

CHAPTER VI

BANKING, TRADE AND COMMERCE

BANKING AND FINANCE

INDIGENOUS BANKING

The indigenous bankers in towns dealt in *hundis* and advanced loans for trade and industry.

In the past the traditional *sahukars*, popularly known as *boharas* controlled the village economy and the poor peasantry was at their mercy for all their social and economic needs. Previously the money-lenders generally advanced loan for consumption but after 1870, they changed their pattern. They began to impose such hard terms in their land mortgages that a mortgage nearly always ended in sale. Government put a check on this faulty land policy by passing the Punjab Alienation of Land Act, 1900. The *sahukars* were debarred from acquiring mortgaged lands.

Another class of agriculturist money-lenders came to the fore. While the former *sahukars*, deprived of land as a security, could only lend upto the limit of what could be repaid from the produce; the agriculturist money lenders to whom the above Act did not apply, could afford to lend up to the value of the land.

The record of indebtedness in Narnaul, Mahendragarh and Bawal tahsils which were part of princely states, is not available, however, the account of Rewari tahsil may throw some light on the extent of indebtedness in the district. The position of other parts of the district was in any case much worse. At the end of 1878, nearly 7.5 per cent of the cultivated area of the tahsil was mortgaged for one third of a year's revenue of the tahsil. The causes of debt were, general extravagance which led to debt even in ordinary years; marriage and funeral expenditure; drought and neglect to pay the interest on debts already contracted which rapidly multiplied themselves. The mortgages went on steadily increasing during the decades ending 1889-90 and 1899-1900. After 1902-03, the mortgages decreased due to passage of Land Alienation Act, 1900 and during 1904-05, 10.1 per cent of the cultivated area of the tahsil was mortgaged for Rs. 23 per acre or for 1 year's revenue of the tahsil. A total ascertained indebtedness of owners and occupancy

tenants in the tahsil was as follows :—

Consideration Money of land			Unsecured Debt	Total	Multiple of new Land Revenue
Sold	Mortgaged	Total			
(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	
5,60,479	5,73,401	11,33,880	12,33,869	23,67,749	8½

It cannot of course be claimed that the recorded consideration money of sales and mortgages accurately represented the value of land transferred, but these figures give rough idea of the indebtedness of land-owners and occupancy tenants to creditors other than government. The thrifty Ahirs of Rewari tahsil were, however, least burdened with debt, though their assessment was the heaviest and their land the worst in the district¹.

The rate of interest charged on ordinary unsecured loans was 12, 24 and 37.5 per cent per annum. Only borrowers of good status could secure loans at the lowest rate, the prevailing rate was 24 per cent. The rate of interest, when the loan was secured by pawned jewelry was from 6 to 20 per cent and when secured by landed property, was from 12 to 24 per cent. Special terms were fixed for short term loans. Money-lenders generally refused to accept interest for a shorter period than 6 months² and compound interest was charged after 6 months on debts³.

The rate of land from 1904-05 to 1938-39 in the Rewari tahsil was to the extent of 6.7 per cent of the cultivated area and during 1938-39, 11.5 per cent of the cultivated area was mortgaged for Rs. 72 per acre as consideration money. These transfers were mostly between the agricultural proprietors themselves and only a small portion of land was mortgaged to non-agriculturists. The total debt of the tahsil was as follows³ :

	(Rs.)
1. Secured by mortgages of proprietary or occupancy rights	18,68,833
2. Agriculturist money lenders	16,59,431
3. Non-agriculturist money lenders	13,24,024
4. Cooperative Societies	7,23,305
5. Taccavi loans	4,01,874

1. *Gurgaon District Gazetteer*, 1910, p. 107.

2. *Ibid*, p. 107-08.

3. *Assessment Report of the Rewari tahsil of the Gurgaon District*, 1941, p. 13.

