80	-39,53	-39,33	-32,19
Total visible balance of trade	+42,20	+65,54	+43,12	+40,13	+49,68
Council bills and telegraphic transfers paid in India, purchases of sterling from banks and firms in India and payments for sterling taken over in London from local bodies	-41,35	-34,96	-27,84	-2,82	-37,77
Sterling transfers on London sold in India	+5	+5,50	+6,73	+1,93	
Transfers of Government securities.	-87	-38	-27	+3	+28
Interest drafts on India in respect of Government of India securities	-45	-30	-33	-34	-35
Balance of remittances of funds	-42,62	-30,14	-21,71	-1,20	-37,84
Total visible balance of accounts	-42	+35,40	+21,41	+38,93	+11,84

(a) Excludes transactions which do not enter into the balance of trade.

(b) Exclusive of the value of Railway materials imported direct by State Railways working under company management

The more important Government remittances are included in the above statement, but the following items also have a bearing on the balance of accounts for 1927-28, *viz.*:—

(In lakhs of Rs)	
(a) Net payment in India of foreign money and postal orders	2,95
(b) Telegraphic transfers on India from Iraq	1,10

These transactions have the effect of reducing the favourable balance from 11,84 lakhs to 7,79 lakhs corresponding with the favourable balance of 34,17 lakhs in 1926-27. There are innumerable items entering into the balance of accounts, such as private remittances, exports and imports of capital, insurance, and tourist expenditure, which cannot be calculated within any approach to accuracy, but it is sufficient for the purposes of this report to confine the statement to those factors which are capable of more or less accurate appraisal, and to leave the balance to show the net effect of the other items.

6. *Exports of merchandise.*—Private exports of merchandise were valued at just over 3,19 crores, an increase of about 17½ crores in comparison with the previous year, and re-exports of foreign merchandise at about 9½ crores, an increase of about 1½ crores. The increase in exports was distributed over all the main export staples of India except cotton. The exports of raw cotton decreased by about 500,000 bales in quantity and 11 crores in value, the total for the year being 2,686,202 bales valued at about 47¼ crores. This decrease was due mainly to a lag in the exports during the last three months of the year, and, as the stocks at the end of the year were exceptionally heavy, the increase during the first few months of 1928-29 will probably counter-balance the drop in 1927-28. The exports of raw jute increased by about 184,000 tons in quantity and about 3,88 lakhs in value, while jute manufactures showed a small increase of about 47 lakhs in value. Exports of grain, pulse, and flour increased by just over 3½ crores to 42,90 lakhs, the most important item contributing to the increase being wheat, of which the export rose by about 125,000 tons in quantity and 1,70 lakhs in value. The value of the export of seeds rose by 7,61 lakhs to 26,69 lakhs, mainly owing to a large extension of the cultivation of groundnuts the export of which increased in value by 6,05 lakhs. Tea (32,48 lakhs) and hides and skins (18,00 lakhs), both of which show substantial increases on the exports of the previous year, are the remaining most important items.

7. *Imports of merchandise.*—The value of private imports of merchandise increased from 2,30 crores in the previous year to nearly 2,47 crores. The most important item was cotton yarns and manufactures, the value of the imports of which amounted to 65,15 lakhs, a slight increase as compared with the preceding year. Imports of sugar decreased by nearly 4 crores to 14,90 lakhs, but all other important items show an increase. Iron and steel increased from 16,73 lakhs to 21,42 lakhs, machinery from 14,59 lakhs to 16,99 lakhs, oils from 9,18 lakhs to 11,15 lakhs, and cutlery from 7,34 lakhs to 7,63 lakhs.

II.—Bullion.

8. *Gold.*—Statements I, II and III give details of the imports and exports of gold and silver in the year under report and previous years. A comparison of the imports of gold since April 1925, when *de facto* stabilisation of the rupee at 1s. 6d. (gold) took place, with the imports for the five pre-war years is interesting. In 1924-25 the imports were exceptionally large due mainly to the large drop in the price consequent upon the rise in the gold value of the rupee and the possibility that this drop in price would be temporary. This cause was operating to a certain extent in the first half of 1925-26, but thereafter the volume of imports decreased considerably, and for the years 1926-27 and 1927-28 the average net import was only 18,75 lakhs as compared with an average for the five pre-war years of 28,15 lakhs. Allowing for the fact that in pre-war years gold was valued at Rs. 15 to the sovereign, the decrease in the imports during the last two years as compared with the pre-war imports is very striking and tends to confirm the view which has been expressed in the last two reports that with the growth of the investment habit in India gold imports in future are not likely to be as large as in the past.

9. Of the total gross imports shown in the trade returns, 8,47 lakhs came from Natal, 3,91 lakhs from the United Kingdom, 2,03 lakhs from Egypt, and 1,22 lakhs from the United States of America. The decrease of over 3 crores in imports from Natal is due to the demand of other countries, principally Argentina and Brazil, for South African gold.

10. In section 4 of the Indian Currency Act, 1927, an obligation is laid on Government to receive at the Bombay Mint, at the rate of Rs. 21-3-10 per tola fine gold, all gold in the form of bars containing not less than 40 tolas which may be presented by the public. This section came into force on 1st April 1927, and on that date the conditions attaching to the acceptance of gold at the Bombay Mint were published. Either fine or unrefined

gold may be tendered, gold of fineness less than 990 being accepted only as unrefined. All gold tendered will be melted and assayed on receipt, a charge of 2 pies per tola being made for melting and assaying fine gold with a minimum charge of Rs. 12. Payment for gold tendered will ordinarily be made after the receipt of the assay report but payment of not more than 95 per cent. of the value of the gold tendered will be made on receipt of the gold if the Master of the Mint is satisfied that a preliminary certificate should be issued. As the rupee-sterling exchange did not reach the upper gold point in the course of the year no gold was tendered at the Mint.

11. By the same Act, sovereigns and half-sovereigns ceased to be legal tender in India, but an obligation was placed on Government to receive these coins at all Currency Offices and treasuries at their bullion value, reckoned at Rs. 21-3-10 per tola of fine gold, *i.e.*, Rs. 13-5-4 per full weight sovereign. The value of the sovereigns received by Government at this rate during the year was only Rs. 5,034. In spite of the fact that these coins have ceased to be legal tender the value of the imports increased from 5,64 lakhs to 6,71 lakhs.

12. *Silver.*—The following statement gives details of the price of silver in Bombay, London, and New York respectively.

		Price in Bombay per 100 tolas (country bar).		Price in London per standard oz.		Price in New York per fine oz.	
		Highest.	Lowest.	Highest	Lowest	Highest	Lowest
		Rs A.	Rs A	d	d.	Cents.	Cents
April	1927	60 2	58 1	26 $\frac{1}{2}$	25 $\frac{1}{2}$	57 $\frac{1}{2}$	55 $\frac{1}{2}$
May	"	59 11	57 15	26 $\frac{9}{16}$	25 $\frac{3}{4}$	57 $\frac{3}{4}$	55 $\frac{3}{4}$
June	"	59 8	58 4	26 $\frac{7}{16}$	25 $\frac{11}{16}$	57 $\frac{1}{2}$	56 $\frac{3}{4}$
July	"	60 2	58 4	26 $\frac{1}{2}$	25 $\frac{11}{16}$	56 $\frac{3}{4}$	56
August	"	58 11	55 12	26 $\frac{1}{16}$	24 $\frac{11}{16}$	56 $\frac{3}{4}$	54 $\frac{1}{2}$
September	"	57 12	56 4	25 $\frac{3}{4}$	25	56 $\frac{3}{4}$	54 $\frac{3}{4}$
October	"	58 2	57 4	26 $\frac{1}{16}$	25 $\frac{3}{4}$	56 $\frac{3}{4}$	55 $\frac{3}{4}$
November	"	60 2	58 7	26 $\frac{1}{16}$	26 $\frac{1}{8}$	58 $\frac{1}{2}$	56 $\frac{7}{8}$
December	"	59 14	58 11	27	26 $\frac{3}{8}$	58 $\frac{1}{2}$	57 $\frac{1}{2}$
January	1928	59 4	58 0	26 $\frac{1}{16}$	26 $\frac{1}{16}$	57 $\frac{1}{2}$	56 $\frac{1}{2}$
February	"	59 6	58 2	26 $\frac{3}{8}$	26 $\frac{1}{16}$	57 $\frac{3}{4}$	56 $\frac{1}{2}$
March	"	59 9	58 10	26 $\frac{1}{2}$	26 $\frac{1}{2}$	57 $\frac{1}{2}$	57

The silver market during the year presented few outstanding points of interest, and the price fluctuated within very narrow limits. Early in August Government announced that they had sold the total stock of fine silver held in the Paper Currency Reserve amounting approximately to 9,200,000 fine ounces. Though the announcement suggested that further sales were not to be anticipated for the time being, it caused a temporary weak-

ness in the market, the price of silver in London falling by about one penny per standard ounce. After two or three months, however, the price rose to its former level and by the end of the year was about the same as at the beginning of the year.

13. *Imports of silver.*—India's demand for silver decreased considerably during the year, the gross and net imports on private account being less than those in the preceding year by about 5 crores and 6 crores respectively. Of the total gross imports of the value of 16,44 lakhs silver of the value of 6,87 lakhs came from the United States of America and 5,71 lakhs from the United Kingdom as against 4,90 lakhs and 12,00 lakhs in the preceding year. There was a net export of about 1 crore to China.

III.—Exchange and Remittances to the Secretary of State.

14. *Exchange.*—The highest and lowest quotations for telegraphic transfers on London for each month of the year are given below :—

		Highest.	Lowest
		s. d.	s. d.
April	1927	1 5 $\frac{1}{8}$	1 5 $\frac{1}{8}$
May	"	1 5 $\frac{1}{8}$	1 5 $\frac{1}{8}$
June	"	1 5 $\frac{3}{8}$	1 5 $\frac{3}{8}$
July	"	1 5 $\frac{7}{8}$	1 5 $\frac{1}{8}$
August	"	1 5 $\frac{1}{8}$	1 5 $\frac{1}{8}$
September	"	1 5 $\frac{1}{8}$	1 5 $\frac{1}{8}$
October	"	1 5 $\frac{1}{8}$	1 5 $\frac{3}{8}$
November	"	1 6	1 5 $\frac{1}{8}$
December	"	1 6 $\frac{3}{8}$	1 6
January	1928	1 6 $\frac{3}{8}$	1 6 $\frac{3}{8}$
February	"	1 6 $\frac{1}{8}$	1 5 $\frac{1}{8}$
March	"	1 5 $\frac{3}{8}$	1 5 $\frac{1}{8}$

At the end of March 1927 exchange was dull and quiet with a tendency to weakness due to slackness in the export trade and demands for sterling on bullion account. This tendency continued during April and was emphasised temporarily towards the end of the month by the inauguration by Government of the system of purchase of sterling in India by tender. The uneasiness caused by this new departure, however, was transient, and in

the second week of May the appearance of export bills in Calcutta, Bombay and Karachi caused the rate to rise from $1s. 5\frac{1}{8}d.$ to $1s. 5\frac{1}{8}d.$. The acceptance of tenders by Government at $1s. 5\frac{1}{8}d.$ prevented any further rise in the market rate during this month, and early in June the market became slightly weaker owing to the ease of money and comparatively small export demand. Conditions continued to be quiet and the market rate remained in the neighbourhood of $1s. 5\frac{7}{8}d.$ until the beginning of September when the demand for money for financing the jute crop and export bills in Calcutta produced a much firmer tone. On the 30th August Government refused to accept tenders at $1s. 5\frac{7}{8}d.$ On the 7th September the full amount of £500,000 offered for tender by Government was allotted at $1s. 5\frac{1}{8}d.$ and Government announced an offer of £1 million for the following week. This amount was allotted at $1s. 5\frac{3}{4}d.$ on the 15th September and it seemed likely that exchange would remain firm with a rising tendency. The amount offered for tender on the 21st September was, therefore, increased to £2 millions, but this large increase was taken by the market to mean that Government did not desire to see the rate of exchange rise appreciably and at the same juncture money suddenly became much easier. The result was a weakening of exchange, and by the first week in October the rate had again fallen to $1s. 5\frac{2}{3}d.$ Towards the end of the month a revival in the export demand produced a firmer tone and exchange remained steady in the neighbourhood of $1s. 5\frac{1}{8}d.$ till the last week in November, Government purchasing a considerable amount of sterling each week at $1s. 5\frac{3}{4}d.$ In the latter half of November the demand for money usual at the beginning of the busy season began to make its influence felt, while export bills appeared in Calcutta in increasing quantities. In consequence the market rate of exchange rose to $1s. 6d.$ on the 26th November and, in spite of large purchases of sterling by Government, continued to move upwards until it reached $1s. 6\frac{3}{4}d.$ about the middle of December. At the beginning of January it fell to $1s. 6\frac{1}{8}d.$ but remained very firm at this rate until the end of the month when weakness developed, and there was a drop of $\frac{1}{32}$. On the 1st February Government, who had not accepted tenders at less than $1s. 6\frac{3}{4}d.$ since the middle of December, decided to follow the market and accepted tenders at $1s. 6\frac{1}{8}d.$ This action of Government emphasised the weakness of the market, and during the subsequent week the rate fell to $1s. 6d.$ On the 8th February Government, still following the market, accepted tenders at $1s. 6d.$, and on the following day the market rate dropped to $1s. 5\frac{1}{8}d.$ During the next three weeks Government indicated by their refusal of tenders at $1s. 5\frac{3}{4}d.$ that they were not

prepared to purchase at less than 1s. 6d. and although the market was very dull, the rate remained at 1s. 5 $\frac{1}{8}$ d. as banks were not inclined to let it go very far below the Government buying rate. In the first week of March exchange began to strengthen again owing to considerable exports of seeds and cotton, and during this month it remained firm at 1s. 5 $\frac{3}{8}$ d., Government making considerable purchases each week at 1s. 6d.

15. *Sterling purchases of Government.*—In April Government inaugurated the system of purchase of sterling in India by public tender. Tenders were received on one day each week, usually Wednesdays, simultaneously in Calcutta, Bombay, Madras and Karachi, and particulars of the amount allotted at each rate, if any, were published on the following day in each of these places. Between the days on which tenders were received intermediates were on offer at the offices of the Imperial Bank of India in these places at a rate usually $\frac{1}{8}$ above the highest rate accepted on the previous day on which tenders had been received. Government first called for tenders on the 27th April, and after that date each week during the remainder of the year, the amount offered for tender varying from £300,000 on the 27th April to £2,000,000 on the 21st September. During the last five months of the year the amount offered remained constant at £1,000,000 except for a period of six weeks in February and March when, owing to the dullness of exchange, the amount was reduced to £500,000. The amount accepted varied from nothing to £1,000,000, Government in certain weeks rejecting all tenders as the rates offered were not satisfactory. The following statement shows the monthly purchases of sterling and the average rate of purchase.

Purchase of sterling.

