M.R.O. 1—77,006—8-6-37.

(1) Number of pages 22

(2) Date of repair 10-7-39

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 235 Press ~~Mis.~~

5-6

Dated 1 4 1863.

12/13

5-6

Not to be folded or roughly handled

No. 5. Read the following letter from the Auditors of the Accounts of the Madras Bank; to the Honorable A. J. ARBUTHNOT, Chief Secretary to Government, Fort Saint George, dated Madras, 11th March 1863.

We have the honor to report that, agreeably to Order of Government, 17th January 1863, No. 32, we have examined the Accounts, Cash, and Securities of the Bank of Madras, and that we have audited the same to the 31st January 1863.

2. On Monday the 2nd February 1863, we have examined the Specie and Currency Notes of the Bank, as they existed on the evening of the previous Saturday the 31st January 1863, and found them, including Cheques held to amount to Rupees 48,40,620-12-1 as follows:—

Silver in the hands of the Deputy Secretary...	Rs.	35,15,000	0 0
Copper packed in boxes for despatch to Vizagapatam, Tinnevelly and Bombay, said to be equal to...	,,	1,11,000	0 0
Copper in bags...	,,	36,870	0 0
		36,62,870	0 0
Silver in the hands of the Cashier...	,,	35,000	0 0
Copper do.	,,	2,670	0 0
Sundry coins in broken bags...	,,	2,019	12 1
		37,02,559	12 1
Currency Notes in the hands of the Deputy Secretary... ...	,,	8,57,300	0 0
Do. with the Cashier...	,,	2,78,300	0 0
Cheques	,,	2,261	0 0
Rupees...		48,40,620	12 1

this amount being in accordance with the General Account of Cash exhibited on the Bank's Books. In our examination we counted and weighed the whole of the Silver in the hands of the Cashier; and selecting indiscriminately from the Silver in the Treasure room, we counted and weighed in all 80 bags and upon their correct out-turn computed the Specie held.

3. We have examined the Promissory Notes of the Government of India composing the Government Reserve investment, and have found that they amount to Government Rupees 14,61,750 as marginally stated, being in accordance with the Bank's account in respect of this investment on the 31st January 1863. The Notes are all endorsed in the name of the Accountant General.

Government Reserve.		
Loan of 1859-60 ... ... Rs.	12,00,000	
Valued at 13 premium ... ... ,,	1,56,000	13,56,000
Loan of 1856-57	97,000	
,, 1854-55	3,000	
	1,00,000	
Valued at 5¼ premium	5,750	1,05,750
Rupees..		14,61,750

4. We have examined the Bank's Reserve of investments in Securities of the Government of India, which we find to amount to Government Rupees 3,61,914-2-0 as marginally given, the same being in accordance with the account on the Bank Books as respects this investment on the 31st January 1863.

Bank's Reserve.			
Loan of 1835-36 ... Rs.	19,600		
1842-43 ... ,,	23,500		
1854-55 ... ,,	500		
	43,600		
Valued at 5 discount ...	2,180		41,420- 0-0
Loan of 1854-55 ...	9,500		
1856-57 ...	48,800		
	58,300-0-0		
Valued at 5¼ premium ...	3,352-4-0		61,652- 4-0
Loan of 1859-60 ...	2,29,000-0-0		
Valued at 13 premium ...	29,770-0-0		2,58,770- 0-0
Brokerage			71-14-0
Rupees..			3,61,914- 2-0

5. We have examined the Securities of the Government of India held by the Bank for advances on Cash Credit Accounts as also on Loan Accounts, and found them to amount on the 31st January 1863, the former to Rupees 9,57,070-10-8 in 345 Notes, and the latter to Rupees 27,68,400 in 955 Notes. The advances in each case are fully covered by the Securities.

6. We have examined by the register and verified the Securities of the Government of India and other Securities held by the Bank in deposit for safe custody on account of constituents. The amount held on the 31st January 1863 was Sicca and Government Rupees 60,16,208-8-0 in Notes, shares and debentures, numbering 2,096.

7. We have examined the Promissory Notes of the Government of India held on behalf of the State and of the public in the undermentioned accounts; these amounted on the 31st January 1863 to two hundred and fifty-eight lacs, eighty-two thousand and three hundred Sicca and Company's Rupees.