The British government took various steps to provide credit facilities on easy terms through the establishment of cooperative societies at Dharuhera and Jatusana in 1907 and under the Land Improvement Loans Act, 1883 and the Agriculturists Loans Act, 1884. However, the borrowing from the government was unpopular in many cases and the cultivators preferred to take loans from the money-lenders. Though the rates of interest charged by the government were low, yet it insisted on punctual and regular payment in fixed instalments. Contrary to it the money-lender did not insist on punctual payment, and often accepted grain or cattle in lieu of the cash. The sikh rulers did not take any such measures to extend credit facilities to the people in their area and they (people) could not be relieved from the exploitation of the money-lenders till Independence. Before Independence, several enactments were passed to protect the agriculturists and weaker section from the exploitation of money-lenders. The Usurious Loans Act, 1919, the Punjab Regulation of Accounts Act, 1930, the Punjab Relief of Indebtedness Act, 1934, the Punjab Debtors' Protection Act, 1936 and the Punjab Registration of Money-Lenders' Act, 1938 were designed to achieve this. It is of course, doubtful if these measures stopped the more harmful adverse effects of the system. They certainly diverted adverse practices to clandestine forms.

After Independence, different joint-stock banks opened their branches in the district and these were confined mostly to the towns and catered to the needs of industrialists and traders. After nationalisation of major banks in 1969, the banking entered the field of integrated rural credit. The cooperative credit institutions have also endeavoured to be responsive to the needs of rural people but the procedural and other difficulties have still kept the indigenous money-lenders in the important position. To meet the unproductive and emergent unspecified expenditure, money-lenders, are always ready at hand. Few of them get themselves registered and on March 31, 1978, the number of licensed money-lenders was 40.

Joint Stock Banks

Till 1950 there was a slow growth of Joint stock banks but thereafter more and more branches were opened in semi-urban and rural areas of the district. In December, 1978, there were 32 branches of different banks in various parts of the district. A list of the commercial banks in the district is given in Table VII of Appendix.

These commercial banks carried on normal bank activities like deposits, remittances and advance against securities and other goods,

The State Bank of India as the local agent of the Reserve Bank of India handles all government transactions.

Co-operative Credit

Although the cooperative societies were opened at Dharuhera and Jatusana in 1907, yet the cooperative movement really began with the passage of Acts of 1954 and 1961. In 1978, there were 170 cooperative credit societies excluding industrial co-operative societies, of which 155 were agricultural credit and service societies and 15 were non-agricultural credit societies.

The agricultural co-operative credit societies include agricultural thrift and credit societies, agricultural multi-purpose societies and agricultural co-operative service societies. Their primary object is to assist the farmer to increase agricultural production and to develop the rural economy by providing adequate facilities for short and medium-term credit. These also finance the farmer for the purchase of improved seeds, setting up water sprinklers and installation of cemented pipes for irrigational purpose, etc.

The non-agricultural co-operative credit societies comprise urban banks, co-operative marketing societies, consumers' co-operative stores, etc. They meet the credit requirements of the non-cultivating section in urban and rural areas.

The financial position of these societies along with short and medium term loans advanced as on June 30, 1978 was as follows :

Particulars	(Rs. in lakh)	
	Agricultural Credit Societies	Non-Agricultural Societies
Working Capital	707.82	0.64
Deposits	8.80	0.01
Owned funds	136.63	0.16
Loans advanced during the year	529.76	Nil

The Central Co-operative Bank Ltd., Rewari.—It started functioning in October, 1922. In 1977-78, it had branches at Rewari, Bawal, Kund (Kundal), Dharuhera, Jatusana, Dahina and Palahwas. The bank issues short and medium term loans to individual members through co-operative societies and provides financial accommodation to the affiliated co-operative

societies for seasonal agricultural operations and the marketing of crops. The area of operation of the bank extends over Rewari sub-division.

The bank provided loans amounting Rs. 386.75 lakh during 1977-78 for different purposes to its affiliated societies. The working capital of the bank was Rs. 422.32 lakh at the end of June, 1978.