(In thousands of £ and Rs)

		Sterling purchased in India.		Average rate.
		£	Rs.	s. d.
April	1927			...
May	"	1,375	1,83,83	1-5 951
June	"	2,765	3,70,62	1-5 905
July	"	1,128	1,51,45	1-5 875
August	"	1,177	1,58,03	1-5 875
September	"	3,925	5,24,62	1-5 955
October	"	985	1,31,56	1-5 969
November	"	4,120	5,49,99	1-5 978
December	"	7,468	9,91,60	1-6 075
January	1928	2,852	3,78,80	1-6 09
February	"	135	17,97	1-6 03
March	"	2,395	3,19,33	1-6
TOTAL		28,325	37,77,30	1-5 997

IV. The Government Balances and Reserves.

16. The following statement shows the amounts and distribution of the Treasury Balances and the Reserves at the opening and close of the year :—

(In lakhs of rupees)

	1ST APRIL 1927.			31ST MARCH 1928.		
	In India	In England.	Total.	In India	In England.	Total
Treasury Balances	27,88	4,35	32,23	9,16	7,61	16,77
Paper Currency Reserve.						
Silver	1,04,47	...	1,04,47	1,06,38	...	1,06,38
Gold	29,76	.	29,76	29,76	...	29,76
Securities	40,47	7,43	47,90	37,96	3,77	41,73
Gold Standard Reserve.						
Gold	...	2,31	2,31	..	2,87	2,87
Securities	...	51,02	51,02	...	50,46	50,46

17. *Treasury balances in India.*— The following statement shows the Government balances at the Imperial Bank of India and at Government treasuries, including sub-treasuries, in India :—

(In lakhs of rupees)

Balance at Government treasuries.			Last day of month	Balance at the Imperial Bank of India.		
1925-26.	1926-27.	1927-28.		1925-26	1926-27	1927-28
3,03	2,53	2,44	April	27,09	13,06	14,54
2,63	2,45	2,29	May	28,43	14,83	11,86
2,62	2,52	2,37	June	22,26	32,30	9,81
2,48	2,38	2,14	July	24,54	36,29	15,58
2,25	2,29	2,18	August	19,62	35,45	15,74
2,35	2,12	2,07	September	9,96	20,21	12,56
2,56	2,33	2,06	October	7,40	14,03	8,76
2,63	2,30	2,21	November	6,74	9,16	9,66
2,42	2,43	2,16	December	5,26	6,33	7,04
2,67	2,43	2,35	January	9,90	13,44	7,88
2,68	2,64	2,25	February	13,86	20,16	7,32
3,69	3,26	3,13	March	21,46	24,62	6,03
2,67	2,49	2,30	Average	16,38	19,99	10,56

The statement shows a further small decrease in the amount of Government funds locked up in treasuries. This was due to

the continuance of the policy described in previous reports of economising balances by the provision of currency chests at sub-treasuries, by the extension of the power to selected sub-treasury officers to withdraw funds without previous sanction and by encouraging treasury officers generally to keep down their balances by making as much use as possible of the facilities for remittance provided by these chests.

18. The average balance at the Imperial Bank of India was very much lower than in the previous year, and the variations in the amount of the balance in the course of the year were smaller. During the first three months of the year the balance decreased by about 15 crores mainly on account of the contraction against rupee and sterling securities described in detail in paragraph 22 below. In July the balance rose considerably owing to the flotation of the Government loan, but, as the amount of the cash subscriptions for the loan was comparatively small, it was necessary to issue treasury bills from August onwards in order to meet the current disbursements of Government and to provide a reasonable balance at the Bank. The re-payment of 1927 Bonds early in October and large remittances to the Secretary of State between September and December reduced the balance to a low level in spite of the issue of large amounts of treasury bills, and in December it was necessary to take ways and means advances from the Imperial Bank. These advances were repaid in January. From the middle of January the treasury bills issued in the previous months began to fall due. As it was impossible to renew these bills at reasonable rates, the balance would have fallen unduly low if further ways and means advances had not been taken from the Imperial Bank at the beginning of February. Towards the end of February it was possible to issue a fair amount of six months' treasury bills, and these issues continued throughout March. With the assistance of the receipts from treasury bills it was possible to pay off before the end of the year all the ways and means advances taken from the Imperial Bank and to leave a reasonable closing balance.

19. *Indian Treasury Bills.*—The provisional ways and means programme of the year allowed for the re-introduction of treasury bills partly with the object of improving the financial facilities in the money market and checking seasonal fluctuations in the market for Government securities, and partly in order to save interest charges by reducing the average Government balance. Unfortunately the amount realised by the rupee loan was not as large as was anticipated with the result that treasury bills had to be issued in larger amounts, and at certain times of the year at higher rates than were contemplated. Statement IV gives the

details of the sales of treasury bills during the year. Sales were opened on the 9th August by the offer for tender of 2 crores of six months' bills. This offer was repeated on the 23rd August and weekly during September but at the end of the latter month the rates obtained were so unfavourable that six months' bills were discontinued. From the 7th October until the 29th November $1\frac{1}{2}$ crores of three months' bills were offered for tender weekly and were allotted in full up to the 15th November. Thereafter the demand for these bills began to fall off and the rates of discount rose rapidly. The amount offered for tender was decreased to 1 crore on the 6th December and sale by tender was discontinued after the 13th December, on which date the amount allotted was only just over 12 lakhs, the average rate of discount being about $5\frac{1}{2}$ per cent. Between the 19th December and the 2nd March both three and six months' bills were sold at fixed rates to yield approximately $5\frac{1}{2}$ and 5 per cent. respectively, but owing to the tightness of money the demand for the bills was comparatively small until the end of February when the sales of six months' bills increased. On the 7th March, therefore, sale by tender was reopened, 75 lakhs of six months' and 75 lakhs of three months' bills being offered. Sales by tender were held weekly throughout March, intermediate bills of both denominations being sold between the dates on which tenders were received at fixed prices not less than 3 pies higher than the highest price tendered. The demand for six months' bills increased gradually during the month, and the average rate at which allotments were made fell by about 2 annas per cent., but throughout the month tenders at a price giving a yield of about 5 per cent. were accepted. The demand for three months' bills was very small.

20. *Summary of ways and means transactions.*—The statement below summarises the ways and means transactions in India. The figures are approximate as the accounts for the year have not yet been closed:—

Disbursements—

(In crores of Rs)

(a) Army, Military Engineer Services and Marine issues	40.12
(b) Drawings by the Iraq Government	1.10
(c) Capital outlay on Delhi, Security Printing, etc.	.95
(d) Remittances from India to London	42.87
(e) Cancellation of Indian treasury bills in the Paper Currency Reserve (net)	9.11
(f) Permanent debt discharged (net)	3.17
	97.32

These transactions were financed as follows :—

	(In crores of Rs.)
(1) Excess of civil revenue over civil expenditure	40.22
(2) Excess of Railway receipts over issues	19.49
(3) Post and Telegraph receipts (net)	.52
(4) Cash Certificates (net)	4.03
(5) Sale of treasury bills to the public (net)	7.60
(6) Gain on revaluation, sale, transfer, etc., of assets of the Paper Currency Reserve	7.09
(7) Net addition to the balances of Provincial Govern- ments	.85
(8) Other items	.19
Decrease in Treasury balance (including investments)	17.33
	<hr/>
TOTAL	97.32
	<hr/>

21. *Treasury balances in London.*—The year opened with a balance of £3,258,733 and closed with a balance of £5,708,724. The average for the year was £4,941,951 as against £9,042,593 in the year 1926-27, the minimum being £2,612,498 in May and the maximum £7,606,669 in December. A summary of the transactions is given below :—

Disbursements.

	(In Millions of £.)
Excess of expenditure over revenue of the Central Government in London	23.9
Expenditure on behalf of Provincial Governments	2.4
Capital Expenditure on Delhi, Vizagapatam Port, Security Printing, Posts and Telegraphs and Railways	11.1
Add—Increase in closing balance	2.4
	<hr/>
	39.8
	<hr/>

Receipts.

Recoveries on account of drawings by Iraq Government	.8
Sterling purchased in India	28.3
Transfer from the Paper Currency Reserve to Home Treasury (net)	3.8
Permanent Debt incurred (net)	4.7
Miscellaneous Receipts	2.2
	<hr/>
	39.8
	<hr/>

22. *The Paper Currency Reserve.*—Details of the composition of the Paper Currency Reserve on the 31st March 1927 and on the last day of each month of the year will be found in Statement V. On the 1st April 1927 the gold and sterling securities held in the reserve were revalued at the rate of Rs. $13\frac{1}{3}$ to the sovereign in accordance with the provisions of the Indian Paper Currency Act, 1927, which came into force on that date. The result was an increase of Rs. 9,30 lakhs in the holding of gold and sterling securities which was set off by cancelling the same amount of Indian treasury bills, the holding of which was reduced from 49,77 lakhs to 40,47 lakhs. During April, May and June the currency was contracted in order to reduce the redundancy created by the fall in exports and the return of rupee coin from circulation. All the sterling securities held in the reserve amounting to 7,43 lakhs were transferred to the treasury balance of the Secretary of State, 5 crores of rupee securities were withdrawn from the reserve, and the Imperial Bank repaid the loan of 2 crores which was outstanding against internal bills of exchange at the beginning of the year. The result was that the total of the reserve was reduced from about 1,84 crores at the beginning of the year to about 1,71 crores at the end of May. Thereafter, however, the return of silver rupees to the reserve gradually raised the gross circulation of notes until at the end of October it was only about 75 lakhs less than at the beginning of the year. In August Government sold the holding of fine silver in the reserve, deliveries being made from August to December. As each delivery was made the sterling proceeds were invested in British treasury bills which were placed in the reserve, the difference between the value of the silver removed from the reserve and the value of the British treasury bills purchased with the proceeds being made up by the issue of Indian treasury bills to the reserve. The net result of these transactions was the removal of silver valued at 2,68 lakhs from the reserve and its replacement by British treasury bills of the value of 1,44 lakhs and Indian treasury bills of the value of 1,24 lakhs. From December expansion of the currency was necessary in order to meet the usual seasonal demand, and between the 16th December and the 20th January the amount of securities held in the reserve was increased by 12 crores of which 3 crores were British treasury bills, 1 crore Indian treasury bills and 8 crores internal bills of exchange. On the 24th February 67 lakhs of British treasury bills were transferred from the reserve to the treasury balance of the Secretary of State, and on the 9th March the amount of internal bills of exchange in the reserve was increased by 1 crore. This increase, however, was temporary as the total amount of bills of exchange at the end

of the year was 7 crores only. During this period of expansion against securities silver rupees were passing into circulation in large quantities involving a corresponding cancellation of notes, and the net result of the increase in securities and decrease in silver rupees was an increase of only 1,49 lakhs in the gross circulation of notes between the end of October and the end of March.

23. *The Gold Standard Reserve.*—Details of holdings of the Gold Standard Reserve will be found in Statement VI. There was no addition during the year from profits on coinage and the interest that accrued on the investments during the year, amounting to £1,833,936, was taken to revenue. In accordance with the recommendation of the Currency Commission that the gold holding in the reserve should be fortified as opportunity occurred, purchases of gold amounting to £422,200 were made in London at the beginning of the year.

V.—Money conditions in India.

24 *Cash balances of the Imperial Bank of India.*—The following statement compares the cash balances of the Imperial Bank of India in the last week of each month of the year with the corresponding figures for the two previous years :—

(In lakhs of rupees)

Cash balances of the Imperial Bank of India in the last week of	1925-26	1926-27.	1927-28.
April	20,16	25,31	15,21
May	21,64	32,85	14,94
June	33,98	41,44	18,95
July	46,86	56,57	32,46
August	42,73	59,05	32,22
September	31,98	50,39	30,37
October	24,96	43,40	28,09
November	21,60	37,39	24,70
December	16,82	20,92	10,96
January	17,67	17,00	— 13,60
February	17,99	16,22	14,03
March	25,23	18,80	11,67

25. *General features.*—At the end of March 1927 the bank rate stood at 7 per cent. and the cash balance of the Imperial Bank showed signs of increasing rapidly. During April the currency was contracted by 10,33 lakhs of which 8,33 lakhs was against rupee and sterling Government securities and 2,00 lakhs against internal bills of exchange, but in spite of these large withdrawals of currency the cash balance of the Imperial

Bank decreased by less than $3\frac{1}{2}$ crores during the month. Money was in good demand in Bombay for financing the Broach cotton crop, the rate for call money being $6\frac{1}{2}$ to $6\frac{3}{4}$ per cent., but towards the end of the month rates became easier in Calcutta. In May there was a distinct decrease in the demand for money, especially in Calcutta, but the cash balance of the Imperial Bank decreased slightly mainly on account of a further contraction of 2 crores by Government and it was necessary to retain the bank rate at 7 per cent. until the 2nd June, when it was reduced to 6 per cent. During June money returned rapidly to the financial centres; the bank rate was reduced to 5 per cent. on the 23rd of the month, and at the end of the month money had become very easy. During July conditions continued to be easy; the bank rate was reduced to 4 per cent. on the 28th of the month, and at the end of the month call money was available in Calcutta at $1\frac{1}{2}$ per cent. in spite of the issue of the Government loan in the latter half of the month. Money remained very easy during August in spite of the issue by Government of 4 crores of treasury bills, but at the beginning of September the demand on account of the financing of the jute crop temporarily tightened up the market and the bank rate was raised from 4 to 5 per cent. on the 8th September. The intensity of the demand for financing jute, however, soon abated, and before the end of the month conditions were again very easy with the rate for call money at $1\frac{1}{2}$ to 2 per cent. These conditions continued during October and November in spite of the issue by Government of $1\frac{1}{2}$ crores of treasury bills each week. During November, however, a decrease in the cash balance of the Imperial Bank indicated the approach of the busy season and in December conditions changed rapidly. The bank rate was raised from 5 to 6 per cent. on the 8th December and to 7 per cent. on the 22nd December, the currency having been expanded by 4 crores against internal bills of exchange during the interval. On the 29th December the currency was expanded by 2 crores against British treasury bills, but in spite of this expansion the cash balance of the Imperial Bank had fallen to just under 11 crores by the end of the month. The market rates for money did not at once reflect the rise in the bank rate, mainly because heavy purchases of sterling by Government maintained the floating supply of credit. In January, however, these purchases decreased, and by the end of the month the market rates for money were more in accordance with the bank rate, the rate for call money being about 6 per cent. Meanwhile, the currency had been expanded by a further 6 crores, 1 crore against rupee securities, 1 crore against sterling securities, and 4 crores against internal bills of exchange, and at the end of the month the cash

balance of the Imperial Bank was about $13\frac{1}{2}$ crores. For the remainder of the year money continued tight, the rate for call money in Bombay varying between 6 and $6\frac{1}{2}$ per cent., but owing to large repayments of treasury bills by Government there was no stringency. At the end of March the cash balance of the Imperial Bank had been reduced to 11,67 lakhs, mainly on account of a net contraction of 1,67 lakhs of which 67 lakhs was against British treasury bills and 1 crore against internal bills of exchange.

26. *Money rates.*—The following statement gives statistics of money rates on the 1st of each month of the year. The *bank rate* is the rate at which the Imperial Bank will ordinarily advance money against Government securities, while the Imperial Bank *hundi rate* is the rate at which the Imperial Bank will discount or rediscount first class three months' bills. The *bazar rates* are those at which the bills of small traders are discounted by shroffs. The rates for bills of large traders and shroffs are not given separately as they follow very closely the Imperial Bank *hundi rate*.

1st of	Bank rate.	Call money rate.		Imperial Bank Hundi rate.	Bazar bill rate.	
		Calcutta	Bombay.		Calcutta.	Bombay.
		Per cent.	Per cent.		Per cent.	Per cent.
April 1927	7	6	$6\frac{1}{2}$ - $6\frac{3}{4}$	7	10-12	$10\frac{1}{2}$
May "	7	5	6 - $5\frac{1}{2}$	7	10-11	$10\frac{1}{2}$
June "	7	4 - $4\frac{1}{2}$	6 - $5\frac{1}{2}$	7	10-11	$10\frac{1}{2}$
July "	5	$1\frac{1}{2}$	3	5	9	$7\frac{1}{2}$
August "	4	$1\frac{1}{2}$ - $2\frac{1}{4}$	2 - $1\frac{1}{2}$	4	9	$6\frac{1}{2}$
September "	4	2	$2\frac{1}{2}$ - $2\frac{3}{4}$	4	9	$6\frac{1}{2}$
October "	5	$1\frac{1}{2}$	2	5	9-10	$7\frac{1}{2}$
November "	5	$1\frac{1}{2}$	2	5	8-9	$7\frac{1}{2}$
December "	5	3	4 - $4\frac{1}{2}$	5	8-9	$8\frac{1}{2}$
January 1928	7	$5\frac{1}{2}$ -6	$5\frac{3}{4}$ -6	7	10- $10\frac{1}{2}$	$9\frac{1}{2}$
February "	7	6	$6\frac{1}{4}$ - $6\frac{1}{2}$	7	10-11	$10\frac{1}{2}$
March "	7	$4\frac{3}{4}$ -5	6 - $6\frac{1}{2}$	7	10-11	$9\frac{1}{2}$

27. *Clearing House figures.*—The details of clearances of cheques through the Clearing Houses during the last ten years are given in the following statement :—

Clearing House Statistics.

