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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

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714

*Proceedings of the Madras Government, Financial Department,
14th March 1876.*

Treasuries.

No. 65. Read the following letter from R. W. LODWICK, Esq., Accountant-General, to the Hon. W. HUDLESTON, Chief Secretary to Government, Fort St. George, dated Fort St. George, 29th February 1876, No. 742:—

Resource Department.

I have the honor to acknowledge receipt of Government of India Order, No. 317, dated 19th January last, and in accordance with the orders therein given, to submit the following report.

2. In his report, No. 235, of the 23rd February 1869, Mr. Lushington went very fully into the question of cash balances, and gave it as his opinion that "the Madras Presidency is not favorably circumstanced for working with a very low cash balance" but, on a full consideration of the whole subject, I am of opinion that it will be feasible to work with a cash balance equal to the minimum cash balance of each month during the last twelve years, as exhibited in the accompanying statement marked A, with the exception of the first and last three months of the year wherein the minimum is too low to be accepted as a safe working balance.

3. Mr. Lushington, writing in 1869, was probably right in stating that currency notes were of "no avail in meeting the current expenditure," but at the present time the Government paper has risen in public estimation, and I am satisfied that currency notes are now to a certain extent available for that purpose, and other persons willing to receive their dues in notes to being paid in coin.

4. I think it prudent, however, to base my calculations on the assumption that currency notes, small silver, and copper, are not to be taken into account in calculating the resources of the Presidency, and, where I can show that when these are omitted there will still be a fair available balance after charges have been fully met, it seems to me that I may safely assume that the minimum monthly balances of the last twelve years may be adopted as the standard for the future.

5. Proceeding on this principle the figures, as taken from the three accompanying statements marked A, B, and C, are as under:—

	Minimum.	Average of last three years of Currency Notes, small Silver, and Copper.	Average Charges.	Lakhs.
January ...	108 lakhs —	43 lakhs =	65 — 56 leaves	9
February ...	129 „ —	44 „ =	85 — 59 „	26
March ...	141 „ —	44 „ =	97 — 70 „	27
April ...	158 „ —	49 „ =	109 — 51 „	58
May ...	154 „ —	49 „ =	105 — 53 „	52
June ...	168 „ —	51 „ =	117 — 55 „	62
July ...	167 „ —	46 „ =	121 — 58 „	63
August ...	151 „ —	43 „ =	108 — 54 „	54
September ...	122 „ —	41 „ =	81 — 54 „	27
October ...	92 „ —	41 „ =	51 — 57 deficit	6
November ...	83 „ —	44 „ =	39 — 55 „	16
December ...	93 „ —	46 „ =	47 — 57 „	10

Note.—Demands above 50,000 Rupees have been taken as one lakh.

6. It will thus be seen that, in every month save the three last, there is an available balance, that in January being certainly very small, but the rest ample for all purposes. As regards the three last months, the charges are in excess of the amount left after deducting the notes, &c., from the minimum balances, and therefore I think that these minimum balances should be raised.

7. I consider that, with the view to meet unforeseen demands and to provide against emergencies such as famine, about one-fourth of the average monthly charges should be the *very least* balance left in hand each month, and I, therefore, propose to raise the January minimum to 113, and the minimum for October, November, and December to 112, 113, and 117 lakhs, respectively.

8. Turning next to the consideration of the establishment of Central Treasuries it seems to me that this measure is not called for in Madras when money is remitted to Calcutta or Bombay by bills almost as fast as it is brought into the Bank when there is an urgent demand for coin at Calcutta or Bombay. I do not see under these circumstances that any advantage is to be gained by sending money elsewhere than to the Bank, but, on the contrary, it appears to me that much expense will be incurred by so doing, which is avoided by the present system.

9. If, however, the Governor-General in Council should consider the adoption of the Central Treasury system advisable here, I am of opinion that the best plan for this Presidency would be to have but one Central Treasury, and that at the Presidency town. The Northern Districts of Ganjam, Vizagapatam, Godavery, and Kistna having all of them seaports at which steamers call regularly should, I submit, send off their balances periodically to Calcutta, as no object would be gained by bringing the money down to Madras by sea, or storing it in any Central Treasury in the north, since it is obvious that extra expense to the State would be incurred were either of these courses followed in the items of carriage, packing, &c. Bills are not procurable on the treasuries named, and therefore money could not be brought to the Presidency in this convenient way.