The Mahendragarh Central Cooperative Bank, Ltd., Mahendragarh.—It started functioning in February, 1954. In 1977-78, it had branches at Mahendragarh, Kanina, Narnaul, Ateli, Nangal Chaudhry and Nangal Sirohi. The bank also issues short term and medium term loans to individual members through cooperative societies for agricultural operations.

It also advances loans to industrial co-operative societies, labour cooperative societies, marketing cooperative societies, consumers' cooperative stores, etc.

During 1977-78, it advanced loans to various societies for agricultural and non-agricultural purposes amounting to Rs. 268.63 lakh. The working capital of the bank stood at Rs. 487.83 lakh by the end of June, 1978.

Primary Land Development Banks

The co-operative credit institutions could not advance long-term loans to the farmers. So the land mortgage banks, now known as land development banks, were set up for advancing long-term loans for the purpose of installation of tube-wells, sinking of wells, purchase of machinery (tractors, harrows, threshers, etc.), installation of sprinkler sets, water channels and improvement of land by way of levelling and payment of old debts against the mortgage of land.

On March, 31, 1978, there were three land development banks, one each at Rewari, Mahendragarh and Narnaul. These banks were established in 1970. The details regarding the working of these banks during 1974 to 1978 are given below :—

	(Year ending June)				
	1974	1975	1976	1977	1978
1. Membership (Number)	12,752	14,201	15,550	19,856	20,896
2. Share Capital (Rs. in lakh)	27.97	32.24	35.34	39.63	42.15
3. Loans advanced (Rs. in lakh)	85.61	83.01	69.45	96.79	64.38
4. Loans outstanding (Rs. in lakh)	364.81	390.28	393.46	397.85	377.56

Insurance

The Life Insurance Corporation of India had a branch office at Bhiwani which covered the Mahendragarh district. The branch office, Bhiwani was under the jurisdiction of the Chandigarh Divisional Office. In 1978, the number of policy holders was 2,265 and a sum of Rs. 243.16 lakh was insured.

Small Savings

In addition to the other functions, the main activity of post offices in the district is to mobilize small savings in rural as well as urban areas. Banking facilities have been virtually extended to every body's door-step through post office savings banks. The following table gives the number of savings bank accounts and the total amount invested during 1972-73 to 1977-78 :—

Year	Savings bank accounts opened during the year	Amount de- posited during the year
	(No.)	Rs.
1972-73	2,716	1,11,76,000
1973-74	5,340	5,42,64,000
1974-75	2,776	3,31,32,000
1975-76	3,772	2,01,22,000
1976-77	3,271	1,23,91,000
1977-78	3,446	2,11,45,000

A Postal Cordination Committee has been constituted under the chairmanship of Superintendent of Post Offices, Gurgaon, to hold conference on postal matters. The committee examines cases of delay in post offices and solves difficulties in regard to various post office schemes of small savings. For the promotion of small savings, the National Savings Organisation has posted a District Savings Officer at Narnaul. Some of the small savings schemes are discussed below :—

School Savings Bank (Sanchayika) Scheme.—The scheme was introduced in 1972-73 in government higher secondary schools at Narnaul and Nangal Chaudhry, and government high schools at Nangal Sirohi and Sarohibhali. During 1977-78, all the high and higher secondary

schools were covered under this scheme. The year-wise achievement of the scheme is given below :—

Year	Total <i>Sanchayikas</i>	Students Enrolled	Collection During the Year
	(Number)	(Number)	(Rs.)
1972-73	4	229	2,771
1973-74	63	12,871	53,120
1974-75	70	28,055	1,75,640
1975-76	76	32,680	3,73,710
1976-77	86	40,062	4,59,740
1977-78	107	46,833	4,78,000

Pay Roll Savings Groups.—In order to popularise the habit of thrift among the lower and middle income groups and to make the savings as far as possible easy and automatic, the District Savings Officer persuades employees and employers in the public and private-sectors to start Pay Roll Savings Groups in their establishments. Under the scheme, an employee gives an authorisation in favour of his head of the office or the employer for deduction of savings regularly from his salary/wages for being credited to his R.D.(Recurring Deposit)/C.T.D. (Cumulative Time Deposit) accounts at the post office.