Estates unclaimed 15 years (Act VIII of 1855, Section LI)...		2,08,300
Escheat Estates...		11,700
Agency including Zemindar of Ramnad...		12,900
Metropolitan Police...		51,000
Mofussil do.		1,80,600
Government of Ceylon...		56,000
Educational...		10,00,000
Saint Mary's Church and other bequests...		3,65,200
High Court—		
Causes...	30,30,700	
Estates...	23,800	
Official Assignee...	74,200	
		31,28,700
		42,64,400
Heads of Departments from various parties as security for Appointments and Contracts—		
Accountant General's Department...	93,400	
Commissariat...	1,18,900	
Do. out-stations...	27,000	
Controller, Military Finance...	45,000	
District Engineer, Presidency...	9,400	
Board of Revenue...	19,100	
		3,12,800
Court of Wards....		12,20,000
Service Funds—		
Civil...	49,14,600	
Military...	78,29,400	
Medical...	55,04,000	
		182,48,000
Administrator General...		11,37,100
Cashkeeper's security, Rupees 50,100...		
Sicca and Company's Rupees...		2,58,82,300

We would observe as regards the unclaimed and escheated Estates that the Notes so held might be sold and the proceeds carried to the credit of Government.

8. In the Account Department we have examined the Bank's account with the Government of Fort Saint George, which we have found correct, and exhibiting on the 31st January 1863 a creditor balance of Rupees 42,19,439-4-3 held as under:

Bank's maximum...	15,00,000
Invested in Government Securities...	14,61,750
In Cash...	12,57,689

9. In the Bank's account of contingencies with the Government of Fort Saint George, there was a debtor balance on the 31st January 1863 of Rupees 11,245-5-8.

10. We have examined the accounts connected with the Bank's advances on Cash credit, and Loan accounts, and declare their correctness.

11. We have examined the accounts of discount of private documents, which we have found correct, and the securities unexceptionable.

12. We have ascertained the correct stating of the accounts of Bills for Collection and Bank Post Bills.

13. We have examined and verified the following accounts:—
Reserved Surplus Fund.
Unclaimed Dividends.
Interest.
Commission.
Profit and Loss.
Charges.
Other Banks.
Current Accounts.
Suspense.
Unclaimed.
Dead Stock.

In the latter, sums under the heads of Premises and Fittings have been periodically written off, and the valuations are moderate.

14. We find that in the account of Bank of Madras Notes, a balance outstanding of Rupees 1,68,285 was exhibited on the 31st December 1862, and that a sum of Rupees 25,000 was then written off, reducing the amount reckoned as outstanding to Rupees 1,43,285. No Notes having been presented in January the same balance remains at the close of that month. We consider the per centage written off to be a moderate one. The amount so written off has not been included in the dividend for the past half year, but is held in the Reserve Fund.

15. We have examined and inquired into the Bank's practice in regard to Government Currency Notes, their Issue and Payment, and find that on all points it is in conformity to Clauses 6 to 13 of the Deed of Agreement between Government and the Bank.

16. We find that agreeably to the provisions of Clause 14 of the above Agreement, the Bank has constructed a safe and commodious strong room for the use of the Commissioner of Issue, and for the custody of the Currency Notes, and the Specie of the Issue Department.

17. We have gone through the Proceedings of the Board of Directors of the Bank of Madras to the 31st January 1863, and have found all to be in order.

18. In accordance with Clause 19 of the Bank's Agreement, a branch has been opened at Cochin on the 6th May 1862. The branch Bank has taken over the funds of the Talook Treasury there, which on the 31st January 1863 amounted to Rupees 1,28,760-0-4. No agreement as to the terms on which this portion of the public funds is held has yet been made with Government. The Branch at Cochin is in a prosperous condition, already doing a considerable amount of business, and yielding after payment of all charges a substantial profit. The duties of the Bank of Madras in regard to the Issue and Payment of Government Currency Notes, are also performed by the Cochin branch on the terms of the Madras Bank's Agreement.

19. We enclose in elucidation of our report a weekly balance sheet of the Bank of Madras as it stood on the 31st January 1863 and one of the Cochin branch on the same date.

20. Our examination of the Accounts and Securities of the Bank commenced on the 2nd and closed 26th February; for the sake of uniformity we have reported to the 31st January 1863 throughout, but our examination has extended to the date of each day's work.

21. We cannot close our report without noticing the correctness, neatness and carefulness with which the accounts of the Bank are kept: they are deserving of the greatest praise.

(Signed) R. W. NORFOR,
(„) W. J. RAYNOR,
Auditors of the Accounts of the Madras Bank.

No. 6. ORDER THEREON, 1st April 1863, No. 235.

