

English Description

Jan 15/1908. In view of the
Order in Council, Mr. Bowering
seems to be right in thinking that
the reference to legends on the
face should be omitted and that
there has should be substituted
for "Her Majesty" probably it will
be well to mention Mr. Kerley's
objection as to this?

Yes
H. J. R.

There seems to be no occasion why
the signature should not be
"C. Bowering" for Cassing
Commissioner, and I believe the
Council for the signature to be
impracticable. Mr. Bowering has
raised really the question whether
it would not be better to improve
the signature locally by stamps.
This means a lot of trouble, and
the stamp would need as much
looking after as the notes.

(A) Number of notes to be issued

See attached slip showing Mr.
Bowering's recommendations, after
consultation with the National Bank
of India. The total issue is 50 lakhs
or a half a million sterling. I should
think this will last some time, but it
will not be so cheap to get a
large supply at the beginning. The
cost worked out at £ 962 0/6 (see 9474)
Instruction accordingly?

Yes
H. J. R.

(B) Coinage A. Subsidary Coinage

I have looked at the design of the
new 1/10th penny, to the satisfaction
of the Mint. The design is as follows:
Official Issues is on the left side.
We must therefore do everything officially
(a) Weight etc. of 10 cent & 1/10th pieces
There has been some talk from the
O. & C., but I presume the matter may
now be settled by the power vested
in the S. G. B. without a new Order?
The weight of the bronze coin is laid
down as not proportionate, and,
indeed, a strict proportion would
make the 10 cent too large and
the 1/10th cent too small.

Yes
H. J. R.

In approving of design and also
of the preparation of dies we should
? Ask Mint to send advice as to
these two coins and draw attention
to the necessity of not obliterating
the inscription on the 1 cent &
1/10 cent pieces which are to be
perforated?

(B) Number of coins

In his report of 17 June 1903
(bottom of P.O. bundle herewith) Mr.
Bowering recommended (in accordance
with the proposals then put forward)
Silver 50 cent. 600,000 Rs. 100,000
20 cent. 1,000,000 100,000

10-274 330-1201
330-330-408

Memo of initial supply
of Currency Notes required

200,000	at Rs 5	= Rs 1,00,000
200,000	10	= 20,00,000
15,000	20	= 5,00,000
10,000	50	= 5,00,000
5,000	100	= 5,00,000
1,000	500	= 5,00,000
Rs 1,000 note of total value of Rs.		30,00,000

50,00,000 = £ 11,11,111 6 8

J. H. Murray
Treasurer

15th 1905

National Bank of India Limited

Nairobi 27th March 1908

Sir Donald Stewart, K.C.M.G.,

H.B.M. Commissioner,

British East Africa Protectorate

C. O.
21328
JUN 21 JUN 08

Sir,

With reference to our conversation the other evening, I take the liberty of placing before you in writing the suggestions I then made, with reference to the Rupee Currency.

Shortly put it is this:

1. The Protectorate mint and issue its own Rupee. It is immaterial whether you have the Rupee minted at home and sent out, or established a mint at Mombasa, which is merely a matter of relative cost.
2. The rupee being a token coin, the profit, which with silver, say at 27sd per oz. I estimate would be about 5 as. per rupee, be placed to a Special Gold Reserve to be held by the Colonial Office and invested in gold securities.
3. The rupee to be in all respects, except design, equal to the Indian Govt. Rupee.
4. The Imperial Govt insist on the Indian Govt. making the Protectorate Rupee legal tender in India, the same as the Indian Rupee.
5. The Indian Rupee in like manner to be legal tender in the Protectorate.
6. The Imperial Govt to give its guarantee to the Indian Government at 4% for all Protectorate Rupees which they may hold, and for which the Protectorate, ~~cannot give Indian public bonds~~
7. The Protectorate to be permitted to employ any interest which may accrue from the investment of the Gold Reserve in productive public works.

The interest for a few years would be trifling, but I take it that with the development of the country, the amount of Rupees absorbed will soon run to crores and the Gold Reserve will rapidly increase.