The yearwise progress since 1972-73 to 1977-78 in the district in respect of pay roll savings groups is given below :—

Year	Total Groups During the Year	Membership During the Year	Collection During the Year
	Number	Number	(Rs.)
1972-73	85	3,541	9,64,555
1973-74	91	4,700	9,40,200
1974-75	100	4,629	12,73,760
1975-76	112	5,856	14,39,855
1976-77	124	13,600	28,01,215
1977-78	136	14,762	23,33,025

Mahila Pradhan Kshetriya Bachat Yojna.—The scheme formerly known as Area Savings Leaders Authorised Agency scheme was introduced on April, 1, 1972. Trained women workers were assigned specific area for explaining and canvassing for the small savings scheme and to secure deposits in Cumulative Time Deposit/Recurring Deposit accounts. The workers earn commission at the rate of 4 per cent on all deposits made through them. Though the district is backward and ladies hesitate to come forward for this job, 19 agents have been appointed and trained in the district up to 1977-78. The year-wise progress made in the district is given below :—

Year	Number of Agents During the year	Number of Accounts Opened During the Year	Collection During the year (Rs.)
1972-73	—	—	—
1973-74	—	—	—
1974-75	2	32	2,500
1975-76	5	57	5,000
1976-77	8	111	10,000
1977-78	4	140	19,250

Agency System.—Individuals are appointed as authorised agents under the Standardised Agency System for National Savings Scheme such as national savings certificates and time deposits accounts in post offices. They contact the investors, convince them for deposits, collect money from them and deposit the sum into the post offices. They help the investors at the time of withdrawal also. They are paid commission on the business booked through them. The yearwise progress from 1972-73 to 1977-78 is given below :—

Year	Scheme Holders (Number)	Authorised Agents for the Scheme (Number)	Collection (Rs.)
1972-73	41	8	72,600
1973-74	42	16	6,36,800
1974-75	42	27	9,15,120
1975-76	38	29	14,21,960
1976-77	45	41	26,65,930
1977-78	50	38	33,78,300

Extra Departmental Branch Post Masters.—There are 162 Extra Departmental Branch Post Masters in the district. Till the beginning of 1973-74, none of these branch post masters conducted small savings business. But afterwards they were allowed to conduct saving bank work. This is very good scheme to popularise the savings in the rural areas and to help the villagers in depositing money. They are paid commission at the rate of 2 per cent for this job. The year-wise progress made is given below :—

Year	Extra-Departmental Branch Post Masters	Branch Post Masters	Collection
	(Number)	(Number)	(Rs.)
1972-73	160	—	—
1973-74	160	—	—
1974-75	160	11	53,200
1975-76	160	22	2,72,860
1976-77	160	36	2,69,700
1977-78	162	71	6,74,300

Publicity.—Women Savings Day on 1st April and now on 15th April, *Sanchayika* Day on 15th September, World Thrift Day on 31st October are celebrated in the district every year. The declamation contests, debates, etc., among students are held on small savings schemes in the schools/colleges which prove a good publicity. There are five national social service units in the district which give publicity in their respective areas.

Awards.—The State Government gives some awards to the districts on the basis of their performance in the achievements of the targets allotted. The Mahendragarh district has been able to get maximum awards so far. The amount of awards received by this district from 1965-66 to 1972-73 is given below :—

Year	Amount of award
	(Rs.)
1965-66	3,00,000
1966-67	2,00,000
1967-68	2,00,000
1968-69	1,00,000
1969-70	4,00,000
1970-71	1,00,000
1971-72	Nil
1972-73	3,50,000

From 1973, the scheme of awards was discontinued.