In the foregoing letter the Auditors appointed by Government under date the 17th January last, report that they have examined and audited the accounts, cash, and securities of the Bank of Madras to the 31st January 1863, and inspected the Proceedings of the Board of Directors to the same date, and have found them all to be correct and in order.

Proceedings of the Madras Government, Financial Department,
1st April 1863.

2. The Auditors have also examined and inquired into the Bank's practice in regard to Government Currency Notes, their issue and payment, and find that in all points it is in conformity to Clauses 6 to 13 of the Deed of Agreement between Government and the Bank; and further that agreeably to the provisions of Clause 14, the Bank has constructed a safe and commodious strong room for the use of the Commissioner of Issue, and for the custody of the Currency Notes and the specie of the Issue Department.

3. At the end of paragraph 7 of their report, the Auditors observe that the Promissory Notes held on behalf of estates unclaimed for 15 years, and escheated estates might be sold and the proceeds carried to the credit of Government. The Governor in Council concurs in the propriety of this course, and resolves, under the provisions of Section LI of Act No. VIII of 1855, to authorize its being adopted—it being understood that no suit has been or is likely to be hereafter instituted in respect of them.

4. His Excellency in Council is glad to learn from paragraph 18 of the report that the Branch Bank established at Cochin is in a prosperous condition, already doing a considerable amount of business, and yielding, after payment of all charges, a substantial profit.

5. The Auditors notice in conclusion the correctness, neatness and carefulness with which the accounts of the Madras Bank are kept, and consider them to be deserving of the greatest praise. The Governor in Council concurs in this commendation.

6. The Governor in Council is pleased to sanction the payment of 400 Rupees to each of the Auditors for their services; and directs that if the charge cannot be met from savings under any head of the Budget for the *present* official year 1862-63, to which it is properly debitable, provision be made for it in the "statement of further grants" submitted by the Accountant General. In the meantime Treasury Orders will be issued in favor of Messrs. Norfor and Raynor for the sums now sanctioned, subject to adjustment hereafter.

(Signed) A. J. ARBUTHNOT.
Chief Secretary.

Exd. T. McMootry.

From

R. W. Norfor
and
W. I. Raynor
} Esquires
Auditors of the accounts of the Madras Bank

To

The Honble A. J. Arbuthnot
Chief Secretary to Government
Fort Saint George

Sir,

We have the honor to report that, agreeably to Order of Government 17th January 1863, No. 52, we have examined the Accounts, Cash, and Securities of the Bank of Madras, and that we have audited the same to the 31st January 1863.

2. On Monday the 2d February 1863 we examined the Specie and Currency Notes of the Bank, as they existed on the evening of the preceding Saturday the 31st January 1863, and found them including Cheques held to Amount to Rupees 1,84,06,20-12-1 as follows.-

Silver

Silver in the hands of the Dy Secretary 35,15,000-0-0
Copper packed in boxes for despatch
to Vizagapatam, Tinnevelly and
Bombay, said to be equal to ——— 1,11,000-0-0
Copper in Bags ——— 36,870-0-0

36,62,870-0-0

Silver in the hands of the Cashier ——— 35,000-0-0
Copper ——— Do ——— 2,670-0-0
Sundry Coins in broken bag ——— 2,019-12-1

37,02,559-12-1

Currency Notes in the hands of the
Deputy Secretary ——— 8,57,500-0-0
——— Do ——— with the Cashier ——— 278300-0-0
Cheques ——— 2261-0-0

Rupees 1-8,40,620-12-1

this amount being in accordance with the General Account of Cash exhibited on the Bank's books. In our examination we ~~counted~~ counted and weighed the whole of the Silver in the hands of the Cashier; and selecting indiscriminately from the Silver in the Treasure Room, we counted and weighed in all 80 bags and upon their correct outturn computed the Specie held.

We

3 We have examined the Promissory Notes of the Government of India composing the Government Reserve investment, and have found that they amount to Government Rupees 14,61,750 as marginally stated, being in accordance with the Bank's account in respect of this investment on the 31st January 1863. The Notes are all endorsed in the name of the Accountant General.

Government Reserve
Loan of 1859/60. ——— 12,12,00,000
valued at 13 Rupees ——— 1,56,000 13,56,000
Loan of 1856/57 — 97000
" 1834/35 — 3000. 100000
valued at 5¾ Rupees — 5750 105750
Rupees 14,61,750

4. We have examined the Bank's Reserve of investments in Securities of the Government of India, which we find to amount to Government Rupees 3,61,914-2-0 as marginally given, the same being in accordance with the account on the Bank Books as respects this investment on the 31st January 1863.

