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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 383 Press
55-56. Mis.

Dated 25—8— 1869.

55-56 22/23

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department, 25th August 1869.

No. 55. Read the following letter from the Accountant General, Madras, to the Chief Secretary to Government, Fort Saint George; dated Fort Saint George, 5th August 1869, No. 120.

Book Department.

With advertence to the Order* of Government marginally noted, I have now the honour to submit the report of my Acting First Assistant on the accounts of the Bank of Madras for the year ended 30th June 1869.

* No. 399, dated 2nd September 1868, Financial Department.

2. With reference to paragraph 2 of the Order above quoted, a few branches have yet to be inspected as pointed out by the Auditor in paragraph 20 of the report, and they will be examined as early as practicable.

3. A report on the Savings' Bank accounts will follow, after they have been closed by the Secretary.

——

From the Acting First Assistant Accountant General, to the Accountant General, Madras; dated 31st July 1869.

In compliance with your directions I have the honour to inform you that I have examined the accounts of the Bank of Madras to 30th June 1869, in conjunction with Mr. A. Cammiade, and the following observations will convey the result of my examination.

2. I have examined the Government Securities deposited on account of loans and cash credits.

The amount so advanced stood on 24th July as under :—

	Rs.	A.	P.	Rs.	A.	P.
Loans on Government Securities	15,35,565	10	8			
,, on Jewels	92,000	0	0			
,, on Goods	4,350	0	0			
,, on Gold Mohurs	3,500	0	0			
				16,35,415	10	8
Cash Credits drawn	3,00,999	4	11			
Do. undrawn	2,51,405	11	1			
				5,52,405	0	0

3. I have examined item by item the Registers of deposits containing entries of all Government Securities appertaining to both public and private accounts, the Bank stock and shares in public companies kept in deposit, together with all the other miscellaneous items comprised in the Registers referred to, and likewise the several cancelments, when deposits have either been withdrawn or sold, in such cases the authority of the owner has been duly produced, and the remaining stocks have been found to correspond with the Registers. The Promissory Notes of the Government of India which have been verified, appertain to the following accounts :—

Police Funds.

	Rs.	A.	P.	Rs.	A.	P.
Metropolitan	65,000	0	0			
Mofussil	2,89,600	0	0			
				3,54,600	0	0

Service Funds.

Civil	79,38,700	0	0			
Medical	60,05,700	0	0			
				1,39,44,400	0	0

		RS.	A.	P.	RS.	A.	P.
Other Funds and Investments.							
Mysore Trust Fund		25,23,300	0	0			
Educational Building Fund		8,00,000	0	0			
Saint Mary's Church and other Bequests		3,66,200	0	0			
					36,89,500	0	0
Government Savings' Bank deposits.							
On account of minors and others		3,500	0	0			
Sepoys' Military Fund		1,000	0	0			
Regimental Cart Fund		8,500	0	0			
Investments of Savings' Bank balances on account of Government		8,09,300	0	0			
					8,22,300	0	0
High Court.							
Causes	26,62,900	0	0				
Estates being marriage settlements	23,800	0	0				
		26,86,700	0	0			
Official Trustee	1,67,600	0	0				
Official Assignee	82,900	0	0				
Official Registrar, High Court, Original side	63,300	0	0				
		3,13,800	0	0			
					30,00,500	0	0
For Contracts and Appointments, Civil.							
Accountant General's Department	1,24,800	0	0				
Superintendent of Stamps	2,500	0	0				
Do. of Stationery	4,500	0	0				
Supervisor Government Printing Establishment	2,100	0	0				
Controller Money-Order Department	1,000	0	0				
		1,34,900	0	0			
Military.							
Commissariat Department, Madras	83,600	0	0				
Do. do. at out-stations	1,06,100	0	0				
Superintendent Gun-Carriage Manufactory	8,600	0	0				
Do. Gun-Powder do	2,500	0	0				
Inspector General of Ordnance and Magazines	500	0	0				
Commissary of Ordnance	4,500	0	0				
Military Accountant	4,500	0	0				
Barrack-Master, Presidency	500	0	0				
		2,10,800	0	0			
Medical.							
Superintendent Lying-in Hospital	500	0	0				
Principal Inspector General, Medical Department	6,500	0	0				
		7,000	0	0			
Telegraph Department		1,000	0	0			
Executive Engineer, Presidency		24,800	0	0			
Principal Civil Engineering College		4,000	0	0			
Postmaster General, Madras		8,500	0	0			
					3,91,000	0	0
Other Deposits.							
Zemindar of Ramnad		5,800	0	0			
Court of Wards		17,35,100	0	0			
Administrator General		7,76,500	0	0			
Cashkeeper's security		50,100	0	0			
		25,67,500	0	0			
Government Securities, the property of Bank of Madras, No. 2 Account		2,56,800	0	0			
					28,24,300	0	0
562½ Shares in the Bank of Madras, the property of Government					5,62,500	0	0
Deposits by the public					62,23,914	12	11
Add Securities purchased on 24th July for the No. 2 Account					2,00,000	0	0
				Grand Total	320,13,014	12	11

4. On Monday morning, the 26th July, the cash was examined and found to correspond with the balance of the previous Saturday evening. The whole number of bags were counted, and a percentage weighed in the usual manner.

The following are the particulars thereof :—

	With Secretary.				With Cashkeeper.				Total.			
		RS.	A.	P.		RS.	A.	P.	RS.	A.	P.	
Notes.....Rupees 10	800	8,000	0	0	1,216	12,160	0	0	20,160	0	0	
,, ... ,, 20	500	10,000	0	0	698	13,960	0	0	23,960	0	0	
,, ... ,, 50	1,100	55,000	0	0	581	29,050	0	0	84,050	0	0	
,, ... ,, 100	800	80,000	0	0	684	68,400	0	0	1,48,400	0	0	
,, ... ,, 500	900	4,50,000	0	0	346	1,73,000	0	0	6,23,000	0	0	
,, ... ,, 1,000	1,050	10,50,000	0	0	184	1,84,000	0	0	12,34,000	0	0	
Total...	.....	16,53,000	0	0	.....	4,80,570	0	0	21,33,570	0	0	
Silver	.....	21,00,000	0	0	.....							
Small Silver	.....	4,60,000	0	0	.....	59,151	15	1½	34,86,061	15	1½	
Copper	....	8,66,910	0	0	.....							
Charges outstanding	.....	.....	..	..	.....	.....	...	...	15,820	5	5	
Total...	.....	50, 79,910	0	0	.....	5,39,721	15	1½	56,35,452	4	6½	

5. Private bills discounted : these have been carefully compared with the Register and found to agree ; the amount at Head Office is... .....Rupees 7,66,738 1 9
And at Branches..... ,, 42,37,140 8 6

Together ,, 50,03,878 10 3

being equal to 88-15-4 per cent. of the Bank's Capital. The past due bills are at Head Office..... .....Rupees 8,272 7 2
And Branches ..... ,, 44,531 7 1

Together ,, 52,803 14 3

but very little if any loss is anticipated on this account, though there may probably be delay in some cases in recovering the amounts outstanding.

6. The following accounts have been compared and found to agree with the Ledger entries :—

Reserved Surplus Fund.
Unclaimed dividends.
Dividend Account.
Interest Commission.
Exchange.
Profit and Loss.
Charges.

7. The Directors have invested in Government securities a sum of Rupees 4,56,800 costing Rupees 4,61,200-12-1. This account is known as "No. 2 Account," and the bonds have all been verified.