TRADE AND COMMERCE

In the beginning of the 20th century, the only marts of some importance in the district were Narnaul and Rewari. White-wash and lime were exported from Narnaul and barley, oil seeds, kharif millets and pulses from Rewari. The barley of Rewari tahsil was noted for its excellence, was exported to hill breweries. The oil seeds was exported to Bombay and millets and pulses to Gujarat. The chief imports were wheat, rice, raw sugar, salt, raw cotton and yarn¹.

At present the district exports mineral products like lime stone, iron ore, slates, slate stone and raw wool, embroidered frames, reed chairs and table, *bajra*, gram, ghee and onions and imports wheat, sugar, cotton seed and cloth.

Regulated Markets.—Previously the farmer was deceived at the time of sale of his produce. The system of sale and purchase was most disorganised. To regulate the sale and purchase, the regulated markets at Rewari and Narnaul were setup in 1941 and 1948 respectively. Prior to the merger of PEPSU, the markets of Mahendragarh and Narnaul were controlled by the State Marketing Board, Patiala. This practice was made regular by the Punjab Agricultural Produce Market Act, 1961. The markets play an important role in helping the sale of commodities at reasonable prices. The cultivator is now much safeguarded against underhand and illegal practices which were previously adopted by traders and intermediaries.

There are five regulated markets and 9 sub-market yards in the district. Each of these has a market committee which represent growers, commission agents, traders, local bodies and the state Government.

The main commodities for which transactions usually take place in the different markets are given below :—

Regulated markets	Main arrivals
1. Rewari	<i>Sarson, moth, potatoes, groundnut, onions, wheat, gram, barley, bajra, gur, shakkar, jowar</i>
2. Kanina	<i>Gram, bajra, gur, jowar, sarson</i>
3. Ateli	<i>Gram, barley, bajra, gur, sarson, cotton seed</i>
4. Mahendragarh	<i>Wheat, gram, barley, bajra, gur, shakkar, sarson, cotton seed</i>
5. Narnaul	<i>Wheat, gram, barley, bajra, gur, shakkar, jowar, sarson, groundnut, moong, potatoes, onions</i>

1. *Phulkian States Gazetteer (Patiala, Jind and Nabha)*, 1904, p. 133 and *Gurgaon District Gazetteer*, 1910, p. 151.

Cattle Fairs

Before the enactment of Haryana Cattle Fairs Act, 1970, the cattle fairs were controlled, managed and regulated by the concerned Panchayat Samiti in the district. The income accrued from these fairs was credited into Samiti fund. As a result of introduction of the Act (Since 1970), the right of holding the cattle fairs has vested in the government. The following table contains a list of cattle fairs organised in the district :

Tahsil 1	Place 2	Time 3	Duration 4
Narnaul	1. Mahesar	1. <i>Phagan</i> (February-March)	Six days
		2. <i>Jeth</i> (May-June)	
		3. <i>Asoj</i> (September-October)	
	2. Dharso	1. <i>Magh Sudi</i> 5 (January-February)	One week
		2. <i>Jeth Badi</i> 1 (May-June)	
		3. <i>Katak Sudi</i> 1 (October-November)	
	3. Ateli	1. <i>Phagan Sudi</i> 3 (February-March)	One week
		2. <i>Jeth Badi</i> 8 (May-June)	
		3. <i>Sawan Sudi</i> 3 (July-August)	
Mahendragarh	4. Khurhawata	1. <i>Baisakh</i> (April-May)	Seven days
		2. <i>Asarh</i> (June-July)	
	5. Kanina	1. <i>Phagan Sudi</i> 4 (February-March)	Six days
		2. <i>Asarh Badi</i> 1 (June-July)	

1	3	4	5
Rewari (including Bawal)	6. Dahina	1. <i>Baisakh</i> (April-May)	
		2. <i>Sawan</i> (July-August)	
		3. <i>Katak</i> (October-November)	One week
	7. Jatusana	1. <i>Katak</i> (October-November)	One week
	8. Gurawada	1. <i>Asarh</i> (July-August)	
		2. <i>Poh</i> (December-January)	One week
	9. Dharuhera	1. <i>Magh</i> (January-February)	
		2. <i>Asarh</i> (June-July)	Eight days
	10. Rewari	1. <i>Phagan</i> (February-March)	
		2. <i>Sawan</i> (July-August)	Eight days

Besides, bullocks and asses are brought for sale in the Bhairon fair and the religious fair, held at Basduda (Rewari tahsil) during March-April.