The advantage to the Protectorate would be:-

1. Instead of the Indian Government making the profit on every Rupee absorbed by the country, as it develops, the Protectorate would be the gainer by it.

2. The Indian Govt. would not wish to have the Protectorate Rupee legal tender with the Imperial Govt. guarantee behind it.
3. The Imperial Govt. would not wish to expend a single shilling to make the scheme a success.
4. The risk to the Imperial Govt. would be more nominal than real, as its guarantee would only extend to the balance of Protectorate Rupees held by the Indian Govt. over Indian Rupees held by the Protectorate. There are at present a very large number of Indian Rupees in the Protectorate and before any such scheme can be carried through a very considerable amount of Indian Rupees will have to be imported to be held against the new note issue.

Such is the rough outline of the scheme, and should Mr. Bowring care to discuss it, I shall have pleasure in meeting him in London. Our Directors will at all times be most ready to assist the Government by procuring any information ^{you} may desire.

I am Sir,

Yours faithfully,
W. Touch.

Doctt.

Treasurer.

For your opinion

Intd. D.S.
29-3-05.

H.M.C.

Minute attached.

Intd. C.C.A.
7-4-05

H.M. Commissioner.

Forwarded.

Intd. F.J.J.
13-4-05.

with reference to

H.M.C.

Although Mr. Touch's proposals would mean a certain amount of profit to the E.A.P. I do not think that the Lords of the Treasury would entertain them for various reasons:

1. They would regard the Currency question from an Imperial point of view and would not be inclined to allow a comparatively small possession like East Africa to have a coinage system of its own.
2. If any change were sanctioned it would in my opinion be a change to the English coinage system where the profit on silver coins is much larger than in India e.g. the same amount of silver is required to coin a rupee in India as a florin-2/- in England.
3. As long as we receive a grant in aid it is immaterial whether we use English or East African coins. If we use the former, we should make no profit and the grant would be large but the Imperial Govt. would be making a profit on the silver used in East Africa. If we used the latter, the profit we should make would mean a reduction in the grant which would be counterbalanced by the fact that the Imperial Govt. would be making no profit.
4. In connection with the draft of the recently published Currency Order in Council I suggested that the Indian Government should pay us a proportion of the profit on the Indian rupees used in East Africa. The matter was taken up by the I.C. but the India Office refused.
5. I should wish, with your consent, to discuss the whole question at home with the authorities at the Colonial Office and with the officials of the National Bank of India.

Intd. C.C.B.
7-4-05

Treasurer.

You can approach the Colonial Office on this subject, but I agree with you that nothing will come of it.

Intd. D.S.
17-4-05.

H.M.C.

I will send Mr. Bowring a copy of this correspondence.

Intd. H.F.H.
18-4-05.

21328

531

31 July 1905

DRAFT.

Gentlemen,

Crown Agents

I am directed by
 Mr. Seay, by letter to
 inform you, ~~that~~ with
 reference to your letter,
 D/EA 249 of 20th May 1905,
 of the 11th of May last,
 that it has been
 decided to obtain fresh
 specimens of the Arabic
 inscriptions ^{for} the
 notes to be issued under
 the East Africa ^{and Uganda} Currency
 Order in Council, 1905.

MINUTE.

- Mr. Bostonly 22/7
- Mr. Read 27
- Mr. Anonibus
- Mr. Oz.
- Mr. Lucas
- Mr. Gordon
- Mr. H. Oxmansey
- The Duke of Marlborough
- Mr. Estlinson

Arabic inscriptions
 (see list)
 copy of 5 inscriptions
 (see list)
 Arabic inscriptions
 (see list)

2. Specimens of the
 inscriptions for all the
 notes have accordingly been
 supplied by Sir Charles

4df

and are enclosed
herewith they should be
responsible and a proof
of each inscription should
be supplied for
correction, which may
be necessary if not
prepared to make a
alteration in the
original inscriptions.

3. I am to enclose the
accompanying copy
of a letter which has
been received in regard
to these notes from Mr
C. Baring the Manager
of the East India Protection
and to inform you that
it by the letter has
approved of the
provision made
for the alteration of
the original inscriptions.