8. From the enclosed balance sheet the sums due to, and by, other Banks is as under, viz., due by other Banks—

	RS.	A.	P.	RS.	A.	P.
Bank of Bengal, No. 1	1,48,767	13	0			
,, ,, 2	7,22,292	9	5			
,, England	16,187	6	8			
,, Bombay	7,03,752	3	4			
				15,91,000	0	5

And due by branches—					
Alleppy			91,048	12	11
Berhampore			2,60,482	0	6
Bimlipatam			2,91,968	4	2
Bellary			5,99,871	0	11
Cochin			7,49,288	1	9
Calicut			30,420	15	11
Cocanada			6,21,488	2	10
Colombo			13,93,068	12	1
Guntoor			4,21,024	9	8
Kandy			2,07,609	12	8
Negapatam			3,03,844	15	3
Ooty			75,234	4	3
Tuticorin			11,17,229	14	1
Trichinopoly			1,26,114	14	4
					62,88,694 9 4
					78,79,694 9 9
And due to other Banks—					
Bombay, No. 1			38,312	13	11
Hyderabad			8	7	11
					38,321 5 10

9. *Branch Banks.*—Since my last report Agencies have been opened at—

Berhampore..... Agent..... T. Parsons, Esq.
Guntoor ..... ,, ... S. Wright, Esq.

This makes fifteen Branches in all, and the Directors contemplate shortly opening a branch at Mangalore.

10. The following figures give the net profits of the Head Office and Branches.

	Head Office.			Branches.			Total.		
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
From 1st July 1868 to 31st December 1868.	53,290	4	7	1,57,631	0	3	2,10,921	4	10
,, 1st January 1869 to 30th June 1869.	73,701	5	3	2,70,424	7	4	3,44,125	12	7
Total...	1,26,991	9	10	4,28,055	7	7	5,55,047	1	5

11. The total profits show a percentage of 9-13-10 per cent. on the capital of Rupees 56,25,000; the Branches contribute 7-9-9 per cent. of the whole, and Head Office 2-4-1 per cent. This result of the past year's operations must be considered very satisfactory, looking to the low rates of interest ruling during the earlier portion of the year, and the depressed state of trade generally at that time. In point of fact the Directors have succeeded in distributing a larger dividend* by 1¾ per cent. than its cotemporary the Bank of Bengal, and have notwithstanding a very handsome reserve fund, viz., Rupees 5,62,500 equal to ten per cent. of their capital.

* Bank of Madras, average dividend for the year 9¾ per cent.
Do. Bengal do. do. 8
Difference... 1¾

12. The chief sources of gain made by the Branches may be classified as under—

1, by Discount.
2, by Exchange.
3, by Interest.
4, by Commission.

The two latter items nearly equalized each other, but in point of fact interest is no source of revenue to any but the Colombo and Trichinopoly Branches, chiefly to the former, although small sums are realized at some of the other Branches on this account. The chief income is obtained by discounts, done entirely upon the credit of the names attached to the bills discounted, without any collateral security whatever. Some risks must undoubtedly be run in doing a business of this kind;

but it is difficult to lay down any line in such cases, or say to what extent the Bank's Capital should be allowed to be so invested, as, after all, the commercial experience of the Directors, aided by the local knowledge of careful agents, and thoroughly supervised (through the weekly and daily accounts received) by an able Secretary and Staff at Head Office must be their own guides.

13. In exchange a considerable business is also done, that is locally, foreign exchange transactions being prohibited. In exchange operations for the half-year ending 30th June 1869, the following Branches take the lead:—Cochin, Tuticorin, Calicut and Cocanada, followed by Negapatam, Guntoor, Berhampore, and Alleppy, while in the previous half-year Cocanada took the lead, closely followed by Cochin, some little way after comes Calicut, Bimlipatam, and Negapatam.

14. In discounts the following Branches did the leading business for the half-year ending 30th June:—Colombo, Cochin, Bangalore, Cocanada, Negapatam, followed by Trichinopoly, Alleppy, Bellary, and Calicut, and in the previous half-year the leaders are Colombo, Cochin, and Bangalore, followed by Calicut and Cocanada.

15. The following is the order in which the several Branches stand, according to the amount of net profits made by each:—

1. Colombo.
2. Cochin.
3. Calicut.
4. Cocanada.
5. Bangalore.
6. Negapatam.
7. Tuticorin.
8. Alleppy.
9. Bellary.
10. Bimlipatam.
11. Trichinopoly.
12. Ooty.
13. Berhampore.
14. Guntoor.
15. Kandy.

The Berhampore and Guntoor Branches have not being long established, the former about nine months, and the latter less; the profits made must, therefore, be considered as very encouraging, and also as showing the abilities of Messrs. Parsons and Wright, the Agents.

16. The Colombo Agency, while making the largest profit, it must be borne in mind, also absorbs the largest amount of capital, while the Sub-Agency at Kandy in connexion with this Branch shows the smallest profit of any Branch. Some other Branches again make a very fair return with very little assistance from the Head Office; in other words, they work on their own capital raised from deposits or with the Government Treasury balances, as at Calicut, where the capital is only at present in round figures 30,400.

17. The following Branches show balances against the Head Office; or, in other words, are working without any capital from the Head Office, viz.,

Bangalore. Alleppy, and
Bellary. Berhampore.

The latter branch was started solely upon the strength of the Ganjam (Chetterpore) cash balances as reported by me on my inspection tour last year.

18. The liabilities at Head Office payable on demand amount to 111,05,314-4-1½ to meet which there is the cash balance of 56,35,452-4-6½, or considerably in excess of the amount usually considered as necessary to be provided in actual cash by Bankers, which is one-fourth, or say in the present case 27,76,328-9-0.

19. The dividend received by the Government on their 562½ shares, for the year ending 30th June 1869, amounts to Rupees 54,843-12-0s.

20. The following Branches have still to be examined, as soon as you can depute an Officer for this duty:—

Bangalore. Colombo.
Bellary. Kandy.
Ootacamund. Guntoor.
Tuticorin.

All the others have been inspected since the last audit, some by Mr. Trevor, and the rest by myself.

21. From the foregoing observations, it will be seen that the Bank of Madras is in a sound and flourishing condition, and may, I trust, be considered as fairly ranking with any in this country.

22. In conclusion, I beg to acknowledge the courtesy of the Secretary and Deputy Secretary, also the heads of other departments. The Registers of deposits under Mr. Fletcher's care are very accurately kept, and his assistance most valuable.

BALANCE of the General Ledger of the Bank of Madras on 24th July 1869.

Balances.....*Dr.*			Titles of Accounts.	Balances.....*Cr.*					
RS.	A.	P.	RS.	A.	P.	PROPRIETORS' ACCOUNTS.	RS.	A.	P.	RS.	A.	P.
						Capital Stock...	.....	...	...	56,25,000	0	0
						Reserved Surplus Fund... ...	.....	...	...	5,62,500	0	0
						Unclaimed Dividends.... ...	26,721	4	0			
						Dividend Account...	27,510	0	0			
										54,231	4	0
						Profit and Loss—						
						viz., Interest Account	9,472	15	4			
						Commission...	588	10	8			
						Exchange Bengal.....} Do. Bombay.....}	8,117	12	5			
						Profit and Loss Account.	7,971	9	4			
										26,150	15	9
			179	2	0	Charges.						
			16,548	5	5	Adjusting Account of Interest.						
16,727	7	5										
						Dead Stock—						
			8,649	2	7	Suspense Account.						
			70,607	8	0	*viz.*, Bank Premises.						
			10,110	3	10	Furnishings.						
			9,834	8	1	Stationery and Engraving.						
			3,900	15	9	Do. Account Branches.						
			119	3	4	Government Contingent Account.						
			2,470	3	0	Stamp Account.						
1,05,691	12	7										
						INVESTMENTS.						
			3,00,999	4	11	Cash Credit Accounts...(*Dr*).						
			16,35,415	10	8	Loan Accounts.						
			.....	...	...	Bills Discounted—Government.						
			7,66,738	1	9	Do. Private.						
			8,272	7	2	Do. Past Due.						
27,11,425	8	6										
4,61,200	12	1	...	...	...	Government Securities, No. 2.						
			1,48,767	13	0	Bank of Bengal, No. 1.						
			16,187	6	8	Do. of England.						
			7,03,752	3	4	Do. of Bombay, No. 2.						
			7,22,292	9	5	Do. of Bengal, No. 2.						
15,91,000	0	5										
			91,048	12	11	Alleppy Branch.						
			2,60,482	0	6	Berhampore do.						
			2,91,968	4	2	Bimlipatam do.						
			5,99,871	0	11	Bellary do.						
			7,49,288	1	9	Cochin do.						
			30,420	15	11	Calicut do.						
			6,21,488	2	10	Cocanada do.						
			13,93,068	12	1	Colombo do.						
			4,21,024	9	8	Guntoor do.						
			2,07,609	12	8	Kandy do.						
			3,03,844	15	3	Negapatam do.						
			75,234	4	3	Ooty do.						
			11,17,229	14	1	Tuticorin do.						
			1,26,114	14	4	Trichinopoly do.						
62,88,694	9	4										
						Bangalore do.	.....	...	...	14,326	11	5

Balance of the General Ledger of the Bank of Madras on 24th July 1869.—(*Continued*).