(In lakhs of rupees)

Year.	Calcutta	Bombay	Madras	Karachi	Rangoon.	Cawn- pore	Lahore	TOTAL
1918-19 . . .	7 41,13	5,69,46	25,45	22,30	73,85	..	...	14,32,19
1919-20 . . .	10,55,76	8,83,02	33,95	23,13	94,74			20,90,60
1920-21 . . .	14,39,93	13 15,93	75,79	33,42	1,04,84	6,63		29,76,54
1921-22 . . .	9,05,01	9,06,73	39,54	26,73	1,22,02	9,01	5,86	20,24,90
1922-23 . . .	9,80,26	8,58,73	45,13	33,58	1,25,96	7,93	8,49	20,60,08
1923-24 . . .	8,53,05	7,07,98	55,41	41,52	1,32,32	6,38	5,85	18,03,01
1924-25 . . .	9,54,11	6,21,66	55,96	46,13	1,17,21	5,72	5,57	18,06,36
1925-26 . . .	10,12,19	4,45,05	56,80	36,14	1 25,33	6,16	6,86	16,88,53
1926-27 . . .	9,61,01	4,22,68	54,53	31,07	1,24,42	8,16	7,70	16,09,57
1927-28 . . .	10,54,02	3,59,80	59,79	30,82	1,25,57	7,00	7,59	16,74,59

Owing to variations in the procedure of the Clearing Houses these figures do not accurately reflect the relative business activity of the different centres and are merely a rough criterion of the fluctuations of business in each centre from year to year. The outstanding feature of the year 1927-28 is the large increase in the Calcutta figures due to the prosperity of the tea and jute industries.

28. *Remittances through the Imperial Bank.*—The statement below gives the amount of demand drafts purchased and drafts and telegraphic transfers paid in each circle of the Imperial Bank.

(In lakhs of rupees)

	1923		1921.		1925.		1926.		1927	
	1st Half- Year	2nd Half- Year	1st Half- Year.	2nd Half- Year.	1st Half- Year	2nd Half- Year	1st Half- Year	2nd Half- Year.	1st Half- Year	2nd Half- Year.
Demand drafts purchased.										
Bengal Circle . . .	16,13	27,07	23,66	33,54	29,93	38,70	23,57	28,95	26,52	34,04
Bombay „ . . .	13,92	18,91	28,66	17,84	34,54	20,55	27,38	15,98	24,56	21,27
Madras „ . . .	16,30	10,50	18,30	12,55	19,59	13,71	15,37	12,29	17,48	15,55
TOTAL . . .	51,35	56,48	70,62	63,93	84,06	72,96	66,32	57,22	68,56	70,86
Drafts and Telegraphic transfers paid.										
Bengal Circle . . .	22,34	22,80	26,99	34,31	38,57	45,53	50,71	41,48	38,79	37,36
Bombay „ . . .	26,38	25,03	30,94	27,10	35,74	30,93	29,85	27,31	29,36	29,41
Madras „ . . .	9,39	9,30	12,43	9,96	11,62	11,55	11,80	10,33	11,14	9,80
TOTAL . . .	58,11	57,13	70,36	71,37	85,93	88 01	92,36	79,12	79,29	76,57

The large drop in the figures for 1926 and the first half of 1927 reflected the general easiness of money and the comparatively small amount of finance required for the main export staples. In the second half of 1927, however, the figures show a considerable increase, and, although they do not reach the record of 1925, are above those of 1924. It appears that the facilities provided by the Bank are being increasingly appreciated in quarters which formerly used to rely on cash remittances.

29. *Remittances through treasury and currency.*—Statements VII and VIII give figures showing remittance of funds through Government agency, *i.e.*, through treasuries and currency offices. The movements between the different provinces totalled 8,15 lakhs and those within the provinces 11,85 lakhs. In the previous year the corresponding figures were 8,14 lakhs and 10,89 lakhs. The figures show that the public are taking advantage to an increasing extent from year to year of the arrangements made by Government for cheap transport of funds in preference to remitting notes by post. The appendix shows the extent to which transfers of funds were effected through the Imperial Bank and Government treasuries in connection with the financing of the cotton and jute crops.

VI.—The Public Debt.

30. *India's debt.*—The following table shows the total debt of the Government of India, including Indian treasury bills issued to the Paper Currency Reserve, at the end of each of the last three years. The figures for 1927-28 are approximate as the accounts for that year have not yet been closed.

Total debt of the Government of India and its distribution.

(In lakhs of rupees.)

	31st March 1926.	31st March 1927.	31st March 1928.
In India.			
Funded debt.			
Rupee Loans	3,68,29	3,74,44	3,72,30
Treasury Bills with the public . . . . .	...	..	7,60
Treasury Bills in the Paper Currency Reserve	49,65	41,47	31,94
Total	4,17,04	4,15,91	4,11,84

(In lakhs of rupees)

	31st March 1926.	31st March 1927.	31st March 1928
Brought forward	4,17,94	4,15,91	4,11,84
Unfunded Debt.			
Post Office Savings Bank	27,23	29,51	32,00
Post Office Cash Certificates	20,97	26,68	30,71
Balances of Provident and allied funds	46,89	51,02	55,73
Total	94,59	1,07,21	1,18,44
Total India.	5,12,53	5,23,12	5,30,28
In England at 1s. 6% to the Re.			
Funded Debt.			
Sterling Loans	3,55,13	3,53,45	3,63,09
Unpaid balance of India's war contribution	24,43	23,74	23,02
Capital value of liabilities undergoing redemption by way of terminable annuities	76,71	74,92	73,06
Total	4,56,27	4,52,11	4,59,17
Unfunded Debt.			
Balances of Provident and allied funds	28	36	25
Total England	4,56,55	4,52,47	4,59,42
TOTAL DEBT	9,69,08	9,75,59	9,89,70
Distribution.			
Productive Debt—			
Railways	6,06,46	6,36,32	6,68,99
Posts and Telegraphs	12,87	13,38	13,96
Irrigation	3,44	3,44	3,61
Salt	51	85	88
Vizagapatam Port	65	97	1,35
Security Printing		52	60
Total Productive Debt	6,24,23	6,55,48	6,89,39
Unproductive Debt of Central Government	2,30,25	1,99,94	1,73,97
Incurred on account of the Provincial Loans Fund	1,14,60	1,20,17	1,26,34
TOTAL	9,69,08	9,75,59	9,89,70

The total productive debt of the Government of India increased during the year 1927-28 by 33·91 crores, due almost entirely to capital expenditure on railway development, while the unproductive debt decreased by 25·97 crores. The internal debt, excluding the Provincial Governments' debts to the Government of India, increased from 4,02·95 crores on the 31st March 1927 to 4,03·94 crores on the 31st March 1928. There was an increase of about 11 crores in the unfunded debt, due mainly to sale of post office cash certificates and an increase in the balances of provident and allied funds, while there was a decrease of about 4 crores in the funded debt. Owing to the issue of the sterling loan described in paragraph 33 below, the external debt increased by 7 crores.

31. *Provision for the reduction of debt.*—In paragraph 24 of the report for 1924-25 details were given of the scheme for the reduction of debt from revenue. In accordance with that scheme the amount of revenue applied to the reduction of debt during the year 1927-28 was 4,90 lakhs and in the budget for 1928-29 provision for a further 5,13 lakhs has been made. Of the amount applied to the reduction of debt during the year, Rs. 1,33,04,000 were credited to the depreciation funds of the 5 per cent. 1929-47 and 1945-55 loans, which brought up the total of these funds to Rs. 3,87,97,000. As the market price of these loans remained well above the price at which purchases for the depreciation funds are to be made, no purchases were effected, and the total amount available in the funds was invested for future use.

32. *Rupee loan.*—The rupee loan was a 4 per cent. tax-bearing issue repayable at par on the 1st August 1937, or, at the option of Government, on or after the 1st August 1934, at three months' notice. The issue price was Rs. 94-8 per cent., giving a yield of nearly 5 per cent. inclusive of premium on redemption, assuming repayment in 1934 and about 4 $\frac{3}{4}$ per cent., if repaid in 1937. Subscriptions to the loan were payable in cash, in 6 per cent. Bonds, 1927, or in 5 $\frac{1}{2}$ per cent. War Bonds, 1928. In exchange for each Rs. 100 of 6 per cent. Bonds, 1927, and 5 $\frac{1}{2}$ per cent. War Bonds, 1928, tenderers were given Rs. 100 of the new loan and a cash bonus of Rs. 6-4 and Rs. 12 respectively. The loan was open from the 18th July to the 30th July. The total amount of the subscriptions for the loan was Rs. 19,53,79,100 of which Rs. 7,20,39,200 were by tender of the 1927 Bonds and Rs. 4,12,25,700 by tender of 1928 Bonds. The fact that the loan was shortdated militated against its success. Moreover in their anxiety to avoid disturbing the market in Government securities, Government did not make the terms as attractive as they possibly should have been.

33. *Sterling loan.*—In January a sterling loan was issued in London to provide funds for capital expenditure on Indian railways and to repay £5 millions India Bills maturing on the 29th of that month. The loan took the form of £7½ millions 4½ per cent. Stock issued at £91-10s. per cent, redeemable at par at the latest on the 1st June 1968, the Secretary of State for India reserving to himself the right to give three calendar months' notice to redeem the loan at par on the 1st June 1958 or on any half-yearly interest date thereafter. The loan was fully subscribed on the day it opened.

34. *Post Office Cash Certificates.*—The following table shows the transactions on account of Post Office Cash Certificates from 1917-18 when they were first introduced :—

(In lakhs of rupees)

	Receipts.	Repayments	Net receipts.	Outstanding at the end of the year
1917-18	10,00	1,12	8,88	8,88
1918-19 and 1919-20	4,03	7,16	—3,13	5,75
1920-21 and 1921-22	1,00	2,41	—1,41	4,34
1922-23 and 1923-24	7,61	3,53	4,08	8,42
1924-25	6,10	1,40	4,70	13,12
1925-26	9,55	1,70	7,85	20,97
1926-27	7,53	1,82	5,71	26,68
1927-28	6,09	2,06	4,03	30,71

The decrease in the receipts during 1927-28 was due to the reduction in the yield on the 1st July 1927 from 5¼ per cent., free of tax, to 4½ per cent., free of tax.

35. *Prices of rupee securities.*—The following table compares the highest and lowest prices during the year of the more important long term loans with those of previous years.

	3½ per cent. (subject to Income Tax).		5 per cent. 1929-47 (subject to Income Tax).		5 per cent. 1945-55 (free of Income Tax)		4 per cent. 1960-70 (subject to Income Tax).	
	Highest.	Lowest.	Highest	Lowest	Highest	Lowest.	Highest	Lowest.
1914-15.	96 $\frac{1}{16}$	91½	...	...	...	..	...	.
1917-18.	70	67	.	...	..	...	..	..
1920-21.	60	52	90	77	96	78½	...	..
1923-24.	67½	61	93½	87½	98½	93½	...	..
1924-25.	68½	63½	94½	92½	99½	97	...	..
1925-26.	74½	67½	99½	94½	104½	98½	...	..
1926-27.	79 $\frac{1}{16}$	74½	102½	99½	110½	104 $\frac{9}{16}$	90 $\frac{1}{16}$	86 $\frac{9}{16}$
1927-28.	79 $\frac{5}{16}$	74½	101 $\frac{11}{16}$	100½	108 $\frac{13}{16}$	105 $\frac{13}{16}$	90	87 $\frac{9}{16}$

During the year the progressive rise in the price of the Government securities which had been a feature of the last few years was checked partly by the contraction of the currency during the first three months of the year referred to in paragraph 22 above, and partly by the issue of treasury bills from August onwards. During April the market was fairly buoyant, and at the end of the month the price of 3½ per cent. paper was Rs. 79-5-0, the highest point reached during the year. In May a reaction set in, owing to fears of stringent money conditions consequent upon the contraction of the currency, and by the end of the month the price of 3½ per cent. paper had fallen to Rs. 77-8-0. During June and July prices remained fairly steady, but in August the issue of treasury bills, following upon the comparatively poor response to the Government loan referred to in paragraph 32 above, weakened the market considerably, and by the end of the month the price of 3½ per cent. paper had fallen to about 76. During the next three months prices remained fairly steady, but towards the end of November the weakness usual at the beginning of the busy season became apparent and on the 9th December the price of 3½ per cent. paper had fallen to Rs. 74-6-0, the lowest point reached during the year. At the beginning of January there was a marked recovery, but the market remained stagnant until the beginning of March when the announcement in the budget of the loan programme for 1928-29 had a weakening effect, and at the end of the year the price of 3½ per cent. paper was Rs. 75-6-0 as against Rs. 78-12-0 on the 31st March 1927.

VII.—Demand for the various forms of currency.

36. *Absorption of currency.*—The statement below shows the average annual absorption of currency for the five war years 1914-15 to 1918-19, and the absorption during the nine subsequent years with the average for this period :—

(In lakhs of rupees.)

	Rupees	Notes.	Total
Average for 5 years 1914-15 to 1918-19	22,08	16,72	38,80
1919-20	20,09	20,20	40,29
1920-21	-25,68	-5,90	-31,58
1921-22	-10,46	9,35	-1,11
1922-23	-9,56	3,87	-5,69
1923-24	7,62	7,96	15,58
1924-25	3,65	-2,51	1,14
1925-26	-8,17	1,16	-7,01
1926-27	-19,76	-3,40	-23,16
1927-28	-3,71	10,23	6,51
Total for 9 years 1919-20 to 1927-28	-45,98	40,95	-5,03
Average for 9 years 1919-20 to 1927-28	-5,11	4,55	-56

In previous years sovereigns and half-sovereigns have been included in the above statement as these coins functioned as currency before the war. Since 1914-15 they have not functioned as currency, and the figures given in previous reports have represented the imports of sovereigns and half-sovereigns, the demand for which for use as bullion has always been considerable. From 1st April 1927 these coin have ceased to be legal tender and their inclusion in a statement showing the absorption of currency would be misleading. It will be seen from the statement that there was an increase of about 6½ crores in the amount of the currency in the hands of the public during 1927-28, and it is probable that the amount of currency in effective circulation increased to a greater extent than is indicated by these figures, as there appears to have been a decrease in the amount of silver rupees in hoards during the earlier part of the year.

37. *Rupees.*—The details of the net return from circulation of 3,71 lakhs during the year under review are shown below, first monthly for the whole of India, and second by circles :—

Monthly absorption of rupees.

(In lakhs of rupees)

Month	Absorption + or return from circulation - in	
	1926-27.	1927-28.
April	+ 32	455
May	-2,03	+ 9
June	-4,27	-3,23
July	-5,90	-5,07
August	-3,19	-2,77
September	-2,90	-1,36
October	-1,95	-91
November	-85	+1,71
December	+2,09	+5,30
January	+77	+2,46
February	-40	-38
March	-1,45	-10
TOTAL	-19,76	-3,71

Absorption of rupees by circles.

(In lakhs of rupees)

Circle.	Absorption + or return from circulation - of rupees in	
	1926-27.	1927-28.
Calcutta	-1,40	-2,65
Cawnpore	-7,66	-2,35
Lahore	-5,16	-1,09
Bombay	-5,53	+2,77
Karachi	-22	+14
Madras	-23	-43
Rangoon	+44	-10
TOTAL	-19,76	-3,71

During the years 1925-26 and 1926-27 rupees returned from circulation on a very large scale owing to causes which were analysed in paragraph 41 of last year's report. This movement appears to have received a check during 1927-28. The return from circulation during the first six months of the year was not very much less than during the corresponding period of the previous year, but from October to March there was a marked change, the absorption of rupees during these months being just over 8 crores as against a return from circulation in the previous year of over 1½ crores. The increase in the demand for silver rupees may be accounted for partly by the increase in the demand for all forms of currency for financing the staple crops, but this cause alone is not sufficient to explain fully the change, and the indications are that the return of silver rupees from hoards, which has been a feature of the past few years, has decreased very largely during the last six months of 1927-28.

The movements in the various circles are interesting. For the second year in succession there was a large return from circulation in the Calcutta circle following on a very large absorption in 1924-25 and 1925-26. The large absorption in these two years was due mainly to the abolition of the one-rupee note which had been very largely used in Bengal for financing the jute crop. The return from circulation during the last two years indicates that silver rupees, which replaced the one-rupee notes, are now being replaced by higher value notes. The return from circulation in the Cawnpore and Lahore circles, which is much smaller than during the last few years, indicates a smaller return of rupees from hoards. In the Bombay circle the large absorption is due mainly to demands in connection with the financing of the cotton crop which were larger than in the previous year owing to a large crop and an increase in the price of cotton. The figures in the Madras and Karachi circles call for no comment, but the return from circulation in the Rangoon circle is interesting, as there was a steady absorption of rupees in this circle in 1924-25 to 1926-27. The small return from circulation during the year under report appears to be due mainly to the increasing popularity of notes.