The total income from the cattle fairs in 1978 was Rs. 7,89,896.

Cooperation in Trade

As a result of co-operative movement, the cooperative marketing societies were formed at Mahendragarh, Narnaul, Ateli, Rewari and Kanina.

The membership of the cooperative marketing societies comprises primary societies and individuals. These help the farmer in several ways. He is supplied with agricultural implements, good quality seeds and other items. These societies further arrange for the marketing and processing of agricultural produce and maintain godowns for storage so that the farmer may wait for appropriate time to sell his produce.

They also procure agricultural produce for the government. In 1978, foodgrains worth Rs. 28.03 lakh was procured by these societies.

Storage and Warehousing

Before 1967, the godowns for storage purposes were maintained by private dealers. These stores were not of desired specification. To remove this difficulty, the Haryana Warehousing Corporation which was established on November 1, 1967, was authorised to own godowns and run warehouses.

On March 31, 1978, the corporation was running warehouses at Narnaul and Rewari in Mahendragarh district.

In the co-operative sector, the National Co-operative Development Corporation, as well as state Government provide financial help for construction of godowns/store houses to the rural primary credit and service societies and co-operative marketing societies. On June 30, 1978, primary co-operative credit and service societies had 43 godowns, with a total storage capacity of 8,600 tonnes. During the same period the marketing co-operative societies had godowns at Mahendragarh, Kanina, Narnaul, Ateli and Rewari, with a total storage capacity of 4,350 tonnes.

Consumers Co-operative Stores

With a view to checking the trend of rising prices and to ensure better distribution of consumer goods, the Narnaul Central Cooperative Consumers Store and Rewari Central Cooperative Consumers Store were registered in 1974-75. Since then these stores have been catering to the needs of consumers both urban and rural. The Narnaul Central Co-operative Consumers Store has nine branches which include a medicine shop supplying genuine medicine at cheaper rates to patients in the premises of Civil Hospital, Narnaul. The Rewari Central Co-operative Consumers Store has five branches at Rewari.

The consumers get all their daily requirements of grocery, cloth, general merchandise, household goods, *ghee* and milk products, watches, handloom goods and rationed articles from these stores, comparatively at reasonable prices. The stores also supply various goods of common use through village service societies to the rural area of the district.

Apart from retail business, the stores act as whole-salers in respect of commodities like sugar, foodgrains and controlled cloth. They also provide marketing facilities for the goods manufactured by other

cooperatives. An assessment of the stores' value to people may be had from the following statement :—

	(Rs. in lakh)							
	Narnaul Consumers Store year ending June				Rewari Consumers Store Year ending June			
	1975	1976	1977	1978	1975	1976	1977	1978
1. Sales (Rs.)	7.24	37.63	38.93	23.25	0.54	24.96	20.87	31.14
2. Profit (Rs.)	0.13	0.39	0.06	—	—	0.20	0.04	0.16
3. Share Capital (Rs.)	1.09	1.57	2.07	3.57	—	1.43	2.18	2.20
4. Own funds (Rs.)	1.10	1.63	2.67	4.26	0.71	1.45	2.40	2.46
5. Working capital (Rs.)	1.63	3.17	4.44	5.58	0.52	3.67	2.79	3.42
6. Membership (Number)	535	575	591	620	339	536	632	665
7. Branches (Number)	1	6	9	9	1	3	4	5
8. Employees (Number)	5	20	21	20	3	12	11	14

State Trading

State trading was started in 1959 to check the major fluctuations in the prices of foodgrains, particularly wheat. Of course, this district does not produce surplus wheat in comparison to other districts of the state. The initial procurement of wheat was undertaken by the state. This helped to maintain a price level which was fair to both consumers and producers.