Balances.....*Dr.*				Titles of Accounts.	Balances.....*Cr.*					
RS.	A.	P.	RS.	A.	P.	LODGMENTS.	RS.	A.	P.	RS.	A.	P.
						Cash Credit Accounts...(*Cr*).	4,01,112	5	3			
						Current Accounts...	39,00,695	15	0			
						Deposit Receipts	6,63,149	13	0			
						Bank of Bombay, No. 1. ...	38,312	13	11			
						Unclaimed Balances..... ...	9,243	0	1			
						Directors' Fees...	248	10	6			
						Bank of Bombay,(Hyderabad).	8	7	11			
										50,12,771	1	8
						Govt. of Fort St. George.....	.....	...	...	57,55,145	1	5½
						Bills for Collection...	.....	...	...	5,20,994	7	1
						Do. Government.						
5,20,994	7	1				Do. Private.						
2,59,531	1	4				Do. Receivable.						
						Bank Post Bills...	.....	...	...	31,761	1	11
							RS.					
						Bank of Madras Notes...	10					
						Do. ...	15					
						Do. ...	20					
						Do. ...	25					
						Do. ...	50					
						Do. ...	100					
						Do. ...	500					
						Do. ...	1,000					
						Do. ...	3,000					
			34,86,061	15	1½	Specie.						
			21,33,570	0	0	Notes.						
			15,820	5	5	Cheques.						
			12,162	12	0	Bullion.						
56,47,615	0	6½										
176,02,880	11	3½	.....	...	...	Total...	.....	...	...	176,02,880	11	3¼

(Signed) T. E. FRANCK,
Chief Accountant.

(True Copy.)

(Signed) J. McIVER,
Secretary and Treasurer.

WEEKLY General Statement, 24th July 1869.

Abstract of General Account of Cash.

Particulars.	With Secretary.	With Cash-keeper.	Total.
	RS. A. P.	RS. A. P.	RS. A. P.
Specie...	34,26,910 0 0	59,151 15 1½	34,86,061 15 1½
Cheques.	....	....	15,820 5 5
Total Cash...	34,26,910 0 0	59,151 15 1½	35,01,882 4 6½
RS.			
Own Notes. 10	8,000 0 0	12,160 0 0	20,160 0 0
Do.... 15	....	....	....
Do.... 20	10,000 0 0	13,960 0 0	23,960 0 0
Do.... 25	....	....	....
Do.... 50	55,000 0 0	29,050 0 0	84,050 0 0
Do.... 100	80,000 0 0	68,400 0 0	1,48,400 0 0
Do.... 500	4,50,000 0 0	1,73,000 0 0	6,23,000 0 0
Do....1,000	10,50,000 0 0	1,84,000 0 0	12,34,000 0 0
Do....3,000	....	....	....
Balance...	50,79,910 0 0	5,39,721 15 1½	56,35,452 4 6½

Liabilities payable on demand.

	RS.	A.	P.
Bank Post Bills. ...	31,761	1	11
Circulation.	.....	...	...
Deposit. ...	50,12,771	1	8
Dividends .	54,231	4	0
CashCredits undrawn.	2,51,405	11	1
Government Balance .	57,55,145	1	5½
Total...	111,05,314	4	1½
One-fourth.	27,76,328	9	0

Drafts since last Return.

	RS.	A.	P.
On Bank of Bengal. .	26	13	6
Bank of Bombay. .	1,978	3	9
Bank of England.	40	0	0
Total...	2,045	1	3

Abstract of Investment bearing Interest.

Description.	Government Securities.	Government Bills.	Private Bills.	Loans.	Cash Credits.	Total.
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
Balance 17th July 1869. ...	3,85,858 6 1	....	7,46,622 6 1	17,05,925 8 9	2,68,727 15 3	31,07,134 4 2
Since invested. .	1,93,177 8 0	....	98,878 7 0	83,601 0 5	....	....
Together.	5,79,035 14 1	....	8,45,500 13 1	17,89,526 9 2	....	....
Since realized ...	1,17,835 2 0	....	70,490 4 2	1,54,110 14 6	....	....
Balance...	4,61,200 12 1	....	7,75,010 8 11	16,35,415 10 8	3,00,999 4 11	31,72,626 4 7

(Signed) T. E. FRANCK,
Chief Accountant.

(True Copy.)

(Signed) J. McIVER,
Secretary and Treasurer.

No. 56. ORDER THEREON, 25th August 1869, No. 383.

His Excellency the Governor in Council considers the foregoing report for the twelve month ended on the 30th June last, submitted by the Auditor of the Accounts of the Madras Bank, appointed on behalf of Government, to be very satisfactory, and to justify the remark that the Bank is in a sound and flourishing condition.

2. The profits realized during that period amounted to Rupees 5,55,047-1-5, of which the Branch Banks, fifteen in number, yielded Rupees 4,28,055-7-7, or 77·12 per cent., and the Bank of Madras Rupees 1,26,991-9-10, or 22·88 per cent.

3. It is observed that of these Branch Banks seven have still to be examined. The Accountant General will make arrangements for completing, as soon as possible, the audit of the accounts of these Banks.

(True Extract).

Chief Secretary.

To the Accountant General.
,, Directors of the Bank of Madras.

Exd. J. Wright.

Govt. of Madras (1869) 2nd September

FINANCIAL.

To

THE ACCOUNTANT GENERAL.

&c., &c., &c.

Dated August, 25th.

Read.

G. O., 25th August 1869, No. 383.

AUGUST.

Nos. 55-56.

Reviewing the audit report on the Accounts of the Madras Bank, for the year ending 30th June 1869.

Proceedings of the Madras Government, Financial Department,
2nd September 1868.

No. 3. Read the following letter from F. LUSHINGTON, Esq., Accountant General, Madras, to the Chief Secretary to Government, Fort Saint George; dated Fort Saint George, 17th August 1868, No. 130.

Book Department.

Adverting to the Order of Government in the Financial Department, No. 317, dated the 6th ultimo, I have the honor to submit, for the consideration and orders of the Right Honorable the Governor in Council, the report of my 1st Assistant, who was deputed by me to audit the accounts of the Bank of Madras for the year ended 30th June 1868.

2. A report upon the accounts of the Savings' Bank will follow, as soon as those accounts can be closed by the Secretary.

From J. MACKEY, Esq., Acting 1st Assistant Accountant General, to the Chief Secretary to Government, Fort Saint George; dated 13th August 1868.

Under instructions from the Accountant General, and in compliance with the Order of Government marginally noted, I have the honor to submit a report upon the accounts of the Bank of Madras for the twelve months ending 30th June 1868, and the following observation will embody the information obtained.

No. 317, dated 6th July 1868, Financial Department.

2. The deposits were first examined, and the Government Promissory Notes, shares, stocks of every description, miscellaneous deposits, whether on private or public account, found to correspond with the several Registers. Every entry has been carefully verified, and all withdrawals satisfactorily accounted for, either by letters or return of the original deposit receipt granted by the Bank.