38. *Demand for currency for financing the principal crops.*—In the appendix particulars are given of the manner in which the cotton and jute crops are financed. In the year under report the absorption of currency in Khandesh, the Central Provinces and Central India during the cotton season was about 15,48 lakhs, of which 8,68 lakhs were in the form of notes and 6,80 lakhs in the form of silver rupees. The amount of currency absorbed amounted to 39 per cent. of the total value of the crop as against 37 per cent. in the previous year and 34 per cent. in the year 1925-26. The increase in the percentage is due to the increase in the amount of cotton produced and the rise in price. The demand for currency for financing the jute crop was smaller than usual, as the cultivators and the up-country middlemen held their jute longer than usual in order to obtain better prices, with the result that the intensity of the demand for currency at the beginning of the season was smaller and the currency transported to the jute areas at the beginning of the season was sufficient for financing movements later in the season. The absorption of currency from the currency chests in the jute districts amounted to 13,10 lakhs, of which 11,04 lakhs were in the form of notes and 2,06 lakhs in the form of silver rupees. The demand for currency in Burma in connection with the financing of the rice crop is indicated fairly accurately by the absorption in the Rangoon currency circle between December and March, as the money for

the finance of the crop is obtained mainly by means of currency transfers from Calcutta. The net absorption of currency in this circle during these months was 4,97 lakhs, of which 4,84 lakhs were in the form of notes and 13 lakhs in the form of silver rupees. The demand was smaller than usual on account of the decrease in the price of rice during the last three months of the year. No accurate figures are available for the demand in Northern India for the wheat, seed and other crops, but the indications are that the use of notes is increasing both in the Punjab and in the United Provinces.

39. *Absorption of small coin.*—In Statement XVI will be found details of the absorption of small coin in each province during the last three years. A summary of these figures and similar figures for previous years is given below :—

(In thousands of rupees)

Year	Four anna pieces	Two anna pieces.	One anna pieces	Single piece	TOTAL
Average for the 5 pre-war years	15,75	13,59	21,02	10,51	60,87
Average for the 5 war years 1914-15 to 1918-19	37,24	29,54	27,86	5,63	1,00,27
1919-20	88,15	60,33	44,05	21,18	2,13,71
1920-21	— 9,31	— 23,24	— 12,82	— 2,22	— 47,59
1921-22	— 7,09	— 2,40	3,28	52	— 5,69
1922-23	3,67	1,70	12,99	2,89	21,25
1923-24	6,20	3,99	19,58	2,42	32,49
1924-25	15,87	4,90	21,66	5,31	47,94
1925-26	3,34	5,49	11,22	2,23	22,28
1926-27	51	— 6,10	11,62	4,05	10,08
1927-28	7,03	4,62	22,02	5,05	38,72

N.B.—A minus sign indicates return from circulation.

The large increase in the demand for small coin during the year under review appears to have been due to the general increase in internal trade.

VIII.—The note circulation and miscellaneous matters connected with Currency Notes and Coinage.

40. *Statistics of the note circulation.*—Statistics of the note circulation are given in Statements XII to XV. In these statistics “gross circulation” means the total amount of notes issued, and “active circulation” the amount of notes issued less those held in Government treasuries and Local Head Offices of the Imperial Bank of India.

The table below compares the gross and active circulations on the 31st March, and also the average for the year, with the corresponding figures for previous years:—

(In lakhs of rupees)

Year.	CIRCULATION ON 31ST MARCH		AVERAGE CIRCULATION		Increase in average active circulation
	Gross.	Active	Gross	Active	
1904-05	39,18	28,46	39,20	28,11	.
1909-10	54,41	39,99	49,66	37,21	+9,10
1913-14	66,12	49,97	65,55	46,63	+9,42
1918-19	1,53,46	1,33,58	1,33,20	1,13,84	+41,97
1919-20	1,74,52	1,53,78	1,71,68	1,51,10	+37,26
1920-21	1,66,16	1,47,88	1,63,51	1,38,88	-12,22
1921-22	1,74,76	1,57,23	1,73,80	1,52,22	+13,34
1922-23	1,74,70	1,61,10	1,76,33	1,53,27	+1,05
1923-24	1,85,85	1,69,06	1,79,01	1,56,93	+3,66
1924-25	1,84,19	1,66,55	1,79,27	1,60,91	+3,98
1925-26	1,93,34	1,67,71	1,86,88	1,63,16	+2,25
1926-27	1,84,13	1,64,31	1,89,13	1,56,36	-6,80
1927-28	1,84,87	1,74,53	1,80,16	1,62,62	+6,26

The progress of the gross circulation has been described in paragraph 22 above. The increase of $6\frac{1}{4}$ crores in the average active circulation was due partly to the increase in internal trade and partly to the increasing use of currency notes in place of coin. The active circulation was, as usual, lowest at the end of July, when it was 1,48·7 crores, and was highest at the end of December, when it was 1,77 crores.

41. *Character of the note circulation.*—The details in Statement XIV indicate the relative popularity of the different denominations of notes. For the purpose of this statement Rs. 10,000 notes which do not enter into active circulation, are excluded. One rupee and $2\frac{1}{2}$ rupee notes have not been issued for some years, and notes of these denominations are being cancelled on receipt at treasuries and currency offices.

The number outstanding is now negligible, *viz.*, 38,70,850 one rupee and 54,670 two and a half rupee notes, a large proportion of which must in reality have been destroyed in which case the value will be ultimately credited to Government. The ten-rupee note retains the most important position representing 43·2 per cent. of the total circulation. The popularity of the new pattern five-rupee note continues to grow, the percentage of the total represented by it having risen from 9·9 in 1926-27 to 10·7 in 1927-28.

42. *Life of currency notes.*—The following table gives a rough measure of the life of each denomination of note. The life of a note is reckoned to be the period from the time of its issue to the time of its cancellation, the calculation being based on the ratio of the number of notes outstanding in a year to the number of notes cancelled in that year :—

	Rs. 5	Rs. 10	Rs. 50	Rs. 100	Rs. 500	Rs. 1,000	Rs. 10,000
	Months.	Months.	Months.	Months.	Months.	Months.	Months.
1927-28	13½	12	11½	10½	9½	2½	2½
1926-27	12½	12	11½	11	10	2½	3½
1925-26	12½	12½	11½	10½	8	2	3½

In the above calculations notes in currency chests are reckoned as in circulation; if these notes are excluded from the circulation figures, the life of the various denominations works out as follows for 1927-28 :—

Rs. 5	Rs. 10	Rs. 50	Rs. 100	Rs. 500	Rs. 1,000	Rs. 10,000
Months	Months.	Months.	Months.	Months.	Months.	Months.
6½	7½	5½	5½	3½	1½	2

The actual period for which the several denominations of notes ordinarily remain in circulation appears to lie between these two periods.

43. *Printing of currency notes.*—The new currency note printing press at Nasik was practically completed by the end of the year and was formally opened on the 14th April 1928.

Notes of the denominations of Rs. 5, Rs. 10 and Rs. 100 will in future be printed at Nasik, but necessary supplies of other denominations will continue to be obtained from the Bank of England until new designs, suitable for the machinery at Nasik, have been approved. These designs are being prepared and will probably replace the present designs within two years.

44. *Note forgeries.*—The total number of forged notes received at the currency offices during the year was 6,956 against 9,641 in 1926-27 and 11,445 in 1925-26. Nearly half of these forged notes appeared in the Rangoon circle. Calcutta contributed 1,563, Bombay 982, and Madras 685. Of the total 106 were of the Re. 1, 9 of the Rs. 2½, 1,583 of the Rs. 5, 4,654 of the Rs. 10, 16 of the Rs. 50, 586 of the Rs. 100 and 2 of the Rs. 1,000 denominations.

Only one new forgery of the Re. 1 denomination was received during the year under review. The remainder were old and confined mainly to the Rangoon, Calcutta and Madras circles. The bulk of the forgeries were of the N89, Y99, and J53 series.

Forgeries of the Rs. 2½ denomination were restricted to the Calcutta and Cawnpore circles.

The most important forgeries of the Rs. 5 denomination were of the SD84, GC46, GD7, CD22 and UN40 series. These forgeries, which were hand-made and crude, were predominant in Calcutta, Bombay, Cawnpore, Madras and Rangoon. Very few forgeries of the new pattern Rs. 5 note have appeared, the total number being 29 only, all except two of which are of the H54 series.

More than half of the forgeries of the Rs. 10 note appeared in Rangoon. Of the new forgeries of this denomination detected during the year, forgeries of the C98, F4, E23, B12, RG94, and BH12 were well executed. Old forgeries of the E2, D12, D90, P23, D98 and C76 series appeared in large numbers.

Forgeries of the Rs. 50 denomination were mainly confined to the Bombay and Madras circles. They were hand-made and crude.

There was a marked reduction in the number of new forgeries of the Rs. 100 denomination in the Rangoon circle, only two being received as against 309 in the previous year. A few forgeries of the ND85, ND60 and QE7 mentioned in the last year's report were received in this year also. Of the new forgeries of the ND90, WW11, ZZ53 and RE53 series which appeared in the Calcutta circle the last was a fair

production. No forgeries of the new pattern Rs. 100 note appeared.

232 prosecutions were instituted during the year in connection with forged notes of which 130 resulted in the conviction of the accused.

45. *Claims on lost and half notes, etc.*—The following table shows the number of wholly destroyed, half and mutilated notes in respect of which claims were admitted during the year 1927-28 and the three preceding years:—

—	1924-25	1925-26.	1926-27.	1927-28.
Whole notes destroyed	7	6	34	35
Half notes { lost in the post	774	1,709	1,314	862
{ lost otherwise	1,898	2,082	1,173	873
Mutilated notes	448	625	710	394

* On the 1st July 1927 amendments in the Currency Notes (Refund) Rules, made with the object of discouraging the cutting of notes, came into force. The changes of importance involved in the amendments were:—

- (a) No claims on half or mismatched notes of the denominations of Rs. 5 and Rs. 10 are now admitted.
- (b) On half notes of the denominations of Rs. 50 and upwards half the value is now paid at a currency office fourteen days after presentation, but claims to full value on such notes are dealt with in exactly the same way as claims on lost or wholly destroyed notes, the claim being rejected unless it can be proved that the other half of the note has been lost or destroyed in such circumstances that there is no likelihood of its being presented at any future date; and successful claimants to full value on half notes do not obtain payment of the same until more than five years have elapsed from the date of the claim.

The change in the rules is reflected in the decrease in the number of claims on half notes during the year, but the full effect of the amendments in discouraging the cutting of notes will not be visible for some time, as the risk involved in this practice will only be realised gradually by the public.

46. *False claims.*—45 cases of false claims on defective currency notes were taken up at the currency offices for investigation during 1927-28, compared with 69 in 1926-27 and 72 in 1925-26. The decrease in the number of such cases is due to the amendment of the Refund Rules referred to above as the rules previously in force tended to encourage false claims on half notes. Prosecutions were launched in 29 cases of which 6 ended in convictions, 2 were withdrawn, and the remainder are still under enquiry. During the year convictions were also secured in 19 cases out of those in which prosecutions had been instituted in the previous year.

47. *Writing off old notes.*—The value of notes written off to Government during the year under section 19 of Act X of 1923, amounted to Rs. 32,700 against Rs. 32,850 in 1926-27, Rs. 35,850 in 1925-26 and Rs. 34,050 in 1924-25.

48. *Withdrawal of silver coin.*—The total value of silver coins withdrawn from circulation amounted to 1,36 lakhs as against 1,62 lakhs in 1926-27 and 1,49 lakhs in 1925-26. The details are shown in the statement below :—

(In thousands of rupees.)

Province.	1835.	1840.	1911.	Shroff marked.	Other uncurrent.
India	18	1,67	8	1	34,43
North-West Frontier Province	1	9	...	...	4
Madras	12	1,62	1	...	11,47
Bombay	6	1,24	1	5	10,93
Bengal	33	1,99	.	...	3,86
United Provinces	54	5,68	1	1	15,81
Punjab	27	2,84	.	...	22,73
Burma	1	10	...	...	2,03
Bihar and Orissa	38	3,09	..	...	12,26
Central Provinces	3	73	..	...	63
Assam	5	24	...	...	45
TOTAL	1,98	19,29	11	7	1,14,68*

* Includes small silver worth 17 lakhs.

The following table shows the number of light-weight silver coins withdrawn and remitted to the mints during the year :—

Denomination.	NUMBER OF COINS REDUCED IN WEIGHT.					TOTAL.
	WHOLE RUPEES.		SMALL SILVER COINS.		ALL SILVER COINS.	
	Over 2 per cent but not more than 6½ per cent.	Over 6½ per cent. but not more than 25 per cent.	Over 2 per cent but not more than 12½ per cent.	Over 12½ per cent. but not more than 25 per cent.	Over 25 per cent.	
1	2	3	4	5	6	7
Rupees	6,915,421	37,587	...	.	14,021	6,967,029
Half Rupees . . . .	...	...	1,028,728	4,499	4,448	1,037,675
Quarter Rupees . . . .	...	...	...	163,209	1,396	164,605
Eighth Rupees . . . .	...	...	...	25,220	718	25,938
TOTAL	6,915,421	37,587	1,028,728	192,928	20,583	8,195,247

Grand Total 1927-28	8,195,247
Do. 1926-27	9,713,768
Do. 1925-26	7,940,727
Do. 1924-25	5,213,209
Do. 1923-24	6,145,150

Silver two anna pieces are still legal tender but their re-issue has been stopped since 1925-26. The total amount withdrawn and remitted to the mints for melting during the year was Rs. 11.76 lakhs against Rs. 18.31 lakhs in 1926-27.

49. *Withdrawal of nickel and copper coin.*—Eight anna nickel coins were called in under Section 15-A of the Indian Coinage Act, 1906, with effect from the 1st October 1924. They are now received at currency offices only. The total amount withdrawn and sent to the mints during the year was Rs. 8,948. Double pice, though still legal tender, are being withdrawn from circulation at treasuries and currency offices, the total amount so withdrawn during the year being Rs. 35,492. The amounts of badly worn and defaced nickel and copper coins withdrawn from circulation were four anna pieces Rs. 1,154, two anna pieces Rs. 1,045, one anna pieces Rs. 99,835 and copper Rs. 1,70,146.

50. *Counterfeit coin.*—The counterfeit silver coins detected at treasuries, railway stations and mints were as follows:—

	Rs	$\frac{1}{2}$ Rs.	$\frac{1}{4}$ Rs	$\frac{1}{8}$ Rs.
1927-28	101,894	4,872	4,380	1,729
1926-27	102,798	5,316	5,918	2,543
1925-26	87,353	4,393	6,182	2,113

The number of counterfeit silver coins received during the year under review was almost the same as in the previous year. The total number of counterfeit nickel coins cut at railway stations and treasuries was 1,079 of the eight anna, 12,519 of the four anna, 17,850 of the two anna and 9,349 of the one anna denomination.

51. *Special examination of rupees at the mints.*—The table below shows the results of the special examination at the mints of rupees shroffed at each of the seven currency offices to test the adequacy of the shroffing work.

AMOUNT EXAMINED.	Calcutta.	Bombay	Madras.	Cawn- pore.	Lahore.	Rangoon	Karachi.
	Rs. 10,00,000	Rs 5,00,000	Rs. 3,00,000	Rs 5,00,000	Rs 5,00,000	Rs. 3,00,000	Rs 1,00,000
Counterfeits	25	50	20	38	17	17	13
Fraudulently defaced . . .	2	21	4	5	—	7	3
Loss between 2% and 6 $\frac{1}{2}$ % . . .	899	3,108	1,536	4,982	465	2,361	521
" 6 $\frac{1}{2}$ % " 12 $\frac{1}{2}$ % . . .	9	16	10	30	1	15	2
" 12 $\frac{1}{2}$ % " 18 $\frac{1}{2}$ % . . .	—	—	—	—	—	—	—
" 18 $\frac{1}{2}$ % " 25% . . .	—	—	—	—	—	—	—
TOTAL	935	3,195	1,570	5,055	483	2,400	539
Percentage of light-weight rupees in 1927-28 . . .	.09	.62	.52	1.00	.09	.79	.52
Average rate of loss per light-weight rupee in 1927-28 . . .	.023	.024	.023	.022	.024	.023	.024
Percentage of light-weight rupees in 1926-27 . . .	.11	.84	.45	2.01	.86	.48	.82
Average rate of loss per light-weight rupee in 1926-27 . . .	.023	.023	.023	.023	.023	.022	.023

Cawnpore shows a considerable improvement on last year. The work in other offices is satisfactory, especially in Calcutta and

Lahore. The average loss on light-weight coin detected at the mints slightly exceeds 2 per cent., the excess not being higher than .4 per cent. in any office.