Bank's Reserve
Loan of 1835/36 ——— Rs. 19,600
1854/55 ——— 23,500
1884/55 ——— 500.
valued at 5 dis. ——— 43,600
2,180 41,420-0-0

Loan of 1854/55 ——— 9,500
1858/57 ——— 48,800 58,300
valued at 5¾ premium ——— 3,352-4-0 61,652-4-0
Loan of 1854/56 ——— 29,000
valued at 13¾ premium ——— 29,770 2,58,770-0-0
Bombay ——— 2,71,144-2-0
Rupees 3,61,914-2-0

5. We have examined the Securities of the Government of India held by the Bank for advances on Cash Credit & accounts as also on Loan accounts, and found them to amount on the 31st January 1863, the former to Rupees 9,57,070-10-8 in 345 Notes, and the latter to Rs. 27,68,400 in 955 Notes.

The

The advances in each case are fully covered by the Securities

6. We have examined by the register and verified the Securities of the Government of India and other Securities held by the Bank in Deposit for safe custody on account of constituents. The amount held on the 31st January 1863 was Sicca and Government Rupees 60.16208.8.0 in Notes, Shares and Debentures, numbering 2096.

7. We have examined the Promissory Notes of the Government of India held on behalf of the State and of the Public in the undermentioned accounts. These amounted on the 31st January 1863 to Two Hundred and Fifty Eight Lacs, Eighty Two Thousand and Three Hundred Sicca and Company's Rupees.

Estates unclaimed 15 Years (Act VIII of 1855, Sec. II)		208,300
Escheat Estates		11,700
Agency including Zemindar of Ramnad		12,900
Metropolitan Police		51,000
Mofussil do		130,600
Government of Ceylon		56,000
Educational		100,000
St. Marys Church and other bequests		3,65,200
High Court.		
Causes	30,30,700	
Estates	23,800	
Official Assignee	74,200	31,28,700
		49,64,400

49,64,400

Heads of Departments from various parties as Security for Appointments and Contracts

Accountant-General's Department	93,400	
Commissariat	118,900	
Do outstations	27,000	
Controller Military Finance	45,000	
District Engineer Presidency	9,400	
Board of Revenue	19,100	312,800
Court of Wards		1220,000
Service Funds		
Civil	49,14,600	
Military	78,20,100	
Medical	5504,000	182,48,000
Administrator General		1137,100
Cash Keepers Security Rs 50,100-0-0		
Sicca and Company's Rupees		25882,300

We would observe as regards the Unclaimed and Escheated Estates that the Notes so held might be sold and the proceeds carried to the credit of Government.

8 In the Account Department we have examined the Banker's account with the Government of Fort Saint George, which we have found correct, and exhibiting

on

on the 31st January 1863 a Credit balance of Rupees 42,19,439-4-3 held as under

Bank's Investment ——— 15,00,000
Invested in Government Securities ——— 14,61,750
In Cash ——— 12,57,689

9. In the Bank's account of Contingencies with the Government of Fort Saint George there was a debit balance on the 31st January 1863 of Rupees 11,245-5-8-

10. We have examined the accounts connected with the Bank's advances on Cash Credit, and Loan Accounts, and declare their correctness-

11 We have examined the accounts of discount of private documents, which we have found correct, and the securities unexceptionable.

12 We have ascertained the correct stating of the accounts of Bills for Collection and Bank Post Bills-

13. We have examined and verified the following accounts-

Reserved Surplus Fund
Unclaimed Dividends
Interest
Commission

Profit and Loss
Charges
Other Banks
Current Accounts
Suspense
Unclaimed
Dead Stock.

In the latter sums under the heads of Premises and Fittings have been periodically written off, and the valuations are moderate.

14 We find that in the account of Bank of Madras Notes, a balance outstanding of Rupees 168,285 was exhibited on the 31st December 1862, and that a sum of Rupees 25,000 was then written off, reducing the amount reckoned as outstanding to Rupees 143,285. No notes having been presented in January the same balance remains at the close of that month. We consider the per centage written off to be a moderate one. The amount so written off has not been included in the dividend for the past half year, but is held in the Reserve Fund.

15 We have examined and enquired into the Bank's practice in regard to Government Currency Notes, their Issue and Payment, and find that on all points it

is

is in Conformity to clauses 6 to 13 of the Deed of Agreement between Government and the Bank.