3. The following statement shows the stock of Government Promissory Notes in deposit, and the accounts for which they are held, viz. :—

				RS.	A.	P.
Police Funds				3,54,600	0	0
Saint Mary's Church and other bequests				3,66,200	0	0
High Court.						
Causes	26,81,400	0	0			
Estates, being marriage settlements	23,800	0	0			
			27,05,200	0	0	
Official Trustee	1,67,600	0	0			
Official Assignee	88,800	0	0			
			2,56,400	0	0	
				29,61,600	0	0
Service Funds.						
Civil			79,38,700	0	0	
Medical			60,05,700	0	0	
				139,44,400	0	0
Other Funds and Investments.						
Educational Building Fund			8,00,000	0	0	
Mysore Trust Fund			33,23,300	0	0	
Waste Land Invested Fund			9,60,800	0	0	
Regimental Cart Fund			17,000	0	0	
				51,01,100	0	0
Government Investment on account of Savings' Bank balances			7,18,600	0	0	
Government Savings' Bank deposits on account of Minors and others			3,500	0	0	
				7,22,100	0	0

For Contracts and Appointments, Civil.

	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
Accountant General's Department.....	1,11,800	0	0						
Superintendent of Stamps.....	22,700	0	0						
Supervisor, Government Printing Establishment	2,100	0	0						
Controller, Money Order Department.	1,000	0	0						
				1,37,600	0	0			
	Postal.								
Postmaster General, Madras...	8,500	0	0						
Director of Telegraphs.....	1,000	0	0						
Principal, Civil Engineering College...	4,000	0	0						
				13,500	0	0			
	Military.						1,51,100	0	0
Military Accountant.....				4,500	0	0			
Commissariat Department, Madras.....				1,32,600	0	0			
Do. do. at out-stations.....				85,900	0	0			
Superintendent and Agent Army Clothing.									
Inspector General of Ordnance and Magazines....				500	0	0			
Commissary of Ordnance.....				800	0	0			
Superintendent of Stationery.....				4,500	0	0			
Barrack Master, Presidency...				1,500	0	0			
Principal Inspector General, Medical Department.....				5,500	0	0			
Superintendent, Gun Carriage Manufactory.....				3,200	0	0			
Superintendent, Lying-in-Hospital.....				500	0	0			
							2,39,500	0	0
Executive Engineer, Presidency.....							10,000	0	0
	Other Deposits.								
Court of Wards.....	16,83,200	0	0						
Administrator General.....	7,06,300	0	0						
Agency, including a deposit of the Zemindar of Ramnad.	5,800	0	0						
				23,95,300	0	0			
Securities lodged by the Cash-keeper of the Bank of Madras.....				50,100	0	0			
							24,45,400	0	0
Deposits by the public.....							63,76,589	12	11
							326,72,589	12	11
562½ Shares of the Bank of Madras, being the property of Government, cost value.....							6,18,750	0	0
						Total...	332,91,339	12	11

4. The securities lodged on account of loans have been minutely examined and found correct ; the margin being ample the amount on 25th July 1868 stood thus, viz. :—

		RS.	A.	P.
Loans on Government Promissory Notes.....		15,38,883	2	1
Do. on Piece Goods, &c.....		1,12,370	0	0
		16,51,253	2	1
Loan under Cash credits.	Drawn.....	3,18,479	11	2
	Undrawn.....	4,06,380	4	10
		7,24,860	0	0

5. On Monday, the 25th July, the cash was examined and found to correspond with the balance of the previous Saturday evening ; the amount, including cheques, stood at 56,96,254-0-11 as particularized below. The whole of the bags containing coin were counted, and a certain per centage of the number, selected at random, weighed in the usual manner. Of the copper, Rupees 2,32,630 is in the custody of the Mint Master, whose receipt for it was produced :—

		With Secretary.				With Cash-keeper.				Total.		
			RS.	A.	P.		RS.	A.	P.	RS.	A.	P.
Notes.....	Rupees 10	1,600	16,000	0	0	1,377	13,770	0	0	29,770	0	0
,, ...	,, 20	2,300	46,000	0	0	962	19,240	0	0	65,240	0	0
,, ...	,, 50	900	45,000	0	0	693	34,650	0	0	79,650	0	0
,, ...	,, 100	1,550	1,55,000	0	0	661	66,100	0	0	2,21,100	0	0
,, ...	,, 500	100	50,000	0	0	81	40,500	0	0	90,500	0	0
,, ...	,, 1,000	100	1,00,000	0	0	69	69,000	0	0	1,69,000	0	0
Total.....		.....	4,12,000	0	0	.....	2,43,260	0	0	6,55,260	0	0
Silver.....		.....	37,00,000	0	0	.....	55,189	14	3	50,25,009	14	3
Small silver.....		.....	4,10,000	0	0	.....						
Copper.....		.....	8,59,820	0	0	.....						
										56,80,269	14	3
Cheques outstanding...		.....	.....	...	..	.....	... .	...	...	15,984	2	8
Total		.....	.....	...	...	.....	.....	...	...	56,96,254	0	11

6. Private bills discounted. The bills have been examined and found correct, as per Register ; the amount at Head Office is Rupees 6,06,895-10-6, and past due bills Rupees 11,858-0-5 ; the latter item is much higher than the amount shown in my report for the previous year, which stood at Rupees 2,900-6-0.

7. The Government balance on 25th July stood at Rupees 38,14,480-1-8, composed as follows, excluding fractions :—

					RS.	A.	P.
Balance.....					38,14,480	0	0
Less Bank's maximum.....					25,00,000	0	0
					13,14,480	0	0
Single Rupees.....			41,191	0	0		
Half ,, ...			2,20,000	0	0		
Quarter ,, ...			1,10,000	0	0		
Double Annas.....			80,000	0	0		
					4,51,191	0	0
Copper.	Half Annas.....		4,29,420	0	0		
	Quarter ,, ...		3,73,680	0	0		
	One-eighth ,, ...		9,940	0	0		
	Single Pice.....		46,780	0	0		
					8,59,820	0	0
Uncurrent Coins.	Silver		2,867	0	0		
	Copper.....		602	0	0		
					3,469	0	0
					13,14,480	0	0

8. The Bonds composing the account known as No. 2, the property of the Bank, have been found correct ; the aggregate amount is Rupees 11,51,100, costing Rupees 12,03,736-2-5, but

worth, at the rates ruling 25th July 1868, Rupees 12,17,769-2-0, or Rupees 14,032-15-7 above cost. The particulars of the Bonds are as under:—

	Rs.					Rs.	A.	P.
5½ per Cent. Loan...	3,94,400,	worth say	15	per cent.	Premium,	4,53,560	0	0
5 do. do. ...	1,53,000,	do.	10	do.	do.	1,68,300	0	0
5 do. P. W. do.	44,000,	do.	7	do.	do.	47,080	0	0
4 do. do.	4,04,200,	do.	4¾	do.	Dist.,	3,85,000	8	0
4 do. Sicca...	53,500,	do.	5	do.	do. ...	54,128	10	0
Debenture Loans—								
5 per Cent. for 5 years	52,000,	do.	7	do.	Premium,	55,640	0	0
5 do. for 10 do.	44,000,	do.	8	do.	do.	47,520	0	0
5 do. for 15 do.	6,000,	do.	9	do.	do.	6,540	0	0
	11,51,100					12,17,769	2	0

The Directors, I believe, contemplate making further purchases of paper on this account.

9. The following accounts have been compared, and found to agree with the Ledger entries:—

Reserved Surplus Fund.
Unclaimed Dividends.
Dividend Accounts.
Interest Account.
Commission.
Exchange.
Profit and Loss.
Charges.
Dead Stock.