52. *Receipts and expenditure of the currency department.*—Statement XVII gives the usual details of receipts and expenditure of the currency department during the year.

53. *Working of the mints.*—The coinage for the Government of India during the year consisted of Rs. 10 lakhs of silver half rupees, Rs. 15 lakhs of nickel 2 anna pieces, Rs. 12 lakhs of nickel one anna pieces, Rs. 2,35,000 of single pice, Rs. 46,000 of half pice and Rs. 70,000 of pie pieces. The mints have also been engaged in the manufacture of medals and other miscellaneous work, details of which will be found in the annual reports of the Mint Masters.

I have the honour to be,

SIR,

Your most obedient servant,

H. DENNING,

Controller of the Currency.

CALCUTTA,

The 2nd June 1928.

APPENDIX.

Note on the financing of the cotton and jute crops.

1. *Cotton.*—The cotton areas covered by this note are the same as in previous reports. Area I supplies cotton classified by the East Indian Cotton Association as Berar, Khandesh and the Central Provinces and area II cotton classified as Central India and Barsi Nagal. For the reasons given in last year's report the considerable portion of the Barsi Nagal crop which is raised in Hyderabad State and is financed by its currency has been excluded.

2. The approximate outturn and value of the cotton in the two areas in the last cotton season were :—

	No. of Bales.	Value in lakhs of rupees.
Area I	1,365,400	23,03
Area II	961,500	16,49
TOTAL	2,326,900	39,52

These compare as below with the figures for the previous 2 years.

	1925-26.		1926-27.	
	No. of bales.	Value in lakhs of rupees.	No. of bales.	Value in lakhs of rupees.
Area I	1,164,000	19,98	1,284,000	17,49
Area II	890,000	14,91	777,000	11,07
TOTAL	2,054,000	34,89	2,061,000	28,56

3. The following figures indicate the part played by the Imperial Bank and Government treasuries in providing the money required for payments to the cultivators for the crop.

(In thousands of rupees.)

	Area I.	Area II.	TOTAL.
1. Value of drafts purchased at branches of the Imperial Bank of India	10,71,23	3,93,30	14,64,53
2. Telegraphic transfers paid from branches of the Imperial Bank of India	60,99	24,46	85,45
3. Telegraphic transfers and Supply Bills issued in Bombay and paid at Government treasuries and sub-treasuries	2,10,33	15,49	2,25,82
4. Whole rupees taken from Bombay Currency Office and raised to cotton areas	24	85,60	85,84
5. Notes privately imported	1,03,42	65,20	1,68,62
TOTAL	14,46,21	5,84,05	20,30,26

The data, especially as to the amount of notes and coin privately raised to the areas, are too inadequate to make any precise deductions possible. It would seem that the cultivator, after his immediate requirements, such as the payment of land revenue, have been met, still prefers to retain the surplus in notes and coin. A prosperous season would thus lead to an increase in the proportion of currency absorbed to the total value of the crop. In the year under review, the proportion would probably have been higher but for the fact that last year's revenue was suspended in several districts in Berar, and takavi advances made. These had to be repaid this year.

6. The percentage of coin to notes is 78.2 as compared with 61 last year and 51.5 in the year before. These figures again cannot be pressed too far. Notes are remitted by post in unascertainable quantities, while the private remittance of rupees is on a comparatively small scale and is more easily traceable. The percentage is thus undoubtedly too high. At the same time, comparison with the two previous years, when the same factors were in operation, would seem to show that there is no general movement to replace coin by notes and that the cultivator still tends to keep his store of value in coin. The discount on notes in the busy season was practically the same as last year. The proportion of silver absorbed in the Barsi Nagar and Central India areas was also as usual higher than elsewhere.

7. *Jute*.—The operations in connection with the marketing of the jute crop were spread over a much longer period than usual. Ordinarily only 15 to 20 lakhs of maunds are held upcountry at the end of December but in the year under review the figure stood at 159 lakhs. Even at the end of March, the upcountry stock was about 42 lakhs of maunds out of the total outturn of 511 lakhs of maunds. The year was marked throughout by a tussle between buyers and sellers. The mills were well-stocked at the beginning of the season and were cautious in their purchases. When sellers offered, buyers took little or no interest, and when buyers predominated, sellers held back in expectation of a rise in price. As a result, the value of jute fluctuated within a comparatively small range. The average price, excluding middlemen's profit, was, Rs. 10-5-6 per maund which is slightly higher than last year's average. The approximate outturn and the value of the crop compare as follows with the revised figures of the two preceding years :—

(Figures in units.)

		1925-26.	1926-27.	1927-28.
		Mds.	Mds.	Mds.
Outturn in maunds.	Bengal	40,103,500	53,846,000	45,273,500
	Bihar and Orissa	3,500,000	4,096,500	3,585,000
	Assam	1,396,500	2,995,000	2,290,000
TOTAL		45,000,000	60,937,500	51,148,500
Rate per Maund		Rs. 18-11-0	Rs. 10-1-0	Rs. 10-5-6
Total value		Rs. 84,09,37,500	Rs. 61,31,83,594	Rs. 52,90,67,297

8. The part played by the Imperial Bank and Government treasuries in financing the crop is shown in the comparative statement below :—

(In thousands of rupees.)

	1925-26.	1926-27.	1927-28.
	Rs.	Rs.	Rs.
Value of drafts purchased at branches of the Imperial Bank of India	20,73,95	14,52,88	13,97,00
Telegraphic transfers paid by branches of the Imperial Bank of India	3,13,77	1,52,41	2,12,61
Telegraphic transfers and supply bills issued in Calcutta and paid at Government treasuries and sub-treasuries	5,54,51	4,06,95	3,87,78
TOTAL	29,42,23	20,12,24	19,97,39
Percentage of estimated value of the crop	34.9	32.8	37.7

About a third of the finance required was obtained through Government or the Imperial Bank. The total amount thus obtained was very nearly the same as in last year but it will be seen from the figures given in the table below which shows the absorption of currency from currency chests in the jute districts, that the amount of currency required both in notes and coin was less than last year.

(In thousands of rupees.)

Year.	Notes.	Rupees.	Total.
1925-26	18,59,61	5,49,16	24,08,77
1926-27	12,08,60	2,83,34	14,91,94
1927-28	11,04,50	2,05,88	13,10,38

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STATEMENT I.

Monthly Imports and Exports of gold and silver coin and bullion during the year 1927-28.

GOLD.

Month.	IMPORTS.			EXPORTS.		
	Bullion.	Sovereigns and other British gold coin.	TOTAL.	Bullion.	Sovereigns and other British gold coin.	TOTAL.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
April 1927	95,31,980	42,09,435	1,37,41,415	...	15,726	15,726
May "	80,41,205	55,59,214	1,36,00,419	...	15,527	15,527
June "	1,15,57,778	82,49,794	1,98,07,572	6,545	17,010	23,555
July "	88,87,346	76,20,529	1,65,13,875	..	24,278	24,278
August "	41,62,381	37,91,242	79,53,624	4,030	4,060	8,090
September "	41,83,189	50,51,170	92,34,359	1,771	24,304	26,075
October "	46,40,228	28,70,862	75,01,091	379	42,102	42,481
November "	57,38,726	65,38,136	1,22,76,862	195	32,812	33,007
December "	95,44,020	13,74,354	1,09,18,374	3,522	38,010	41,532
January 1928	1,63,33,650	75,36,349	2,38,69,999	151	8,750	8,901
February "	1,58,14,830	35,20,310	1,93,35,140	13,682	11,285	24,967
March "	1,58,10,685	1,07,80,647	2,65,91,332	68,025	11,875	79,900
TOTAL	11,42,46,018	6,70,98,044	18,13,44,062	98,300	2,45,739	3,44,039

SILVER.

Month.	Import.	Export.
	Rs.	Rs.
April 1927	2,63,74,391	4,58,003
May "	1,96,38,212	17,72,904
June "	1,72,97,880	12,56,855
July "	78,01,339	17,81,727
August "	91,08,274	28,49,410
September "	57,63,185	24,53,222
October "	1,11,38,170	4,23,352
November "	95,80,033	88,64,622
December "	1,37,93,167	42,80,894
January 1928	1,28,75,602	2,65,957
February "	1,99,15,349	1,03,151
March "	1,14,51,815	18,59,093
TOTAL	16,47,37,417	2,63,69,190

STATEMENT II.

Total value of imports and exports of gold coin and bullion in each official year from 1900-01 to 1927-28.

Year.	IMPORTS OF GOLD.			EXPORTS OF GOLD.		
	Bullion.	Sovereigns and other British gold coin.	Total.	Bullion.	Sovereigns and other British gold coin.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1900-1901	5,16,34,476	6,73,45,721	11,89,80,197	10,06,02,139	99,56,707	11,05,53,846
1901-1902	3,03,15,375	5,27,59,971	8,30,75,346	3,72,74,700	2,64,24,240	6,36,98,940
1902-1903	4,47,36,163	8,71,87,514	13,19,23,677	3,28,90,488	1,14,87,530	4,43,78,018
1903-1904	7,16,35,211	12,98,43,483	20,14,78,694	3,67,95,858	6,53,60,239	10,21,62,097
1904-1905	8,77,70,365	13,08,49,416	21,81,19,781	3,52,95,929	8,57,64,993	12,10,60,922
1905-1906	8,76,72,452	5,99,17,270	14,75,89,722	3,63,17,742	10,65,92,094	14,29,09,836
1906-1907	10,49,20,065	8,04,13,754	18,53,33,819	3,06,23,179	61,50,245	3,67,73,424
1907-1908	11,08,38,907	9,66,87,500	20,75,26,407	3,36,70,880	1,78,247	3,38,49,127
1908-1909	6,78,55,075	1,61,87,235	8,40,42,310	3,36,74,937	68,12,716	4,04,87,653
1909-1910	11,16,95,761	13,86,14,457	25,03,10,218	3,30,98,212	4,18,898	3,35,17,110
1910-1911	15,08,20,375	12,81,04,770	27,89,25,145	3,34,67,880	56,70,720	3,91,38,600
1911-1912	13,98,02,070	27,51,33,990	41,49,36,060	3,56,30,100	17,08,200	3,73,38,300
1912-1913	14,59,79,775	26,69,28,075	41,29,07,850	3,45,06,225	3,83,89,500	7,28,95,725
1913-1914	15,47,44,470	12,75,19,605	28,22,64,075	3,49,00,305	1,41,25,770	4,90,26,075
1914-1915	8,35,27,695	2,35,10,535	10,70,38,230	1,54,41,405	1,51,22,670	3,05,64,075
1915-1916	4,59,88,965	68,27,850	5,28,16,815	3,05,69,130	3,33,38,880	6,39,08,010
1916-1917	11,53,80,885	1,79,97,810	13,33,78,695	3,21,530	7,03,875	10,25,205
1917-1918	17,25,98,069	11,83,51,231	29,09,49,300	3,73,77,165	17,86,230	3,91,63,395
1918-1919	2,04,423	2,25,58,737	2,27,63,160	7,83,99,840	7,83,99,840	7,83,99,840
1919-1920	41,31,53,834	6,93,61,737	48,25,15,571	9,93,13,771	2,98,99,440	12,92,13,211
1920-1921	19,54,21,649	4,03,16,485	23,57,38,134	19,69,63,819	1,76,91,904	21,46,55,723
1921-1922	10,31,64,864	3,50,39,557	13,82,04,421	15,12,86,448	1,55,62,400	16,68,48,848
1922-1923	30,93,71,011	10,38,68,167	41,32,39,178	9,62,099	3,68,533	13,30,632
1923-1924	22,13,41,759	7,11,89,773	29,25,31,532	1,44,524	5,22,993	6,67,517
1924-1925	59,79,10,739	14,49,87,248	74,28,97,987	4,04,267	32,27,854	36,32,121
1925-1926	25,26,78,970	9,96,20,393	35,22,99,363	23,26,183	14,27,381	37,53,564
1926-1927	13,86,46,145	5,63,65,857	19,50,12,002	4,91,792	5,14,762	10,06,554
1927-1928	11,42,46,018	6,70,98,044	18,13,44,062	98,300	2,45,739	3,44,039

NOTE.—In all years prior to 1920-21, imports and exports of sovereigns whether on private or Government account and gold bullion imported or exported on Government account have been valued at the rate of Rs. 15 per £1 or 7 53344 grains of fine gold per rupee, while private imports and exports of bullion have been entered at the market rate. In the years 1920-21 to 1927-28 the values have in all cases been taken at the market rate.

STATEMENT III.

Total value of imports and exports of silver coin and bullion in each official year from 1900-1901 to 1927-1928.

Year	IMPORTS OF SILVER.			EXPORTS OF SILVER.		
	Government of India Rs.	Other coin and bullion	TOTAL.	Government of India Rs	Other coin and bullion.	TOTAL.
	Rs	Rs.	Rs	Rs.	Rs.	Rs.
1900-1901	52,43,615	12,15,43,806	12,67,87,421	1,40,20,285	1,76,94,815	3,17,15,100
1901-1902	87,98,295	11,41,39,711	12,29,38,006	1,23,05,578	3,87,04,085	5,10,09,663
1902-1903	50,64,362	11,68,00,512	12,18,64,874	1,15,75,228	4,07,23,124	5,22,98,352
1903-1904	83,09,392	17,54,72,986	18,37,82,378	1,42,02,089	3,40,74,625	4,82,76,714
1904-1905	62,18,732	17,07,43,237	17,69,61,969	1,22,83,145	3,09,44,100	4,32,27,245
1905-1906	32,58,093	16,57,62,318	16,90,20,411	1,10,81,420	7,08,798	1,17,90,218
1906-1907	72,14,271	25,32,50,024	26,04,64,295	1,99,92,165	4,16,937	2,04,09,102
1907-1908	1,20,83,930	20,32,34,640	21,53,18,570	1,62,35,680	44,00,194	2,06,35,874
1908-1909	88,51,093	13,45,48,274	14,33,99,367	1,17,50,767	1,09,64,045	2,27,14,812
1909-1910	44,45,256	12,04,79,260	12,49,24,516	1,83,85,706	1,20,89,587	3,04,75,293
1910-1911	42,43,665	11,41,89,840	11,84,33,505	2,14,90,965	1,06,39,680	3,21,30,645
1911-1912	39,12,885	11,58,59,535	11,97,72,420	1,52,62,890	5,11,37,865	6,64,00,755
1912-1913	66,42,675	19,87,66,995	20,54,09,670	1,86,56,940	1,47,64,980	3,34,21,920
1913-1914	85,71,810	14,35,60,605	15,21,32,415	1,91,67,930	26,34,840	2,18,02,770
1914-1915	78,80,535	10,31,64,465	11,10,45,000	2,19,17,655	4,12,635	2,23,30,290
1915-1916	34,87,605	6,31,57,965	6,66,45,570	1,79,45,970	4,03,830	1,83,49,800
1916-1917	58,67,190	24,52,81,110	25,11,48,300	4,47,36,000	1,84,10,865	6,31,46,865
1917-1918	87,00,810	21,79,93,050	22,66,93,860	2,53,24,995	1,09,50,795	3,62,75,790
1918-1919	14,35,335	68,94,56,580	69,08,91,915	72,49,005	44,53,230	1,17,02,235
1919-1920	13,16,324	29,85,56,659	29,98,72,983	44,91,400	30,93,108	75,84,508
1920-1921	1,22,27,575	9,89,54,230	11,11,81,805	2,86,33,767	1,84,13,150	4,70,56,917
1921-1922	3,42,34,306	14,05,51,799	17,47,86,105	66,97,096	71,27,260	2,38,24,296
1922-1923	1,09,73,724	19,84,59,145	20,94,32,869	1,57,00,800	1,01,85,413	2,58,86,213
1923-1924	(Details not available.)		22,10,27,280	(Details not available.)		3,40,47,193
1924-1925	"		24,23,07,337	"		4,20,66,671
1925-1926	"		19,89,70,504	"		2,77,29,354
1926-1927	"		21,76,34,160	"		1,89,53,825
1927-1928	"		16,47,37,417	"		2,63,69,190

STATEMENT IV.