It will therefore be
necessary to alter the
and at the back and
foot of the inscription
to the Government of the
and to submit to the
for revision in the place
of issue the words for the
shall be inserted before
I wish to send the
and to all communications
at the present time as to
the agreement of a
signature of his
signature.
The original of the
five inscriptions and
the original specimens
of the vernacular
inscriptions are
returned herewith.
5. The numbers of the
notes of each denomination
will be as follows —

5	200,000
10	200,000
20	100,000
50	10,000
100	5,000
500	1,000

and it is recommended
 to enclose by an order
 of the P.O. of the
 6th of March that
 the cost will be about
 £1000

33
 1325
 E.A.P.
 Uganda

31 July 1905

Ind.

Sir,
 with ref. to the P.O.

DRAFT.

Approved - no: 10
 W. H. Stages, Secy

(L.F.A. 251)

depos. no: 88 of the 17th of
 February last, enclosing a
 copy of the East Africa
 and Uganda Currency
 Order in Council, 1905, I
 have the honor to
 request that you will
 inform me how many
 pieces of the value of
 one-tenth cent should,
 in your opinion, be coined
 for use in the Uganda
 Protectorate.

MINUTE.

- Mr. Bostromby 22/7
- Mr. Read 27
- Mr. Antroub
- Mr. Cox
- Mr. Lucas
- Mr. Graham
- Mr. M. Ommancey
- The Duke of Marlborough
- Mr. Lytton

I have been furnished
 with by the Treasurer
 of the East Africa Post
 with the following notes

4/1/05

and the Council was
in consideration
and that he by letter

~~has not been~~
and of opinion that it
would not be
desirable to raise
the question again at
the present time

I am to take the
opportunity to send
the rest of your
letters of the 7th of
June and the 3rd of
July and to ^{thank you}
~~to you for your~~
~~kindly letter~~
for the assistance

which you have rendered in the
~~affair of the~~
settlement of various points connected
with the case of justice

and subsidiary 535
change to be introduced
under the Bill
Council

(Ed) K. G.

~~27528~~
27528

31 July 1905

Sir, Good

I am directed by the
Secy. of the Mint to inform
you that designs for

the subsidiary coinage
to be introduced in the
East Africa Protectorate
and Uganda which
were left at the Office

the 3rd of the 1st Inst, and

to request you to inform the
Members of the Mint that

has a proposal of the
design marked "B" for the

silver coins and of that
marked "A" for the

Copper coins.

I am, Sir, very respectfully,
Yours faithfully,
The Secy. of the Mint

Ms. A. 10. 13

DRAFT

Deputy Master
of the Mint

MINUTE.

- Mr. Bottonby 22/7
- Mr. Read 27/7
- Mr. Andrews
- Mr. Cox
- Mr. Lucas
- Mr. Graham
- Sir H. Osmundson
- The Duke of Marlborough.
- Mr. Lyttelton.

Approved by the Council 1905

proposed owing to
 the necessity of considering
 the various questions
 which have arisen in
 connection with the
 above arrangements to be
 made under the first
 article and by and a
 Currency Board in Council
 1905.

It will be observed
 from the copy of the
 a Council which
 showed that no
 has been made
 in order to the standard
 of all the
 the ten cent and one
 tenth cent pieces the
 question must therefore
 be decided by the Board
 under clause 6 (2) of
 the Order and the
 by the Board will be glad to
 receive the recommendations
 of the Board on the subject

3/ It is intended that
 one cent and one tenth cent
 pieces should be
 perforated to avoid the
 then being thus rendered
 unusable by the action
 and can with no doubt
 be taken that the
 inscription is not material
 destroyed by the
 perforation.

4. The number number
 of coins of each denomina-
 tion which will be
 required are as follows:

<u>Silver</u>	Rupies
50 cent pieces to the face value of 100,000	
25 cent pieces	100,000
100	
<u>Copper</u>	
10 cent pieces	65,000
1 cent pieces	200,000

It is not proposed to coin
 any 5 cent pieces at present
 and a further consideration
 will be sent to you as to
 the number of pieces