10. From the balance sheet enclosed, marked *A*, it will be seen that the following sums are due by other Banks, not including the Bank's own Branches, viz.:—

	Rs.	A.	P.
Bank of England	98,127	8	4
Bank of Bengal, No. 2	9,94,492	1	2
New Bank of Bombay, No. 2	8,99,550	7	4
	19,92,170	0	10

and due to other Banks, exclusive of Branches—

New Bank of Bombay, No. 1	3,83,433	10	0			
Bank of Bengal, No. 1	1,02,515	7	3			
Bank of Bombay, Hyderabad	28	7	11			
				4,85,977	9	2
Difference due to the Bank...				15,06,192	7	8

and due by Branches as under—

Bimlipatam				6,35,551	7	11
Bellary				2,75,704	3	10
Cochin				5,70,266	0	10
Cocanada				1,18,855	11	5
Colombo				8,28,307	11	0
Negapatam				1,79,327	8	5
Tuticorin				6,07,626	15	4
Trichinopoly				3,00,727	6	3
				35,26,367	1	0

and due to other Branches—

Bangalore	85,895	14	4			
Calicut	1,20,947	0	7			
Ootacamund	62,974	6	5			
Alleppy	5,845	7	10			
				2,75,662	13	2
Due to the Bank				32,50,704	3	10
Add the sums due by other Banks				15,06,192	7	8
Together				47,56,896	11	6

equal to 84½ per cent. of the whole capital.

11. *Branch Banks.*—Since the date of the last report, several new Branches have been opened, viz.:—

Colombo..... J. D Robinson, Esq., Agent.
Trichinopoly..... D. Noble, Esq., do.
Negapatam..... H. Crewe, Esq., do.
Alleppy..... J. R. Oughterson, Esq., Acting Agent.

making 12 Branches in all; further Agencies are contemplated at Kandy in Ceylon, Mangalore on the Western Coast, and at Ganjam. All the Branches are doing well, some wonderfully so; the Colombo branch has done very well, considering that it has only been open a little more than twelve months; Cocanada also is a very paying Branch. The following figures give the *net* profits of the Head Office and Branches for the year ending 30th June 1868.

	Head Office.			Branches.			Total.		
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
From 1st July 1867 to 31st December 1867...	1,67,224	5	7	93,644	13	3	2,60,869	2	10
,, 1st January 1868 to 30th June 1868...	1,35,246	8	3	1,89,552	15	8	3,24,799	7	11
Total.....	3,02,470	13	10	2,83,197	12	11	5,85,668	10	9

While the total profit shows a percentage of 10-6-7 per cent. on the capital of Rupees 56,25,000, the Branches contribute 5-0-7 of the whole, a result that must be considered as highly satisfactory. The actual dividends declared by the Directors for the two half-years under notice is as follows, viz., for the six months ending 31st December 1867, at the rate of 9 per cent., and for the half-year ended 30th June 1868, at 11½ per cent., making an average for the year of 10½. Nothing has, however, been added to the Reserve Fund, which remains at Rupees 5,62,500, equal to 10 per cent. on the capital; but without reducing the dividend, no amount could well have been credited to it; and considering the dullness and stagnation of trade during the first six months, more especially of the year under review, as evinced by the low rates of interest ruling, I think it must be conceded that the Directors are justified in not at present making any additions to the fund in question, their judicious direction of the affairs of the Bank, seconded by the experience of its able Secretary and Deputy Secretary, is fully shown by the high character which this institution bears, and as a thriving, well-conducted Bank, it may challenge comparison with any of its cotemporaries in this country.

12. *Bank Notes outstanding.*—The amount now remaining under this head is Rupees 560, a nominal sum; and the amount written off during the year is Rupees 25,000. It is very doubtful if any claim will ever arise on this account, and I presume the next half-year will see the account finally closed.

13. *Audit of the Branch Bank Accounts.*—The Government, in their Order marginally noted, sanctioned an annual audit of the Branch accounts; none has, however, yet been made, for the reason that pressure of other work has prevented the Accountant General from deputing one of his Assistants to perform this duty, which, however, has not been lost sight of, and will be attended to as soon as circumstances permit. The Directors have also recently expressed a wish to have the accounts of the Branches examined.

No. 538, dated 6th December 1867, Financial Department.

14. *Interest realized by Government on their shares.*—The amount received for the past year is as follows, viz.:—

	Rs.	A.	P.
To 31st December 1867...	25,312	8	0
,, 30th June 1868...	32,343	12	0
Total ..	57,656	4	0

This amount is credited in the public accounts under "Interest on shares held by Government in Presidency Banks."

15. In conclusion, I beg to offer my thanks to Mr. Franck, the Officiating Secretary, and the other officers of the Bank, for their courtesy and assistance, as well as to Mr. J. Fletcher for his aid in the examination of the numerous Deposit Registers, which are kept by this gentleman in first-rate order.

A.

BALANCE of the General Ledger of the Bank of Madras on 25th July 1868.

Balances.....*Dr.*						Titles of Accounts.	Balances.....*Cr.*					
RS.	A.	P.	RS.	A.	P.	PROPRIETORS' ACCOUNTS.	RS.	A.	P.	RS.	A.	P.
						Capital Stock...	.....	...	...	56,25,000	0	0
						Reserved Surplus Fund... ...	.....	...	...	5,62,500	0	0
						Unclaimed Dividends.	22,173	12	0			
						Dividend Account...	19,262	8	0			
										41,436	4	0
						Profit and Loss—						
						viz., Interest Account..... ...	11,552	5	8			
						Commission...	949	9	8			
						Exchange Bengal.....}	8,035	3	3			
						,, Bombay.....}						
						Profit and Loss Account.	1,361	15	11			
										21,899	2	6
			1,115	5	2	Charges.						
			13,271	3	9	Adjusting Account of Interest.						
14,386	8	11										
						Dead Stock—						
			12,525	5	9	Suspense Account.						
			69,675	0	0	*viz.*, Bank Premises.						
			9,835	14	6	Furnishings.						
			11,307	0	6	Stationery and Engraving.						
			452	15	4	Do. Account Branches.						
			2,547	1	0	Stamp Account.						
			35,251	8	7	Government Contingent Account.						
1,41,594	13	8										
						INVESTMENTS.						
			3,18,479	11	2	Cash Credit Accounts...(*Dr*).						
			16,51,253	2	1	Loan Accounts.						
			6,06,895	10	6	Bills Discounted—Private.						
			11,858	0	5	Do. Past Due.						
25,88,486	8	2										
12,03,736	2	5	.....	...	...	Government Securities.						
			98,127	8	4	Bank of England.						
			9,94,492	1	2	Bank of Bengal, No. 2.						
			8,99,550	7	4	New Bank of Bombay, No. 2.						
19,92,170	0	10										
			6,35,551	7	11	Bimlipatam Branch.						
			2,75,704	3	10	Bellary do.						
			5,70,266	0	10	Cochin do.						
			1,18,855	11	5	Cocanada do.						
			8,28,307	11	0	Colombo do.						
			1,79,327	8	5	Negapatam do.						
			6,07,626	15	4	Tuticorin do.						
			3,00,727	6	3	Trichinopoly do.						
35,16,367	1	0										
						Bangalore do.	85,895	14	4			
						Calicut do.	1,20,947	0	7			
						Ootacamund do.	62,974	6	5			
						Alleppy do.	5,845	7	10			
										2,75,662	13	2

Balance of the General Ledger of the Bank of Madras on 25th July 1868.—(*Continued*).

Balances.....*Dr.*						Titles of Accounts.	Balances.....*Cr.*					
RS.	A.	P.	RS.	A.	P.	LODGMENTS.	RS.	A.	P.	RS.	A.	P.
						Cash Credit Accounts...(*Cr*).	9,35,293	8	10			
						Current Accounts...	29,23,903	0	0			
						Deposit Receipts.	6,50,368	15	3			
						New Bank of Bombay, No. 1.	3,83,433	10	0			
						Directors' Fees...	363	6	3			
						Unclaimed Balances..... ...	9,387	13	4			
						Bank of Bengal, No. 1... ...	1,02,515	7	3			
						Bank of Bombay, Hyderabad.	28	7	11			
										50,05,294	4	10
						Govt. of Fort St. George.....	.....	...	...	38,14,480	1	8
						Bills for Collection...	.....	...	...	1,60,404	10	9
1,60,404	10	9	.....	...	...	Do. Private—Lodged.						
2,33,850	3	8	.....	...	...	Do. Receivable.						
						Bank Post Bills.						
							.....	..	...	41,128	1	5
						RS.						
						Bank of Madras Notes... 10						
						Do. ... 15	1,490	0	0			
						Do. ... 20	770	0	0			
						Do. ... 25	1,300	0	0			
						Do. ... 50	1,850	0	0			
						Do. ... 100	4,050	0	0			
						Do. ... 500	8,100	0	0			
						Do. ...1,000	3,000	0	0			
							5,000	0	0			
						Written off...	25,560	0	0			
							25,000	0	0			
			50,25,009	14	3	Specie.				560	0	0
			6,55,260	0	0	Notes.						
			15,984	2	8	Cheques.						
			1,115	4	0	Bullion.						
56,97,369	4	11										
155,48,365	6	4	.....	...	...	Total.....	.....	...	...	155,48,365	6	4

(Signed) J. L. DUFFIELD,
Offg. Chief Accountant.