Details of Sales of Treasury Bills.

DATE OF SALE.	AMOUNT OFFERED FOR TENDER.		AMOUNT APPLIED FOR		AMOUNT ALLOTTED AND TAKEN UP		AVERAGE RATE FOR		RATE FOR INTER-MEDIATE BILLS.		AMOUNT OF INTER-MEDIATE BILLS SOLD.	
	3 Months.	6 Months.	3 Months.	6 Months.	3 Months.	6 Months.	3 Months.	6 Months.	3 Months.	6 Months.	3 Months.	6 Months.
9th August 1927		2,00,00	..	3,70,60	..	2,00,00	...	97 15 3				
23rd " "	...	2,00,00	...	4,06,50	..	2,00,00	...	97 12 5				
6th September 1927	..	2,00,00	...	2,03,10	...	1,58,10		97 9 11				
13th " "	..	2,00,00	..	1,70,95	...	1,19,95	...	97 7 1	No Intermediate Sale	No Intermediate Sale.	No Intermediate Sale	No Intermediate Sale
20th " "	..	2,00,00	...	1,83,00		1,49,35		97 4 5				
27th " "	..	2,00,00		3,24,15	...	1,59,30	..	97 4 4				
7th October 1927	1,50,00	...	4,73,50		1,65,00	..	98 15 7		No Intermediate Sale	No Intermediate Sale.	No Intermediate Sale	No Intermediate Sale
12th " "	1,50,00		5,02,65	..	1,49,35	...	98 14 9	..				
18th " "	1,50,00		5,44,50	...	1,50,00		98 14 6	...				
27th " "	1,50,00	...	5,91,75		1,49,75		98 14 6	..				
1st November 1927	1,50,00		3,65,75		1,50,00		98 14 5					

8th	..	..	1,50,00		3,51,25	..	1,49,00	...	98 14 5							
15th	..	..	1,50,00		1,63,10		1,49,10		98 14 2							
22nd	..	..	1,50,00	...	1,18,50	..	87,00	.	98 18 4	..						
29th	..	..	1,50,00		48,60	.	38,10	...	98 12 8	...						
6th December	..	..	1,00,00	.	58,40	..	58,30	...	98 10 9	.						
13th	..	..	1,00,00	..	58,45	...	12,35	...	98 10 1	..						
19th December to 2nd March 1928.			No Tender Sale.			...		.	...	...	98 10 0	97 9 0	1,65,00	2,20,00		
7th March 1928	.	.	75,00	75,00	6,50	60,00	6,50	57,00	98 10 5	97 11 3	...	...	.	...
8th to 12th March 1928	.	.				...	.	..	...	...	98 10 9	97 11 9	15,75	17,05		
13th March 1928	.	.	75,00	75,00	23,30	80,00	16,25	74,50	98 11 0	97 11 3	..	..	...	..
14th to 19th March 1928.	..	...	...	...	..	..	..	...	...	...	98 11 0	97 11 3	6,90	9,00		
20th March 1928	.	.	75,00	75,00	15,50	98,50	8,25	75,00	98 10 4	97 9 8	...	...	.	...
21st to 26th March 1928	..	...			.	.	.	..	...	...	98 11 3	97 10 3	3,75	6,25		
27th March 1928	.	.	75,00	1,00,00	12,25	92,50	12,25	92,50	98 10 0	97 9 4	..	..	...	..
28th to 31st March 1928.	..	..	...	...	..	..	..	.	...	...	98 10 3	97 10 3	2,75	4,00		
TOTAL			..	..	...	.	13,01,20	12,85,70	...	...	..	..	1,94,15	2,56,30		
GRAND TOTAL			...	...	.	...					30,87,35					

STATEMENT V.

Composition of the Currency Reserve held against the note circulation at the end of each month.

(In lakhs of rupees)

MONTH.		COIN AND BULLION RESERVE.											
		Gross circulation of notes.	Silver coin in India.	Gold coin and bullion in India.	Silver bullion under coinage	Gold coin and bullion in England.	Silver bullion in England.	Gold coin and bullion in His Majesty's Dominions	Gold coin and bullion in transit between India and England and His Majesty's Dominions	Silver bullion in transit between India and England and His Majesty's Dominions	Sterling securities in England.	Rupee securities in India.	Internal Bills of Exchange. †
March	1927 . . .	1,84,13	95,94	22,32	8,53	...	...	...	..	...	5,57	49,77	2,00
April	„ . . .	1,73,71	95,53	29,76	8,86	...	...	..	...	...	2,10	37,46	..
May	„ . . .	1,71,44	95,20	29,76	8,92	..	..	..	..	..	2,10	35,46	..
June	„ . . .	1,72,57	98,36	29,76	8,99	..	..	..	..	..	..	35,46	..
July	„ . . .	1,77,63	1,03,36	29,76	9,06	...	..	..	..	..	..	35,45	...
August	„ . . .	1,80,48	1,06,00	29,76	8,90	..	..	..	..	..	19	35,63	..
September	„ . . .	1,81,82	1,07,34	29,76	7,35	...	..	..	..	..	1,02	33,35	..
October	„ . . .	1,83,38	1,08,27	29,76	7,31	..	..	..	..	..	1,29	36,75	..
November	„ . . .	1,81,55	1,06,33	29,76	7,17	..	..	..	..	..	1,40	36,89	..
December	„ . . .	1,82,64	1,01,11	29,76	7,42	..	..	..	..	..	3,43	36,92	4,00
January	1928 . . .	1,86,02	98,46	29,76	7,47	...	..	..	..	..	4,44	37,89	8,00
February	„ . . .	1,85,78	98,79	29,76	7,57	...	..	..	..	..	3,77	37,89	8,00
March	„ . . .	1,84,87	98,72	29,76	7,66	...	..	..	..	..	3,77	37,96	7,00

† Section 20 of the Indian Paper Currency Act, 1923

STATEMENT VI.

Details of the balance of the Gold Standard Reserve on the 31st March 1928.

	£
In England—	
Estimated value on the 31st March 1928 of the sterling securities of the nominal value of £37,675,352 (as per details below)	37,843,638
Gold	2,152,334
Cash at the Bank of England	4,028
	<hr/>
TOTAL	40,000,000
	<hr/>

Details of investments:—

	Face value. £
British Treasury Bills	10,970,000
Treasury 4½ per cent. Bonds, February 1929	2,500,000
Treasury 5½ per cent. Bonds, April 1929	150,000
Treasury 4½ per cent Bonds, 1929-34	3,375,000
Treasury 5½ per cent, Bonds, May 1930	7,500,000
Treasury 4½ per cent Bonds, 1930-32	3,765,000
Treasury 4 per cent Bonds, 1931-33	5,474,000
Treasury 5 per cent. Bonds, 1933-35	3,000,000
National 5 per cent. War Loan 1929-47 Stock	941,352
	<hr/>
TOTAL	37,675,352
	<hr/>

STATEMENT VII.

Movement of Funds within the Provinces during the year 1927-28.

(In lakhs of rupees)

	Bengal (including Port Blair and Nepal)	Madras and Coorg	Bombay	United Pro- vinces	Punjab	Burma	Bihar and Orissa	Central Pro- vinces	Assam.	TOTAL
Sale of supply bills and transfers to the public.	3,61	66	2,28	43	17	3,82	1	16	1	11,15
Transfers to head- quarters by Bank Post-bills.	67	.	.	...	.	..	3	.	.	70
TOTAL	4,28	66	2,28	43	17	3,82	4	16	1	11,65

STATEMENT VIII.

*Payment by Government on account of Transfer of Funds effected
by the Public between Provinces during the year 1927-28.*

(In thousands of rupees)

Paid by	ON ACCOUNT OF									
	India and Bengal	Mad- ras.	Bombay.	United Pro- vinces	Pun- jab.	Bur- ma	Bihar and Orissa	Ce n- tral Pro- vinces	Assam	TOTAL
India and Ben- gal.	...	...	59	4,09	2,84	15	18,88	2,51	35,53	64,59
Madras .	76		1,27,27	.	...	11		..	..	1,28,14
Bombay .	27,55	14,65	.	5,86	92,93	..	1,53	28,15	8	1,70,65
United Provin- ces.	5,97	...	4,25	...	.	45		...	..	10,67
Punjab .	6,32		6,91	3,78	.		...	12	...	17,13
Burma . .	2,06		25	5			...		...	2,36
Bihar and Ori- ssa.	57,32	...	15	36		..	...			57,83
Central Provin- ces	4,53		2,01,01	5			...		3	2,05,62
Assam	1,58,33	.		.	..		...			1,58,33
TOTAL	2,62,84	14,65	3,40,43	14,19	95,67	71	20,41	30,78	35,64	8,15,32

STATEMENT IX.

Absorption of rupees and half-rupees during 1926-27 and 1927-28.

(In lakhs of rupees.)

	1926-27.					1927-28.				
	April to June.	July to Sept.	Oct. to Dec.	January to March.	April to March.	April to June.	July to Sept.	Oct. to Dec.	January to March.	April to March.
Opening Balance—										
Currency	77,26	83,05	94,86	95,32	77,26	95,94	98,36	1,07,34	1,01,10	95,94
Treasury	99	1,01	98	84	99	1,01	86	83	68	1,01
TOTAL	78,25	84,06	95,84	96,16	78,25	96,95	99,22	1,08,17	1,01,78	96,95
Closing Balance—										
Currency	83,05	94,86	95,32	95,94	95,94	98,36	1,07,34	1,01,10	98,72	98,72
Treasury	1,01	98	84	1,01	1,01	86	83	68	84	84
TOTAL	84,06	95,84	96,16	96,95	96,95	99,22	1,08,17	1,01,78	99,56	99,56
Net difference + or --	-5,81	-11,78	-32	-79	-18,70	-2,27	-8,95	+6,39	+2,22	-2,61
<i>Add</i> —New coins issued	+10	+10	+10	..	+30	+7	+3	..	..	+10
<i>Deduct</i> —Remittances to Mints for recoinage .	-31	-31	-42	-32	-1,36	-39	-28	-29	-24	-1,20
Net absorption (+) or return from circulation (-)	-6,02	-11,99	-64	-1,11	-19,76	-2,59	-9,20	+6,10	+1,98	-3,71

STATEMENT X.

Whole rupees coined and issued from the Indian Mints from 1835.

Calendar years.	Coined in Calcutta.	Coined in Madras.	Coined in Bombay.	Total Coined.
	₹	₹	₹	₹
William IV, 1835	10,90,88,070	11,78,000	5,37,12,502	16,39,78,572
Victoria, 1840, 1st issue	17,99,34,670	2,18,98,181	10,98,38,073	31,16,70,924
" 1840, 2nd "	39,85,53,660	5,50,49,201	31,29,58,076	76,65,60,937
" 1862	26,94,27,222	2,94,81,923	40,80,03,034	70,69,12,179
" 1874	1,50,13,834	...	2,85,08,566	4,35,22,400
" 1875	1,16,31,951	...	1,93,59,597	3,09,91,548
" 1876	1,20,01,264	...	2,89,49,037	4,09,50,301
" 1877	3,92,51,692	...	9,55,54,320	13,48,06,012
" 1878	3,26,57,837	...	6,39,27,196	9,65,85,033
" 1879	1,59,28,325	...	7,27,99,904	8,87,28,229
" 1880	1,83,99,894	...	5,37,85,624	7,21,85,513
" 1881	24,35,719	...	31,61,858	55,97,577
" 1882	1,50,90,289	...	5,63,97,278	7,14,87,567
" 1883	51,23,372	...	1,80,22,789	2,31,46,161
" 1884	1,16,41,757	...	3,68,46,570	4,84,88,327
" 1885	3,41,52,203	...	6,48,78,000	9,90,30,203
" 1886	1,03,78,075	...	4,11,46,457	5,20,24,532
" 1887	4,02,00,148	...	4,84,00,000	8,86,00,148
" 1888	75,68,000	...	6,32,00,000	7,07,68,000
" 1889	93,68,310	...	6,53,00,000	7,46,68,310
" 1890	2,47,41,865	...	9,29,00,000	11,76,41,865
" 1891	1,46,69,903	...	4,95,00,000	6,41,69,903
" 1892	3,24,55,120	...	7,22,00,000	10,46,55,120
" 1893	91,40,310	...	6,95,90,000	(a) 7,87,30,310
" 1897	4,70,184	...	10,54,593	(b) 15,24,777
" 1898	12,50,976	...	62,68,437	(c) 75,19,413
" 1900	5,29,02,591	...	6,52,36,908	(d) 11,81,39,499
" 1901	3,37,22,243	...	7,54,13,718	(e) 10,91,35,961
" 1901 coined in 1902	3,82,94,644	...	5,48,44,740	(f) 9,31,39,384
Edward VII, 1903 ditto	25,000	...	...	25,000
" " 1903	4,93,78,355	...	5,29,69,151	(g) 10,23,47,506
" " 1904	5,83,38,617	...	10,19,40,291	(h) 16,02,78,908
" " 1905	5,12,57,883	...	7,62,02,223	(i) 12,74,60,106

(a) Includes ₹5,90,000 coined for the Bikaner State.

(b) On account of Kashmir and Bhopal re-coinage.

(c) Ditto ditto.

(d) Includes ₹2,09,02,414 coined for Indian States.

(e) " ₹1,90,43,904 coined for Indian States.

(f) " ₹2,98,86,014 coined for Indian States.

(g) " ₹11,66,451 coined for Indian States.

(h) " ₹5,94,221 coined for Indian States.

(i) " ₹3,28,000 coined for Indian States.

STATEMENT X—(concluded).

Whole rupees coined and issued from the Indian Mints from 1835.

Calendar years.	Coined in Calcutta.	Coined in Madras.	Coined in Bombay.	Total Coined.
	₹	₹	₹	₹
Edward VII, 1906	10,47,97,164	...	15,89,53,269	(g) 26,37,50,433
" " 1907	8,13,38,000	...	17,09,11,816	(k) 25,22,49,816
" " 1908	2,02,17,728	...	1,07,14,770	3,09,32,498
" " 1909	1,27,58,580	...	95,38,746	(l) 2,22,97,326
" " 1910	85,00,009	...	91,88,673	1,76,88,673
" " 1910 coined in 1911.	41,27,013	...	16,96,273	58,23,286
George V, 1911	42,99,924	...	51,43,125	94,43,049
" " 1912	4,51,22,132	...	7,90,67,074	(m) 12,41,89,206
" " 1913	7,58,00,163	...	8,74,65,788	(n) 16,32,65,951
" " 1914	3,31,00,150	...	1,52,70,000	4,83,70,150
" " 1915	99,00,139	...	53,71,979	1,52,72,118
" " 1916	11,50,00,210	...	9,79,00,000	21,29,00,210
" " 1917	11,82,00,217	...	15,15,82,659	26,47,82,876
" " 1917 coined in 1918	17,74,025	...	...	17,74,025
" " 1918	20,13,26,240	...	21,05,50,363	41,18,76,603
" " 1918 coined in 1919.	40,94,006	...	...	40,94,006
" " 1919	19,68,06,224	...	22,67,06,054	42,35,12,278
" " 1919 coined in 1920.	1,44,00,031	...	...	1,44,00,031
" " 1920	3,86,00,085	...	5,59,36,544	9,45,36,629
" " 1920 coined in 1921.	64,00,064	...	...	64,00,064
" " 1920 coined in 1922.	5,64,000	...	...	5,64,000
" " 1920 coined in 1923	49,36,050	...	...	49,36,050
" " 1921	...	...	51,15,121	51,15,121
" " 1922	...	...	20,51,150	20,51,150
TOTAL	2,70,20,56,128	10,76,07,305	3,66,60,32,346	6,47,56,95,779

(g) Includes ₹3,90,310 coined for Indian States and ₹167 lakhs (Calcutta ₹32 lakhs and Bombay ₹135 lakhs) coined from Gold Standard Reserve Silver.

(k) " ₹94,766 coined for Indian States and ₹433 lakhs (Calcutta ₹168 lakhs and Bombay ₹265 lakhs) coined from Gold Standard Reserve Silver.

(l) " ₹1,01,459 coined for Indian States.

(m) " ₹16,56,250 coined for Indian States.

(n) " ₹12,78,441 coined for Indian States.

STATEMENT XI.