16. We find that agreeably to the provisions of Clause 14 of the above Agreement, the Bank has constructed a safe and commodious strong room for the use of the Commissioner of Issue, and for the custody of the Currency Notes, and the Specie of the Issue Department.

17. We have gone through the Proceedings of the Board of Directors of the Bank of Madras to the 31st January 1863, and have found all to be in order.

18. In accordance with Clause 19 of the Bank's Agreement, a Branch has been opened at Cochin on the 6th May 1862. The Branch Bank has taken over the funds of the Talook Treasury there, which on the 31st January 1863 amounted to Rs. 128760-4-4 No agreement as to the terms on which this portion of the public funds is held has yet been made with Government. The Branch at Cochin is in a prosperous condition, already doing a considerable amount of business, and yielding after payment of all charges a substantial profit. The duties of the Bank

Bank of Madras in regard to the Issue and Payment of Government Currency Notes are also performed by the Cochin branch on the terms of the Madras Banks Agreement.

19. We enclose in elucidation of our Report a weekly balance sheet of the Bank of Madras as it stood on the 31st January 1863, and one of the Cochin Branch on the same date.

20 Our examination of the Accounts and Securities of the Bank commenced on the 2d and closed 26th February; for the sake of uniformity we have reported to the 31st January 1863 throughout, but our examination has extended to the date of each day's work.

21. We cannot close our report without noticing the correctness, neatness, and carefulness with which the accounts of the Bank are kept: they are deserving of the greatest praise.

We have the honor to be
Sir
Your most obedient Servants

Madras
11th March 1863

A. Norton
A. Thompson

Rec: 1st January 1864

No. 5.

From

The Auditors of the Accounts of the Madras Bank.

Dated 11th March 1863

Rec'd 18th April

No. 3 of 1863

Reporting the Examination of the Accounts of the Madras Bank and the Securities &c. &c.

5=6

Financial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read letter from the Auditors of the Accounts of the Madras Bank.

(Dated 11th March 1863)

Order.- 1st April 1863 No 235

In the foregoing letter the Auditors appointed by Govt. under date the 17th January last report that they have examined & audited the Accounts, Cash and Securities of the Bank of Madras to the 31st January 1863 & inspected the proceedings of the Board of Directors to the same date, and have found them all to be correct & in order.

The

2 The Auditors have also examined & enquired into the Bank's practice in regard to Govt. Currency Notes, their issue & payment, & find that in all points it is in conformity to Clauses 6 to 13 of the Deed of Agreement between Govt. & the Bank & further that agreeably to the provisions of Clause 14, the Bank has constructed a safe & commodious strong room for the use of the Commissioners of Issue, & for the custody of the Currency Notes & the Specie of the Issue Deptt.

3 At the end of para 4 of their report, the Auditors observe that the Promissory Notes held on behalf of Estates unclaimed for 15 years & escheated Estates might be sold & the proceeds carried to the credit of Govt. The Governor in Council concurs in the propriety of this course, & resolves, under the provisions of Section LI of Act No VIII of 1855, to authorize its being adopted - it being understood that no suit has been or is likely to be hereafter instituted in respect of them.

4 His Excellency in Council is glad to learn from para 18 of the report that the Branch Bank established at Cochin is in a prosperous condition already doing a considerable amount

amount of business, and yielding, after payment of all charges, a substantial profit.

5 The Auditors notice in conclusion the correctness, neatness & carefulness with which the accounts of the Madras Bank are kept, & consider them to be deserving of the greatest praise. The Governor in Council concurs in this commendation.

6 The Governor in Council is pleased to sanction the payment of 400 Rupees to each of the Auditors for their services; & directs that if the charge cannot be met from savings under any head of the Budget for the present Official year 1862/63 to which it is properly debitable, provision be made for it in the "Statement of further Grants" submitted by the Accountant General. In the meantime Treasury Orders will be issued in favor of Messrs. Norfor & Raynor for the sums now sanctioned, subject to adjustment hereafter.

To Dy. Ar. & Audit General
" Civil Paymaster.
" Secy. & Treasurer Madras Bank.
" Mr R. W. Norfor. } with Treas. Orders
" — W. E. Raynor. } dupd 2 cm

Audit of the Accounts
of the office of the Bank of Madras

Finl 1863 Depatm
N° 235

Proceedings of Govt
Dated 1st April 63

Fin N° 396 of 63
Gen 10/4/63

Respecting the
Examination and audit
of the accounts Cash
and Securities of the
Bank of Madras to
the 31st January 1863