(True Copy).

(Signed) T. E. FRANCK,
Offg. Secy. and Treasurer.

WEEKLY General Statement, 25th July 1868.

Abstract of General Account of Cash.

Particulars.	With Secretary. RS.	A.	P.	With Cash-keeper. RS.	A.	P.	Total. RS.	A.	P.
Specie...	49,69,820	0	0	55,189	14	3	50,25.009	14	3
Cheques.	.....	...	...	.....	...	...	15,984	2	8
Total Cash...	49,69,820	0	0	55,189	14	3	50,40,994	0	11
Own Notes. RS. 10	16,000	0	0	13,770	0	0	29,770	0	0
Do. ... 15	.....	...	...	.....	...	...	.....	...	...
Do. ... 20	46,000	0	0	19,240	0	0	65,240	0	0
Do. ... 25	.....	...	...	.....	...	...	.....	...	...
Do. ... 50	45,000	0	0	34,650	0	0	79,650	0	0
Do. ... 100	1,55,000	0	0	66,100	0	0	2,21,100	0	0
Do. ... 500	50,000	0	0	40,500	0	0	90,500	0	0
Do. ...1,000	1,00,000	0	0	69,000	0	0	1,69,000	0	0
Do. ...3,000	.....	...	...	.....	...	...	.....	...	...
Balance...	53,81,820	0	0	2,98,449	14	3	56,96,254	0	11

Liabilities payable on demand.

	RS.	A.	P.
Bank Post Bills..	41,128	1	5
Circulation... ...	560	0	0
Deposit.	50,05,294	4	10
Dividends. ...	41,436	4	0
Cash Credits undrawn.	3,92,708	6	3
Government Balance...	38,14,480	1	8
Total...	92,95,607	2	2
One-fourth...	23,23,901	12	6½

Drafts since last Return.

	RS.	A.	P.
On Bank of Bengal...	2,129	6	5
Bank of Bombay.	.....	...	...
Do. England.	14,396	2	8
Total...	16,525	9	1

Abstract of Investment bearing Interest.

Description.	Government Securities. RS.	A.	P.	GovernmentBills. RS.	A.	P.	Private Bills. RS.	A.	P.	Loans. RS.	A.	P.	Cash Credits. RS.	A.	P.	Total. RS.	A.	P.
Balance 18th July 1868. ...	9,00,630	11	5	.....	...	...	6,26,621	11	4	17,15,839	15	1	3,37,301	9	9	35,80,393	15	7
Since invested..	4,41,222	14	0	.....	...	...	69,034	6	5	5,14,931	9	1	.....	...	...	.....	...	...
Together.	13,41,853	9	5	.....	...	...	6,95,656	1	9	22,30,771	8	2	.....	...	...	.....	...	...
Since realized...	1,38,117	7	0	.....	...	...	76,902	6	10	5,79,518	6	1	.....	...	...	.....	...	...
Balance.	12,03,736	2	5	.....	...	...	6,18,753	10	11	16,51,253	2	1	3,18,479	11	2	37,92,222	10	7

(Signed) J. L. DUFFIELD,
Offg. Chief Accountant.

(True Copy.)

(Signed) T. E. FRANCK,
Offg. Secy. and Treasurer.

No. 4. ORDER THEREON, 2nd September 1868, No. 399.

The Right Honorable the Governor in Council considers the foregoing report, for the twelve-month ended 30th June last, submitted by the Auditor of the accounts of the Madras Bank, appointed on behalf of the Government, to be very satisfactory. The Branch Banks, which are twelve in number, four additional Branches having been established since the date of the last report, have, it is observed, contributed very largely (48·3 per cent.) towards the profits earned during this year.

2. Looking to the number of these minor institutions now in existence, and the importance to which they have already attained, His Excellency in Council desires that the Accountant General will arrange at an early date for the audit of their accounts.

(True Extract).

Chief Secretary.

To the Accountant General.
,, Directors of the Bank of Madras.

Exd. J. Tullock.

Govt. of India 1868

FINANCIAL.

To

THE ACCOUNTANT GENERAL.

&c., &c., &c.

D. September, 2nd. *No. 399.*

R. *Encl.*

O. I., 2nd September 1868, *No.* 399.

SEPTEMBER.

Nos. 3-4.

Madras Bank.—Auditor's Report on the Bank's Accounts for the year ending 30th June 1868, reviewed.

WEEKLY GENERAL STATEMENT, 24th July 1869

ABSTRACT OF NOTES IN CIRCULATION.

Denomination.	10.	15.	20.	25.	50.	100.	500.	1000.	3000.	Total.
alance of Account...										
On Hand										
In circulation										
Circulation										
Increase										
Decrease										

In General Treasury.....

ABSTRACT OF GENERAL ACCOUNT OF CASH.

Particulars	With Secretary.	With Cash-keeper.	Total.
Specie.....	3426910	59151151/2	34860615 1/2
Cheques.....		1582055	
Total Cash	3426910	59151151/2	35018824 6/2
Own Notes, Rs. 10	8000	12160	20160
15			
20	10000	13960	23960
25		29050	84050
50	55000	68400	148400
100	80000	173000	623000
500	450000	184000	1234000
1000	1050000		
3000			
Balance	5079910	539721151/2	56354524 6/2

LIABILITIES, PAYABLE ON DEMAND.

Bank Post Bills.....	3176111
Circulation	
Deposit.....	5012771 18
Dividends	5423140
Cash Credit Balances	2514051 1
Govt. Balance	8755145 1 5/2
Total	111055314 4 1/2
One Fourth	27763289

DRAFTS SINCE LAST RETURN.

On Bank of Bengal ...	26136	
Bank of Bombay...	1978340	
Do England		
Total	2045136	

ABSTRACT OF INVESTMENT BEARING INTEREST.

Description.	Government Securities.	Government Bills.	Private Bills.	Loans.	Cash Credits.	Total.
Balance 1st July	38585861		74662261	17059258	9268 72153	310713442
Since invested.....	1931778		9887870	8360150		
Together	57903514 1		84550131	17895269 2		
Since realized	1178852		7049042	1541104 6		
						1131726264 7

ENERAL LEDGER of the BANK OF MADRAS, *on* 24th July 1869

Dr.