Rupee Census.

Calendar years.	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928
William IV. 1895 . . .	'2	19	'10	'15	'16	'17	'12	'11	08	'07	'17	07	'06	'08	'05	'06	'05	'04	04	'05	'04	04	'03	04	04
1840, 1st issue	'05	8	'75	'5	'43	45	'32	'32	'26	'10	'19	'19	'18	'13	13	12	'14	'07	'10	13	'12	'13	'08	10	'07
1840, 2nd issue	2 8	2 13	1 8	1 2	1'04	'09	73	'61	'50	30	'37	'30	27	27	31	23	24	19	'16	10	'22	'16	'14	'12	'17
1863 . . .	18 35	17 2	15 7	14'35	13 54	13 72	13 60	13 52	13 09	12 13	11 42	11'17	11 10	9 04	9 22	7 05	7 71	7 40	7 47	7 98	7 53	7 77	7 60	7 74	7'39
1874 . . .	75	75	'65	'55	'50	'59	53	'54	61	52	'48	51	'50	'43	53	'47	'38	46	45	42	'46	43	'41	30	13
1875 . . .	1 09	99	'95	'85	'77	'84	80	70	79	'74	73	'73	75	'66	62	'60	53	'56	'55	53	'60	59	53	'55	54
1876 . . .	1 3	1 25	1 1	1'0	96	1 01	1 00	98	96	80	'00	89	'01	80	'81	66	'63	'68	68	67	'74	'70	'66	66	'67
1877 . . .	4 09	3 85	3 5	3 2	2 95	3'00	3 05	3 00	3 04	2 78	2 70	2 68	2 67	2 32	2 20	1 79	1 75	1 60	1 78	1'85	1 82	1 88	1'86	1 89	1 84
1878 . . .	2 85	2 55	2 4	2 2	2 64	2 13	2 12	2 12	2 11	1 01	1 80	1 84	1 86	1 58	1'48	1 23	1 21	1 26	1 30	1 34	1 30	1 34	1 28	1 35	1 30
1879 . . .	2 5	2 24	2 0	1 95	1 80	1 87	1 82	1 82	1 82	1 09	1 60	1 62	1 61	1 34	1 25	1 09	1 08	1 05	1 08	1 16	1 20	1 14	1 12	1 16	1 25
1880 . . .	2 25	2 08	1 95	1 8	1 66	1 68	1 69	1 67	1 68	1 55	1 50	1 52	1 51	1 20	1 23	1 03	1 04	1 02	1 04	1 12	1 14	1 12	1 06	1 13	1 08
1881 . . .	'35	'28	25	25	23	24	'24	20	22	22	22	'23	'23	'22	20	'21	21	'24	24	21	28	28	'22	21	23
1882 . . .	2 5	2 4	2 2	2 0	1 84	1 87	1 87	1 85	1 78	1 07	1 60	1 68	1 65	1 49	1 35	1 13	1 07	1 00	1 12	1'16	1 18	1 17	1 15	1 16	1 14
1883 . . .	95	'9	8	'75	'70	'72	'69	67	67	68	63	66	65	58	61	48	47	50	48	40	'54	52	'40	51	51
1884 . . .	1 85	1 75	1 6	1 45	1 33	1 38	1 38	1 36	1 34	1 25	1 20	1 23	1 24	1'05	1'08	'88	'83	87	'85	90	'02	93	94	88	89
1885 . . .	3 55	3 25	2 95	2 8	2 51	2 61	2 59	2 60	2 60	2 36	2 30	2 28	2 25	1 00	1 80	1 44	1'41	1 48	1 54	1 53	1'58	1 87	1 58	1 57	1 57
1886 . . .	2 01	1 88	1 75	1 6	1 46	1 51	1 50	1 40	'52	1 35	1 33	1 34	1 36	1 15	1 13	95	88	94	96	90	1 03	1 02	96	90	'95
1887 . . .	3 65	3 4	3 1	2 8	2 59	2 64	2 58	2 60	56	2 34	2 24	2 28	2 39	2 05	1 06	1 58	1 40	1'52	1 57	1 58	1 64	1 68	1 62	1 65	1 59
1888 . . .	2 7	2 5	2 35	2 1	1 98	2 03	1 98	1 98	97	1 64	1 80	1 78	1 80	1 58	1 55	1 30	1 28	1 32	1 30	1 34	1 32	1 36	1 35	1 37	1 35
1889 . . .	3 04	2 85	2 6	2 35	2'16	2 23	2 25	2 23	2 19	2 02	2 00	1 99	2 03	1 73	1 67	1 40	1 37	1 39	1 41	1 42	1 44	1 51	1 44	1 49	1'45
1890 . . .	5 04	4 8	4 3	3 85	3 53	3 60	3 70	3 65	3 60	3 34	3 28	3 28	3 26	2 80	2 64	2 14	2 00	2 14	2 22	2 22	2 30	2 33	2 30	2 38	2 28
1891 . . .	2 75	2 6	2 35	2 1	1 99	2 00	2 02	2 00	2 00	1 87	1 70	1 79	1 84	1 62	52	1 25	1 27	1 20	1 34	1 30	1 37	1 37	1 30	1 32	1 31
1892 . . .	4 5	4 2	3 85	3 35	3 13	3 21	3'13	3 22	3 20	2 92	2 87	2 82	2 89	2 50	2 30	1 04	1 88	1 80	1 93	1 96	2 03	1 90	2 09	2 04	2 01

VICTORIA.

Victoria.	1893	34	32	285	20	237	243	242	237	*37	224	218	219	217	180	185	148	146	150	151	152	155	156	157	159	156
	1897	18	15	*17	*15	18	16	17	13	16	14	*15	*14	15	16	17	19	15	*19	21	18	21	16	*17	15	17
	1898	5	*4	44	35	38	*42	34	34	45	40	38	35	32	27	33	38	32	31	36	32	*36	32	*29	28	30
	1900	63	585	525	47	434	432	430	430	421	384	307	375	373	327	304	245	237	256	251	261	265	270	266	268	263
1901	94	903	81	735	684	689	674	668	657	607	590	590	590	408	455	364	308	380	390	384	400	399	392	406	402	
Edward VII.	1903	66	583	48	42	394	384	358	359	360	346	323	319	323	279	278	227	221	234	235	234	235	235	235	236	242
	1904	36	84	80	68	648	603	582	570	558	521	490	492	492	428	389	313	303	317	325	330	326	328	338	338	340
	1905		23	78	66	600	574	541	532	514	474	420	440	430	387	360	289	282	282	299	267	296	296	320	296	305
	1906			37	116	1056	992	1035	1020	1002	940	870	886	886	786	736	599	567	568	573	586	575	582	586	591	580
	1907				25	892	822	856	866	938	917	851	854	840	737	667	529	510	528	525	532	536	538	539	536	533
	1908					64	120	148	155	152	175	257	152	146	123	128	101	108	110	110	107	107	104	94	88	106
	1909						25	95	90	96	95	*91	85	83	75	61	67	62	73	70	71	71	70	64	60	71
	1910							17	75	109	94	95	85	85	82	*85	69	69	76	67	70	74	72	69	62	70
	1911									93	13															
	George V.	1911								*13		*18	*14	13	10	*20	*56	11	13	12	12	*41	*52	*06	14	09
		1912								21	463	440	469	462	424	374	288	316	322	305	313	308	298	303	297	310
1913										222	580	579	551	556	479	360	356	409	331	386	882	372	369	366	366	
1914											*44	105	117	144	132	126	118	134	127	120	123	121	120	118	130	
1915													01	34	*74	97	72	*67	85	85	70	76	*71	65	60	*85
1916														07	741	668	514	480	493	499	513	507	494	510	518	520
1917															371	766	611	559	596	593	574	562	560	593	577	586
1918																207	1405	920	954	985	927	905	889	945	942	920
1919																	567	1132	865	794	760	739	769	809	804	786
1920																		240	186	181	150	147	148	152	154	
1921																			01	04	*19	*19	19	*04	05	*12
1922																				06	08	*07	*06	04	04	04
TOTAL	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

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NOTE.—This statement shows the result of the examination undertaken once a year of a portion of the rupees held at the different treasuries in India, to determine the composition of the rupee circulation according to the dates borne by each coin.

STATEMENT XII.

Value of Currency Notes in circulation on the last day of each month.

(In lakhs of rupees.)

Last day of	1869-70.	1879-80.	1889-90.	1899-1900.	1909-10.	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.	1925-26.	1926-27.	1927-28.
April . . .	9,80	11,27	15,82	28,02	43,65	66,44	65,46	60,24	65,47	82,72	1,05,96	1,53,72	1,70,74	1,67,32	1,71,76	1,73,37	1,81,33	1,79,61	1,85,13	1,73,71
May . . .	10,38	11,17	15,77	23,25	46,77	66,25	66,77	61,99	66,31	83,31	1,11,53	1,55,18	1,66,92	1,67,81	1,72,39	1,71,23	1,74,51	1,73,23	1,87,08	1,71,44
June . . .	10,80	11,82	16,24	29,44	49,29	68,48	70,26	66,48	71,39	93,29	1,14,79	1,62,76	1,64,34	1,71,76	1,76,01	1,73,61	1,72,49	1,78,25	1,91,44	1,72,57
July . . .	10,53	12,24	16,49	29,27	51,53	69,90	75,45	68,06	75,48	99,31	1,21,41	1,67,11	1,63,87	1,75,56	1,80,41	1,75,72	1,76,24	1,84,30	1,97,48	1,77,63
August . . .	10,21	12,74	16,15	28,76	51,74	67,23	65,79	66,41	74,01	1,05,15	1,31,41	1,68,92	1,63,27	1,76,02	1,82,26	1,76,30	1,78,13	1,88,21	2,00,53	1,80,48
September . . .	1,08	13,33	16,14	27,63	50,82	61,80	60,52	63,81	71,55	1,08,43	1,34,38	1,71,86	1,57,63	1,78,37	1,80,76	1,79,29	1,79,26	1,89,51	1,96,45	1,81,82
October . . .	10,76	13,58	16,63	27,67	50,50	61,90	60,78	63,59	73,32	1,14,77	1,36,43	1,75,29	1,59,58	1,79,72	1,79,63	1,80,81	1,80,98	1,91,77	1,93,79	1,83,38
November . . .	11,33	13,75	16,67	27,33	46,53	64,79	61,19	62,06	76,50	1,12,93	1,40,76	1,79,67	1,60,21	1,73,48	1,77,30	1,78,30	1,80,06	1,89,68	1,89,15	1,81,55

December	11,31	13,80	15,47	26,26	48,25	64,57	60,83	62,34	82,17	1,08,31	1,47,09	1,82,91	1,61,40	1,72,53	1,74,18	1,83,41	1,79,21	1,91,76	1,81,18	1,82,64
January	11,12	14,23	16,29	27,18	51,84	63,94	60,26	62,42	84,36	1,04,82	1,49,74	1,85,15	1,63,41	1,74,40	1,72,65	1,84,02	1,81,12	1,91,18	1,80,47	1,86,02
February	10,83	13,28	16,37	27,27	50,57	65,18	59,55	64,01	86,76	1,03,46	1,51,48	1,83,03	1,64,60	1,73,87	1,73,89	1,86,19	1,83,72	1,91,76	1,92,74	1,85,78
March	10,47	12,36	15,77	28,74	54,41	66,12	61,63	67,73	86,87	99,79	1,53,46	1,74,52	1,66,16	1,74,76	1,74,70	1,85,85	1,84,19	1,93,34	1,84,13	1,84,87
Average	10,67	12,80	16,15	27,96	49,66	65,55	64,04	64,10	76,14	1,01,77	1,33,20	1,71,68	1,63,51	1,73,80	1,76,33	1,79,01	1,79,27	1,86,88	1,89,13	1,80,16
Reserve Treasury balances held in Notes—Average	...	...	1,01	2,47	2,64	9,93	4,76	3,70	3,78	3,74	1,64	1,07	1,34					...		
Metallic Reserve—Average Gold	..	...	...	6,54	4,75	33,54	19,22	16,49	23,22	20,86	20,27	29,20	33,29	24,33	24,32	23,49	22,32	22,32	22,32	29
„ Silver	..	.	10,17	11,42	32,91	18,01	30,82	32,61	21,85	20,67	26,33	44,64	55,26	74,65	85,26	88,23	74,25	83,52	98,83	1,09,51
Currency investment on 31st March	3,60	6,00	6,00	10,00	12,00	14,00	14,00	20,00	48,49	61,48	98,85	86,86	76,42	70,92	63,33	71,53	77,12	86,11	55,34	41,73
Profits of Paper Currency Department	14	25	21	29	27	20	27	24	71	1,53	2,40	3,49	1,30	3,28	2,46	2,11	2,96	3,73	3,43	1,88

STATEMENT

Statement of Active Note Circulation during

LAST DAY OF	Gross circulation on last day of month.			Amounts held in treasuries		
	1925-26.	1926-27	1927-28	1925-26	1926-27.	1927-28.
April	1,79,61	1,85,13	1,73,71	1,61	1,26	1,14
May	1,73,23	1,87,08	1,71,44	1,25	1,10	1,03
June	1,78,25	1,91,44	1,72,57	1,17	1,15	1,14
July	1,84,30	1,97,48	1,77,63	1,04	96	89
August	1,88,21	2,00,53	1,80,48	1,01	96	97
September	1,89,51	1,96,45	1,81,82	1,04	97	91
October	1,91,77	1,93,79	1,83,38	1,17	1,01	93
November	1,89,68	1,89,15	1,81,55	1,34	1,07	1,06
December	1,91,76	1,81,18	1,82,64	1,24	1,17	1,12
January	1,91,18	1,80,47	1,86,02	1,40	1,20	1,21
February	1,91,76	1,82,74	1,85,78	1,39	1,33	1,15
March	1,93,34	1,84,13	1,84,87	1,87	1,63	1,66
Average	1,86,88	1,89,13	1,80,16	1,29	1,15	1,10

XIII.

1927-28 and the preceding two years.

[In lakhs of rupees.]

Balance, being notes in circulation with the public			Notes held by Imperial Bank at Head Offices			Active circulation among the people		
1925-26.	1926-27.	1927-28	1925-26.	1926-27	1927-28	1925-26.	1926-27.	1927-28
1,78,00	1,83,87	1,72,57	15,14	21,97	11,51	4,62,86	1,61,90	1,61,06
1,71,98	1,85,98	1,70,41	17,43	30,75	12,07	1,54,55	1,55,23	1,58,34
1,77,08	1,90,29	1,71,43	28,03	38,39	15,24	1,49,05	1,51,90	1,56,19
1,83,26	1,96,52	1,76,74	42,51	53,42	28,07	1,40,75	1,43,10	1,48,67
1,87,20	1,99,57	1,79,51	38,76	55,09	27,49	1,48,44	1,44,48	1,52,02
1,88,47	1,95,48	1,80,91	27,74	47,71	24,95	1,60,73	1,47,77	1,55,96
1,90,60	1,92,78	1,82,45	20,69	39,76	24,49	1,69,91	1,53,04	1,57,96
1,88,34	1,88,08	1,80,49	16,61	33,95	19,11	1,71,73	1,54,13	1,61,38
1,90,52	1,80,01	1,81,52	10,64	14,41	4,56	1,79,88	1,65,60	1,76,96
1,89,78	1,79,27	1,84,81	13,59	12,87	10,11	1,76,19	1,66,40	1,74,70
1,90,37	1,81,41	1,84,63	14,29	12,88	11,02	1,76,08	1,68,53	1,73,61
1,91,47	1,82,50	1,83,71	23,76	18,19	8,68	1,67,71	1,64,31	1,74,53
1,85,59	1,87,98	1,79,06	22,43	31,62	16,44	1,63,16	1,56,36	1,62,62

STATEMENT XIV.

(In lakhs of rupees.)

Details of comparative circulation of notes on the 31st March 1928 and preceding years.