During the period of scarcity, fair price shops are opened to curb the malpractices in the distribution of essential commodities to the consumers. The total number of fair price shops was 380 in 1978. The card-holders obtain their supplies of wheat, wheat *atta*, sugar, rice, kerosene and *ghee* through fair price shops functioning in the area.

WEIGHTS AND MEASURES

There was no uniform standard of weights and measures prior to 1941, so much so, that even in the same district it sometimes varied from village to village and a *ser* ranged from 40 to 102 *tolas* in weight at different places according to usage. With increased commercial and industrial activity in the country, this chaotic situation created a sense of uncertainty accentuated often by fraudulent practices. One of these practices was to use weighing apparatus by hand thereby cheating the producer of his produce by unscrupulous traders. In order to remedy these evils the Punjab Weights and Measures Act, 1941, which itself was a corollary to the Central Standards of Weights Act of 1939, was enacted. This act was applicable only in Rewari area during that period.

The new metric system of weights and measures was introduced in 1958. However, to avoid hardship to the public, a transitory period of two years was allowed permitting use of weights and measures in vogue immediately before the enforcement of the Act. Thereafter the public became well acquainted with the new weights and measures. The old weights and measures are still known but are no longer in vogue.

The Inspector, Weights and Measures with his headquarters at Rewari verifies weights and scales, used in trade in the district. He enforces the use of standard and authorised weights and scales.

CURRENCY AND COINAGE

The currency of Princely State of Patiala was in circulation in the Mahendragarh *Nizamat* and the British currency was in vogue in Rewari tract.

The right of coinage was conferred on Patiala ruler in 1767 by Ahmed Shah Durrani. No copper coin was ever minted and only on one occasion, in the reign of Maharaja Narinder Singh, 8-*anna*, and 4-*anna* pieces were struck; but rupees and gold coins or *ashrafis* were coined at intervals up to 1895, when the mint was closed for ordinary coinage. The coins bore the legend that they were struck under the authority of Ahmed Shah and the coinage of each chief bore a distinguishing device, generally a kind of weapon. The Patiala rupee was known as *raja shahi* rupee. It was rather lighter than the British rupee but contained the same amount of silver. The rupees known as *Nanak Shahi* were used in connection with religious ceremonies at Dussehra and Diwali festivals¹. Later, the British coins in circulation in the Rewari area were adopted by these States.

Up to 1957, the coinage was as under :—

- (i) Silver rupee, $\frac{1}{2}$ rupee, $\frac{1}{4}$ rupee and $\frac{1}{8}$ rupee;
- (ii) Quaternary alloy rupee, $\frac{1}{2}$ rupee and $\frac{1}{4}$ rupee;
- (iii) Nickel rupee, $\frac{1}{2}$ rupee and $\frac{1}{4}$ rupee;
- (iv) Cupronickel 8 *anna*, 4 *anna*, 2 *anna*, 1 *anna*, and $\frac{1}{2}$ *anna*;
- (v) Nickel Brass 2 *anna*, 1 *anna*, and $\frac{1}{2}$ *anna*;
- (vi) Copper double pice, single pice, half pice and pice; and
- (vii) Bronze single pice, half pice and pice.

1. *Imperial Gazetteer of India, Provincial Series. Punjab Vol.-II* p. 295-96.

An anna was equal to 4 pice or 12 pies and a pice was equal to 3 pies.

From April 1, 1957, the decimal system of coinage was introduced in the country. This system has made the calculation easy and simple. Now a rupee consists of 100 paise with different coins of the denomination of 1, 2, 3, 5, 10, 20, 25, 50 paise and one rupee. Currency notes are issued in the denomination of rupees 1, 2, 5, 10, 20, 50 and 100.