TITLES OF ACCOUNTS.		BALANCES. Cr.	
PROPRIETORS' ACCOUNTS.			
Capital Stock.			5625000.
Reserved Surplus Fund.			562500
Unclaimed Dividends.		26721 4.	
Dividend Account.		27510..	542314
PROFIT AND LOSS—			
viz. Interest Account.		9472154	
Commission.		588108	
Exchange Bengal.			
— Bombay.		811725	
Profit and Loss Account.		797194	26150159
Charges.	792.		
Adjusting Account of Interest.	4855		
DEAD STOCK— Suspense acct.	927		
viz. Bank Premises.	978.		
Furnishings.	1031		
Stationery and Engraving.	3481		
2do do Branches	2015 9		
Govt Contingent a/c	934		
Stamps.	103.		
INVESTMENTS.			
Cash Credit Accounts.....(Dr.)	99941		
Loan Accounts.	25108		
Bills Discounted—Government.	.		
Do. Private.	1381 9		
Do. Past-Due.	72 72		
Government Securities. No 2			
Bank of Bombay No 1	67 13.		
Bank of England.	87 68		
Bank of Bombay—No. 2.	52 34		
Bank of Bengal. 2	92 95		
Suspense Account.....(Dr.)			
All a/c Bs	48 12 11		
Berhampore do	82 . 6		
Bimlipatam do	68 4 2		
Bellary do	71 11		
Cocanada do	88 1 9		
Calicut do	20 15 11		
Colombo do	88 3 10		
Cuddapah do	68 12 1		
Guntoor do	24 9 8		
Kurnool do	09 12 8		
Negapatam do	34 15 3		
Salem do	34 4 3		
Tuticorin do	29 14 1		
Tellicherry do	14 14 4		
Bangalore Br			1432611 5
LODGEMENTS.			
Cash Credit Accounts.....(Cr.)		4011125 3	
Current Accounts.		3900695 15.	
Deposit Receipts.		663149 13.	
Bank of Bombay—No. 1.		3831213 11	
Unclaimed Balances.		9243. 1	
Suspense Account. Cr. (Cr.)		248 10 6	
Bank of Bombay Hyderabad		8 7 11	5012 771 1 8
Govt of Fort St George			1576514 5 1 5/2
Bills for Collection.			520 994 7 1
— Government.			
— Private.			

23

From

J. Mackey Esqre
Offg 1st Asst Accountant General

To

F. Lushington Esqre
Accountant General
Madras

Sir,

In compliance with your directions I have the honor to inform you that I have examined the accounts of the Bank of Madras to 30th June 1869 in conjunction with Mr A. Cammiade and the following observations will convey the result of my examination.-

2 I have examined the Government securities deposited on account of loans and cash credits-

The amount so advanced stood on 24th July as under.

Loans on Government Securities	15,35,565-10-8	
—"— on Jewels—	92,000-"-"	
—"— on Goods—	4,350-"-"	
—"— on Gold Mohurs.	3,500-"-"	16,35,415-10-8
Cash Credits drawn-	3,00,999-4-11	
— Do — undrawn	251,405-11-1	552,405-"-"

Rest to Govt Bank

L.

2/8-69.

J

D/G

3 I have examined item by item the Registers of deposits containing entries of all Government securities appertaining to both public and private accounts, the Bank stock and shares in public companies kept in deposit, together with all the other miscellaneous items comprised in the Registers referred to, and likewise the several cancelments, when deposits have either been withdrawn or sold, in such cases the authority of the owner has been duly produced, and the remaining stocks have been found to correspond with the Registers. The Promissory Notes of the Government of India which have been verified, appertain to the following accounts.

Police Funds

Metropolitan	65,000	
Mofussil	289,600	354600

Service Funds

Civil	79,38,700	
Medical	60,05,700	139,44,400
Carried forward		142,99,000

Brought forward		142,99,000

Other Funds & Investments

Mysore Trust Fund	25,23,300	
Educational building Fund	8,00,000	
St. Mary's Church and other bequests	366,200	3689500

Government Savings Bank Deposits

On account of Minors & others	3,500	
Sepoys Military Fund	1,000	
Regimental Cart Fund	8500	
Investments of Savings Bank balances on account of Government	809,300	822,300

High Court

Causes	2662900	
Estates being marriage settlements	23,800	2686,700
Official Trustee	167,600	
Official Assignee	82,900	
Official Registrar, High Court original side	63,300	313,800
		3000500

For Contracts & Appointments

Civil

Accountant General's department	124,800	
Supt. of Stamps	2,500	
" of Stationery	4,500	
Superintendent Government Printing Establishment	2100	
Controller Money Order department	1,000	134,900
Carried forward		134900 218,1,300

Brought forward	134,900	218,11,300
Military		
Commissarial departt. Madras	83,600	
Do. at out stations	1,06,100	
Supt. Gun carriage Manufactory	8,600	
—"— Gun Powder Do	2,500	
Inspector General of Ordnance and Magazines	500	
Commissary of Ordnance	4,500	
Military Accountant	4,500	
Barrack Master, Presidency	500	
		2,10,800
Medical		
Supt. Lying in Hospital	500	
Principal Inspector Genl. Medical Departt.	6,500	
		7,000
Telegraph department		1,000
Executive Engineer Presidency		24,800
Principal Civil Engineering College		4,000
Post master General Madras		8,500
		3,91,000
Other Deposits		
Zemindar of Ramnad		5,800
Court of Wards		17,35,100
Administrator General		7,76,500
Cash keepers security		50,100
		25,67,500
Govt. Securities the property of Bank of Madras No. 2 Account	256,800	
		28,24,300
562½ Shares in the Bank of Madras, the property of Government		5,62,500
Deposits by the public		6,22,39,14-12-11
Add Securities purchased on 24th July for the No. 2 Account		200000-"-"
Grand Total		3,20,13,014-12-11

4 On Monday morning the 26th. July the Cash was examined and found to correspond with the balance of the previous Saturday evening. The whole number of bags were counted and a per centage weighed in the usual manner.

The following are the particulars thereof.

			With Secretary			with Cash keeper			Total		
			Rs	a	p	Rs	a	p	Rs	a	p
Notes rupees	10	800	8,000	"	"	1216	12,160	"	20,160	"	"
	20	500	10,000	"	"	698	13,960	"	23,960	"	"
	50	1,100	55,000	"	"	581	29,050	"	84,050	"	"
	100	800	80,000	"	"	684	68,400	"	1,48,400	"	"
	500	900	4,50,000	"	"	346	1,73,000	"	6,23,000	"	"
	1,000	1050	10,50,000	"	"	184	1,84,000		12,34,000	"	"
Total			16,53,000	"	"	4,80,570	"	"	21,33,570	"	"
Silver			21,00,000	"	"						
Small Silver			4,60,000	"	"	59,151	15½		34,86,061	15	1½
Copper			8,66,910	"	"						
Charges outstanding									15,820	5	5
Total			50,79,910	"	"	5,39,721	15½		56,35,452	4	6½

5 Private Bills discounted, these have been carefully compared with the Register and found to agree, the amount at Head Office is ——— Rs. 7,66,738-1-9

And at Branches ——— " 42,37,140-8-6

together Rs. 50,03,878-10-3

being equal to 88-15-4% of the Banks capital.
The past due bills are at Head
Office ——— Rs. 8272-7-2
and Branches ——— 44531-7-1
together 52803-14-3

but very little if any loss is anticipated on this account, though there may probably be delay in some cases in recovering the amounts outstanding

6 The following accounts have been compared and found to agree with the Ledger entries,

Reserved Surplus Fund
Unclaimed dividends
Dividend Account
Interest Commission
Exchange
Profit and Loss
Charges

7 The Directors have invested in Government Securities a sum of Rupees 456,800-- costing Rs 461200-12-1
This account is known as No 2 account and the Bonds have all been verified.