Period.	CIRCULATION IN LAKHS OF RUPEES OF NOTES FOR									PERCENTAGE TO GROSS CIRCULATION (EXCLUDING Rs 10,000 NOTES) OF THE CIRCULATION OF NOTES FOR									
	Rs. 1	Rs. 2-8	Rs 5	Rs. 10	Rs. 20	Rs 50	Rs 100	Rs 500	Rs 1,000	Rs. 1	Rs. 2-8	Rs 5	Rs 10	Rs 20	Rs 50	Rs 100	Rs 500	Rs.1,000	TOTAL.
1913-14	...	..	1,61	17,73	8	1,78	17,81	2,64	9,17	..	...	3.2	34.9	2	3.5	35.0	5.2	18.0	100
1918-19	10,51	1,84	9,20	46,90	3	4,90	43,81	2,48	15,12	7.8	1.4	6.8	34.8	...	3.6	32.5	1.9	11.2	100
1919-20	13,49	1,08	11,45	54,73	3	4,90	50,88	2,63	16,20	8.7	7	7.4	35.3	...	3.2	32.5	1.7	10.5	100
1920-21	9,52	51	14,05	52,67	3	3,84	47,22	2,53	17,81	6.4	4	9.5	35.5	..	2.6	31.9	1.7	12.0	100
1921-22	9,93	27	15,84	57,51	3	4,05	54,28	2,05	14,68	6.2	2	10.0	33.3		2.5	34.2	1.3	9.3	100
1922-23	10,88	13	16,27	56,71	2	3,76	59,43	1,74	14,41	6.7	1	10.0	34.7		2.3	36.4	1.0	8.8	100
1923-24	11,39	7	15,90	57,18	2	3,12	69,41	1,62	12,87	6.6	...	9.3	33.4	...	1.8	40.5	9	7.5	100
1924-25	4,15	4	15,88	68,57	2	2,61	63,87	1,32	13,11	2.5	...	9.3	40.5	...	1.5	37.7	8	7.7	100
1925-26	72	2	15,66	76,88	2	2,23	60,22	1,19	13,20	4	...	9.2	45.2	...	1.3	35.4	7	7.8	100
1926-27	44	2	16,49	72,86	2	2,15	60,09	1,10	13,42	3	...	9.9	43.7	...	1.3	36.1	7	8.0	100
1927-28	39	1	18,91	76,27	2	2,09	63,07	1,05	14,90	2	.	10.7	43.2	...	1.2	35.7	6	8.4	100

STATEMENT XV.

Encashment of Foreign Circle Notes.

CIRCLE.	CASHED BY							TOTAL.			
	Calcutta.	Cawnpore	Lahore.	Bombay.	Karachi	Madras.	Rangoon.	1927-28	1926-27.	1925-26.	1924-25.
	<i>R</i>	<i>R</i>	<i>R</i>	<i>R</i>	<i>R</i>	<i>R</i>	<i>R</i>	<i>R</i>	<i>R</i>	<i>R</i>	<i>R</i>
Calcutta . . . . .	...	47,48,000	42,13,770	2,68,47,590	29,62,200	34,98,850	83,08,100	5,05,78,560	6,01,54,310	5,34,95,020	5,97,16,550
Cawnpore	2,38,38,540	..	25,53,900	1,93,65,150	15,98,200	4,35,800	1,20,700	4,79,12,290	5,59,46,670	4,46,26,060	4,93,25,420
Lahore	1,47,93,770	25,14,760	...	2,81,97,910	1,43,39,850	7,56,770	1,65,300	6,07,68,360	6,89,00,080	7,25,82,430	9,12,12,910
Bombay	1,10,68,870	16,47,300	30,16,500	..	34,94,050	1,35,49,950	3,04,550	3,30,81,220	4,18,34,130	4,40,06,560	4,93,61,350
Karachi	1,93,09,800	8,25,400	28,88,300	2,92,81,570	...	1,06,44,600	1,38,150	6,30,87,820	2,10,60,400	1,08,62,270	1,62,38,470
Madras	75,41,200	8,35,100	9,23,450	4,29,82,670	8,47,000	..	4,91,500	5,36,23,920	5,80,04,920	6,03,07,140	6,67,96,100
Rangoon	87,97,270	3,26,000	4,29,750	32,15,150	2,93,100	35,48,650	..	1,16,09,920	1,16,87,800	1,22,91,820	1,33,81,100
Total for 1927-28	8,03,49,450	1,08,96,610	1,40,28,670	14,98,90,040	2,85,34,400	3,24,34,620	95,23,300	32,06,62,090	..	..	..
.. 1926-27	11,31,60,650	1,12,27,870	1,65,93,070	14,41,47,080	2,99,17,450	3,07,07,020	1,13,30,170	...	61,75,88,310	...	...
.. 1925-26	6,89,28,510	1,44,88,270	1,69,34,030	14,13,38,280	2,87,19,590	2,54,42,600	23,20,020	..	..	29,81,71,300	...
.. 1924-25	8,28,24,810	1,77,58,860	1,80,76,150	16,97,69,870	1,69,72,920	2,79,39,290	1,26,90,000	...	..	...	34,60,31,900

STATEMENT XVI.

Absorption of Small Coin.

[In thousands of rupees.]

	India Treasuries.	Madras and Coorg.	Bombay	Bengal.	U. P. of Agra and Oudh.	Punjab and N.-W. Frontier	Burma.	Bihar and Orissa	Central Provinces and Berar	Assam.	TOTAL.
‡ RUPEES (Silver)—											
Opening Balance	1,31	6,34	12,53	11,10	15,02	5,06	2,14	1,73	1,28	3,72	60,23
Receipts from + or Issues to — Mint or other Provinces	-1,78	+3,05	-3,18	-2,33	-7,17	-8	+3,92	-2,27	+27	+3,67	-5,70
Closing Balance	1,54	5,72	5,63	10,65	10,09	3,63	2,79	2,05	1,17	5,42	48,74
Net Local Absorption in 1927-28	-3,01	3,67	3,72	-1,88	-2,24	1,30	3,27	-2,59	38	2,17	-5,79
Ditto ditto in 1926-27	-2,13	1,26	-34	-43	-3,00	-82	4,27	-1,56	24	3,52	1,01
Ditto ditto in 1925-26	-2,54	-77	9	4,37	-3,53	-1,68	4,75	-1,48	16	2,59	1,94
‡ RUPEES (Silver)—											
Opening Balance											
Receipts from + or Issues to — Mint or other Provinces	-1,07	-4,73	-2,44	-63	-88	-1,31	-32	-29	-7	-3	-11,77
Closing Balance	-1,07	-4,73	-2,44	-63	-88	-1,31	-32	-29	-7	-3	-11,77
Net Local Absorption in 1927-28	-1,52	-3,19	-2,58	-54	-1,26	-2,22	-37	-36	-20	-5	-16,29
Ditto ditto in 1926-27	81	-5,55	-2,73	-40	-1,34	-1,62	-53	-23	5	6	-11,63
4-ANNA NICKEL—											
Opening Balance	90	2,46	3,27	3,14	4,14	2,04	7	1,83	1,32	1,68	20,85
Receipts from + or Issues to — Mint or other Provinces	-2	+34	-26	+1,91	-1,75	+7	...	-1,15	+21	+64	-1
Closing Balance	85	2,83	2,61	2,32	4,77	1,85	19	1,44	1,38	1,36	19,60
Net Local Absorption in 1927-28	3	-3	40	2,73	-2,38	26	-12	-76	15	96	1,24
Ditto ditto in 1926-27	-3	-39	-21	3,37	-2,57	-38	5	-32	-7	65	-50
Ditto ditto in 1925-26	-60	-61	-14	4,09	-2,60	-50	16	92	-31	99	1,40

2 ANNA NICKEL—

Opening Balance	81	4,64	7,43	2,87	6,39	2,53	1,76	1,54	1,92	2,18	32,07
Receipts from + or Issues to — Mint or other Provinces.	+6	+4,26	+1,74	+1,97	-1,42	+1,61	+3,00	-92	+85	+1,00	+12,15
Closing Balance	87	4,11	4,67	2,48	5,98	2,36	2,38	1,14	1,76	1,98	27,83
Net Local Absorption in 1927-28	-10	4,79	4,50	2,36	-1,01	1,78	2,38	-52	1,01	1,20	16,39
Ditto ditto in 1926-27	-29	4,11	84	2,06	-1,72	81	3,85	20	1,01	1,32	12,19
Ditto ditto in 1925-26	-54	2,47	2,15	5,78	-1,73	62	5,32	1,36	38	1,31	17,12

NICKEL ANNA PIECES—

Opening Balance	1,05	5,53	3,33	1,89	7,21	2,86	1,60	1,58	8,22	1,72	34,99
Receipts from + or Issues to — Mint or other Provinces.	-1,36	+4,43	+5	+1,46	-1,78	+1,77	+1,74	-14	+8,24	+80	+15,21
Closing Balance	84	4,57	1,95	1,77	4,91	2,60	2,05	1,30	6,79	1,40	28,18
Net Local Absorption in 1927-28	-1,15	5,39	1,43	1,58	52	2,03	1,29	14	9,67	1,12	22,02
Ditto ditto in 1926-27	-1,08	3,30	-3,73	75	-74	49	2,50	1,64	7,15	1,34	11,62
Ditto ditto in 1925-26	-1,59	2,10	-1,91	3,21	-1,64	14	2,58	2,02	5,04	1,27	11,22

SINGLE PICE—

Opening Balance	79	1,66	73	2,13	3,60	1,10	74	67	1,54	72	13,68
Receipts from + or Issues to — Mint or other Provinces.	-1,33	+1,25	+91	-1,09	-44	+64	+1,18	+29	+22	+51	+1,24
Closing Balance	47	1,25	46	65	2,94	93	1,13	43	1,14	47	9,87
Net Local Absorption in 1927-28	-1,01	1,66	1,18	-51	22	81	79	53	62	76	5,05
Ditto ditto in 1926-27	-1,28	1,00	55	-23	-55	73	1,36	1,25	48	74	4,05
Ditto ditto in 1925-26	-1,30	55	61	39	-1,95	57	1,01	1,38	18	79	2,23

HALF PICE—

Opening Balance	1	..	6	10	10	4	..	3	1	4	39
Receipts from + or Issues to — Mint or other Provinces.	..	+1	-2	+45	+1	+7	..	..	+2	..	+54
Closing Balance	2	1	4	9	11	5	..	3	1	3	39
Net Local Absorption in 1927-28	-1	..	46	..	6	..	..	2	2	1	54
Ditto ditto in 1926-27	-1	..	44	..	4	..	..	-4	2	..	45
Ditto ditto in 1925-26	1	..	41	-2	4	..	..	-1	2	..	45

PIE PIECES—

Opening Balance	1	31	17	2	9	3	1	3	1	2	70
Receipts from + or Issues to — Mint or other Provinces.	-1	+54	+4	+5	+3	+3	+1	+1	..	..	+70
Closing Balance	2	24	10	1	10	3	1	2	1	1	55
Net Local Absorption in 1927-28	-2	61	11	6	2	3	1	2	..	1	85
Ditto ditto in 1926-27 . . . . .	..	61	15	2	2	2	1	2	..	1	86
Ditto ditto in 1925-26	1	50	9	4	3	1	1	3	..	..	72

STATEMENT

Receipts and Expenditure of the Currency

No.	Head of Account.	CALCUTTA.		NORTHERN
		Controller of the Currency	Calcutta Circle.	Deputy Controller of the Currency
		Rs	Rs	Rs
RECEIPTS.				
1	Interest realised on Government Securities . . . . .	..	..	..
2	Interest on loans to Imperial Bank against Internal Bills of Exchange . . . . .	..	..	..
3	Premium on Bills . . . . .	..	48,896	..
4	Value of unclaimed currency notes . . . . .	..	64,147	..
5	Value of old currency notes no longer in circulation . . . . .	..	16,900	..
6	Miscellaneous . . . . .	..	7,807	..
7	Exchange . . . . .	..	..	..
8	<i>Deduct</i> —Refunds . . . . .	..	—18,432	..
	TOTAL RECEIPTS DURING 1927-28 . . . . .	..	1,19,318	..
	TOTAL RECEIPTS DURING 1926-27 . . . . .	..	..	..
DISBURSEMENTS.				
1	Salaries (including Exchange Compensation, House-rent and Local allowance)	73,107	31,465	34,481
2	Establishment (including Local allowances)	1,15,171	4,53,741	30,413
3	Temporary establishment . . . . .	..	53,076	..
4	Stationery	1,400	1,327	476
5	Service postage and telegram charges	20,074	2,690	1,303
6	Cost of repairs, etc., to Currency buildings . . . . .	..	13,776	..
7	Contingencies	41,702	37,816	1,528
8	Travelling allowances	10,936	7,960	1,013
9	Cost of note forms including freight, etc. . . . .	..	..	..
10	Charges for remittance of treasure . . . . .	..	2,72,580	..
11	Loss on note and specie remittances . . . . .	..	..	..
12	Exchange . . . . .	..	..	..
	TOTAL DISBURSEMENTS DURING 1927-28	2,62,390	8,74,431	69,214
	TOTAL DISBURSEMENTS DURING 1926-27 . . . . .	..	..	..
	PROFIT DURING 1927-28 . . . . .	..	..	..

*The figures are approximate as the

XVII.

Department for the year 1927-28.*

INDIA.		BOMBAY AND KARACHI.			MADRAS.	RANGOON.	TOTAL.	No
Cawn- pore Circle.	Lahore Circle.	Deputy Controller of the Currency.	Bombay Circle.	Karachi Circle	Madras Circle.	Rangoon Circle.		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
...	...	...	...	...	...	...	2,35,75,305	1
...	...	...	...	...	...	...	4,95,068	2
4,462	451	..	44,050	326	5,655	31,996	1,35,836	3
2,550	26,406	.	21,730	4,262	33,622	585	1,53,302	4
8,090	1,612	.	5,600	..	3,865	2,150	38,217	5
3,200	1,735	.	832	18	2,011	3,700	19,303	6
...	...	...	...	...	...	...	4,786	7
-2,749	-11,160	..	-7,350	-1,247	-17,671	-323	-58,932	8
15,553	19,044	...	64,862	3,359	27,482	38,108	2,43,62,885	
...	...	...	...	..	...	...	4,06,79,504	
20,370	20,850	38,858	31,843	10,923	15,230	16,503	2,93,630	1
71,755	86,063	39,636	2,56,194	37,412	1,33,271	1,47,397	13,71,053	2
12,179	16,392	...	14,456	...	11,127	5,854	1,13,084	3
..	392	343	571	101	458	424	5,492	4
2,825	2,156	6,655	4,379	1,932	3,162	3,355	48,531	5
6,723	947	.	7,952	983	1,169	10,063	41,613	6
15,434	11,226	1,469	23,814	8,882	7,947	15,410	1,65,228	7
3,449	5,449	.	4,743	1,023	4,020	3,333	41,926	8
...	..	..	..	...	...	...	33,47,827	9
1,33,309	76,143	..	1,25,742	6,567	1,01,901	93,988	8,12,230	10
...	21,600	...	...	..	..	76,091	97,691	11
...	...	...	...	...	..	...	20,085	12
2,66,044	2,43,218	86,961	4,69,694	67,823	2,78,285	3,72,418	63,58,390	
...	...	...	...	..	...	...	63,82,206	
...	...	...	..	..	..	...	1,80,04,495	

accounts for the year have not been closed.

STATEMENT XVIII.

Statistics of Work in Currency Offices.

	Calcutta.	Cawnpore.	Lahore.	Bombay.	Karachi.	Madras.	Rangoon.	TOTAL.		
								1927-28.	1926-27.	1925-26
Issue of notes in lakhs—										
No. of pieces	6,43	97	2,25	4,55	74	3,83	2,42	21,19	19,79	22,02
Value in rupees	1,56,00	17,56	45,63	1,62,77	15,54	73,92	67,18	5,38,60	5,22,45	5,85,43
Cancellation of notes (in lakhs)—										
No. of pieces	6,31	1,16	2,42	3,95	54	3,34	2,27	19,99	20,42	24,12
Value in rupees	1,54,39	17,12	39,60	1,25,08	15,07	65,96	56,97	4,74,19	4,60,41	4,66,02
Receipts of coin—										
Value in lakhs of rupees	7,03	3,93	3,00	5,44	55	1,52	1,25	22,72	25,89	23,68
Issues of coin—										
Value in lakhs of rupees	5,71	1,69	92	6,24	56	1,37	1,16	17,65	15,41	25,28
Transactions over the counters—										
Value in lakhs of rupees	1,64,27	7,58	21,70	1,46,32	11,35	49,93	54,70	4,55,85	4,57,93	4,84,04
No. of claims on defective and lost or wholly destroyed notes registered .										
	7,544	225	556	955	189	729	48	10,246	15,310	19,283

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