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Copy of the Memorandum* circulated to Witnesses in India by the Commission

The following memorandum, indicating the main questions which will come under the consideration of the Royal Commission on Indian Currency and Finance under its terms of reference, is published in order to assist intending witnesses in the preparation of their evidence. It is not to be regarded as exhaustive, nor is it desired that each witness should necessarily attempt to deal with all the questions raised :—

(1) Is the time ripe for a solution of the problems of Indian Currency and Exchange by measures for stabilisation of the rupee or otherwise ?

What is the comparative importance of stability in internal prices and in foreign exchanges ?

What are the effects of a rising and a falling rupee, and of a stable high or low rupee, on trade and industry (including agriculture) on national finance ?

(2) In relation to what standard and what rate should the rupee be stabilised, if at all ?

When should any decision as to stabilisation take effect ?

(3) If the rate selected differs materially from the present rate, how should the transition be achieved ?

(4) What measures should be adopted to maintain the rupee at the rate selected ?

Should the Gold Exchange Standard system in force before the war be continued, and with what modifications, if any ?

What should be the composition, size, location, and employment of a Gold Standard Reserve ?

(5) Who should be charged with the control of the note issue, and on what principles ? Should control or management be

*Report of the Royal Commission on Indian Currency and Finance, Vol. III, Appendix 95A, p. 612.

transferred to the Imperial Banks of India, and, if so, what should be the general terms of the transfer ?

(6) What should be the policy as to the minting of gold in India and the use of gold as currency ?

Should the obligation be undertaken to give gold for rupees ?

(7) By what method should the remittance operations of the Government of India be conducted ?

Should they be managed by the Imperial Bank ?

(8) Are any, and, if so, what, measures desirable to secure greater elasticity in meeting seasonal demands for currency ?

Should any, and, if so, what, conditions be prescribed with regard to the issue of currency against hundis ?

(9) Should any change be made in existing methods for the purchase of silver ?

Note.—The above questions were circulated to witnesses in India. As the result of the oral and written evidence received in India, the relative emphasis to be laid on the various matters dealt with has become clearer, and accordingly the attached memorandum and supplementary list of "Questions to be asked by the Chairman" have been prepared for the information of witnesses.

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