8 From the enclosed balance sheet the sums due to and by other Banks

Banks is as under Viz.t due by other Banks

Bank of Bengal No 1. 148767-13-"
" " 2. 722292-9-5
England ——— 16187-6-8
Bombay ——— 703752-3-4 15,91,000-0-5

and due by branches

Alleppy ——— 91,048-12-11
Berhampore ——— 260482--6
Bimlipatam ——— 291968-4-2
Bellary ——— 599871--11
Cochin ——— 749288-1-9
Calicut ——— 30420-15-11
Cocanada ——— 621488-2-10
Colombo ——— 1393068-12-1
Guntoor ——— 421024-9-8
Kandy ——— 207609-12-8
Negapatam ——— 303844-15-3
Ooty ——— 75234-4-3
Tuticorin ——— 117229-14-1
Trichinopoly ——— 126114-14-4 6288694-9-4
7879694-9-9

and due to other Banks

Bombay No 1 38312-13-11
Hyderabad ——— 8-7-11 38321-5-10

9 Branch Banks - Since my last report Agencies have been opened at Berhampore, Agent - T. Parsons Esqre Guntoor, ——"— L. Wright Esqre this makes 15 Branches in all, and the Directors contemplate shortly opening a branch at Mangalore -

10 The following figures give the net profits of the head Office and branches -

	Head Office	Branches	Total
From 1st July 1868 to 31st Decr 1868	53,290 4 7	157,631 . 3	2,10,921 4 10
" 1st Jany 1869 to 30th June 1869	73,701 5 3	270,424 7 4	3,44,125 12 7
Total —	1,26,991 9 10	4,28,055 7 7	5,55,047 1 5

11 The total profits shew a percentage of 9-13-10% on the capital of Rs. 56,25,000 -, the Branches contribute 7-9-9% of the whole. and Head Office —— 2-4-1%.
This result of the past years operations must be considered very satisfactory, looking to the low rates of Interest ruling during the earlier portion of the year,

and

and the depressed state of trade generally at that time - In point of fact the Directors have succeeded in distributing a larger dividend by 1 3/4% than its cotemporary the Bank of Bengal, and have notwithstanding a very handsome reserve fund, viz: Rs. 562,500 equal to 10% of their capital -

12 The chief sources of gain made by the Branches may be classified as under,

1 by Discount
2 " Exchange
3 " Interest
4 " Commission

The two latter items nearly equalize each other, but in point of fact Interest is no source of revenue to any but the Colombo and Trichinopoly branches, chiefly to the former, although small sums are realized at some of the other branches, on this account - The chief income is obtained by discounts, done entirely upon the credit of the names attached to the bills discounted, without any collateral security whatever - Some risks

× Bank of Madras average dividend for the year 9 3/4%
—"— Bengal —"— 8%
Difference 1 3/4

Bank of Bengal

risks must undoubtedly be run in doing a business of this kind, but it is difficult to lay down any line in such cases, or say to what extent the Bank's capital should be allowed to be so invested, as after all, the commercial experience of the Directors, aided by the local knowledge of careful Agents, and thoroughly supervised (through the weekly and daily accounts received) by an able Secretary and Staff at head office must be their own guides.

13 In Exchange a considerable business is also done, that is locally, foreign exchange transactions being prohibited. In Exchange operations for the half year ending 30th June 1869, the following branches take the lead, Cochin, Tuticorin, Calicut and Cocanada, followed by Negapatam, Guntoor Berhampore and Alleppey, while in the previous half year Cocanada took the lead, closely followed by Cochin, some little way after comes Calicut, Bimlipatam, and Negapatam.

In

14 In discounts the following branches did the leading business for the half year ending 30th June, Colombo, Cochin, Bangalore, Cocanada, Negapatam, followed by Trichinopoly, Alleppey Bellary, and Calicut and in the previous half year the leaders are Colombo, Cochin, and Bangalore, followed by Calicut and Cocanada.

15 The following is the order in which the several Branches stand, according to the amount of net profits made by each

1 Colombo
2 Cochin
3 Calicut
4 Cocanada
5 Bangalore
6 Negapatam
7 Tuticorin
8 Alleppey
9 Bellary
10 Bimlipatam
11 Trichinopoly
12 Ooty
13 Berhampore
14 Guntoor
15 Kandy

The Berhampore and Guntoor branches have not been long established the former about 9 months, and the latter less, the profits made must therefore be considered as very encouraging, and also as shewing the abilities of Messrs. Parsons and Wright the Agents.

16 The Colombo Agency while making the largest profit it must be borne in mind also absorbs the largest amount of capital, while the Sub Agency at Kandy in connection with this branch shows the smallest profit of any branch. Some other branches again make a very fair return with very little assistance from the head Office, in other words they work on their own capital raised from deposits or with the Government Treasury balances, as at Calicut, where the capital is only at present in round figures 30,400.

17 The following branches shew balances

8 35

balances against the head Office, or in other words are working without any capital from the head Office, Viz.

Bangalore
Bellary
Alleppey
and Berhampore

the latter branch was started solely upon the strength of the Ganjam (Chittoor) Cash balances as reported by me on my inspection tour last year.-

18 The liabilities at head Office payable on demand amount to 11105,314-4-1½ to meet which there is the Cash balance of 5635,452-4-6½ or considerably in excess of the amount usually considered as necessary to be provided in actual cash by Bankers, which is one fourth, or say in the present case 2776,328-9-"-

19 The dividend received by the Government on their 562½ shares for

for the year ending 30th. June 1869
amounts to Rupees 54,843-12-0-

20 The following branches have still to be examined, as soon as you can depute an Officer for this duty.

Bangalore
Bellary
Cotacamund
Tuticorin
Colombo
Kandy
Guntoor,

all the others have been inspected since the last audit, some by Mr. Trevor, and the rest by myself.

21 From the foregoing observations it will be seen that the Bank of Madras is in a sound and flourishing condition, and may I trust be considered as fairly ranking with any in this country.

22 In conclusion I beg to

acknowledge

acknowledge the courtesy of the Secretary and Deputy Secretary, also the heads of other departments. The Registers of deposits under Mr. Fletcher's care are very accurately kept, and his assistance most valuable.-

I have the honor to be,
Sir
Your most Obedt. Servt

Madras
31st. July 1869

Ag 1st. Asst. Acctt. Genl

No. 71—28-4-69—1,000.

Book DEPARTMENT.

No. 170

Fort Saint George,
Accountant General's Office,
5 August 1869.

FROM The ACCOUNTANT GENERAL,
TO THE GOVERNMENT OF MADRAS.

TO THE Chief Secretary to Government
Fort Saint George

SIR,

With advertence to the order of Govern-
ment marginally noted, I have now the honor
to submit the report of my Acting 1st Assistant
on the accounts of the Bank of Madras for the
year ended 30th June 1869.

2. With reference to para 2 of the order
above quoted, a few branches have yet to be
inspected as pointed out by the Auditor in para
20 of the report, and they will be examined
as early as practicable.

3. A report on the Savings' Bank
accounts will follow, after they have been closed
by the Secretary.

I have the honor to be
Sir
Your most obedient Servant

F. Auchinyleck
Accountant General

* No. 399 dated 2d September 1868 Financial Dept.

Copy forwarded
to Mr. Sargaunt

Financial Dept.
From
A. F. Auchinyleck Esqre
Acct. Genl.
To
The Secretary to Government
Accountant General
Madras
Dated 31st July 1869
Rect. 9th Aug. 1869
No. 361

Bye Endorsement

Auditor's Report
on the accounts of
the Bank of Madras
for the year ended
30th June 1869

5063

Financial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter from the Accountant General (Here enter 5th August 1869. No 120)

Order thereon. No 383 – 25th Augt. /69.

His Excellency the Governor in Council considers the foregoing report for the twelve month ended on the 30th June last, submitted by the Auditor of the Accounts of the Madras Bank, appointed on behalf of Government, to be very satisfactory, and to justify the remark that the Bank is in a sound and flourishing condition

2. The profits realized during that period amounted to

Financial Dept. Proc. 25th Aug. 1869 No 383

From The Accountant General

To The Chief Secretary to Government

Dated 5 Aug. 1869

Rec'd 9 " "

No 120

Enclosures 2

No. 884

Forwarding the Report of the Auditor of the Accounts of the Madras Bank for the year ended 30th June 1869

to Rs. 555,047-1-5, of which the 5branch banks, fifteen in number, yielded Rupees 4,28,055-7-7, or 77-12 per cent, and the Bank of Madras, Rs. 1,26,991-9-10 or 22.08 per cent.

3. It is observed that of these branch banks seven have still to be examined.

4. The Accountant General will make arrangements for completing as soon as possible the audit of the accounts of these banks.

To,

The Accountant General
" Director of the
Bank of Madras.

Govt. of {186 } Madras.

Jud.

To

The Accountant General.

Dated Augt. 25. } 1869, No. 383.
Recd.

Nos. 55-56.

Reviewing the audit report on the accounts of the Madras Bank for the year ending 30th June 1869.