10. The extreme Western District of South Canara having also a seaport at which steamers call at stated times might, it seems to me, advantageously remit its surplus to Bombay, but all the other Treasury balances could be brought to Madras either by bills transfers effected through the Bank or train.

11. I submit that the best situation for the Central Treasury would be the Fort, as the money would then be in a perfectly secure place, and in close proximity to the Accountant-General's Office. The building formerly used as the Treasury could, I presume, be again made available for the storage of money, and one of the Accountant-General's Assistants might act as Sub-Treasurer and have the charge of the coin lodged therein under the immediate superintendence and orders of the Accountant-General.

A.
STATEMENT showing the aggregate Cash Balances of the District Treasuries in the Madras Presidency on the 1st of each Month, exclusive of the Balance in the Presidency Bank, Mint, and remittances in transit to other Presidencies from 1864 to 1875.

Months.	1864.	1865.	1866.	1867.	1868.	1869.	70.	1871.	1872.	1873.	1874.	1875.	* Minimum aggregate balance held during each month in the last twelve years.
January	163,54,000	125,49,000	*107,60,000	116,07,000	136,80,000	110,58,000	9,16,000	141,61,000	143,56,000	194,32,000	179,68,000	162,16,000	107,60,000
February	163,17,000	139,89,000	144,77,000	150,73,000	147,81,000	134,72,000	*12,000	144,77,000	139,17,000	223,51,000	184,51,000	188,89,000	139,12,000
March	193,48,000	141,17,000	168,62,000	164,09,000	*140,73,000	146,97,000	1,02,000	155,72,000	159,74,000	230,51,000	183,53,000	209,72,000	140,73,000
April	332,39,000	161,69,000	168,45,000	162,37,000	160,97,000	*157,76,000	1,63,000	182,93,000	217,03,000	260,65,000	206,67,000	219,32,000	157,76,000
May	215,62,000	168,03,000	184,73,000	189,45,000	*153,84,000	179,65,000	1,68,000	196,88,000	247,10,000	264,47,000	304,72,000	220,88,000	153,84,000
June	197,09,000	177,69,000	200,35,000	179,00,000	*167,75,000	194,02,000	1,34,000	206,81,000	237,37,000	269,44,000	192,98,000	217,69,000	107,75,000
July	210,80,000	179,53,000	187,32,000	195,25,000	*167,09,000	181,81,000	174,000	207,42,000	222,34,000	269,38,000	188,27,000	210,00,000	167,09,000
August	182,47,000	151,26,000	165,48,000	175,93,000	154,32,000	159,06,000	*153,000	196,28,000	212,76,000	239,53,000	181,79,000	211,12,000	150,83,000
September	155,48,000	*132,37,000	141,30,000	145,96,000	138,47,000	136,86,000	1,39,000	263,14,000	204,07,000	189,16,000	156,95,000	199,36,000	132,27,000
October	117,38,000	98,36,000	*91,82,000	124,10,000	119,31,000	118,84,000	1,63,000	145,57,000	169,43,000	173,98,000	144,60,000	179,29,000	91,89,000
November	85,86,000	85,44,000	*83,28,000	115,44,000	101,61,000	109,81,000	1,62,000	140,57,000	151,41,000	152,35,000	135,91,000	160,96,000	83,28,000
December	108,12,000	93,85,000	*93,34,000	126,83,000	114,85,000	114,54,000	1,75,000	139,35,000	164,08,000	174,27,000	147,41,000	162,51,000	93,34,000

(Signed) R. W. LODWICK,
Accountant-General.

Fort St. George,
29th February 1876.

*Proceedings of the Madras Government, Financial Department,
14th March 1876.*

B.

STATEMENT showing the Average Balance of Currency Notes, small Silver, and Copper Coins, for 1873, 1874, and 1875.

Months.	Average of Notes for 1873, 1874, and 1875.	Average of small Silver for 1873, 1874, and 1875.	Average of Copper for 1873, 1874, and 1875.	Total Average for 1873, 1874, and 1875.
	RS.	RS.	RS.	RS.
January	30,14,433	7,81,533	4,83,766	42,79,732
February	30,88,000	8,36,000	4,87,400	44,11,400
March	31,13,633	8,68,300	4,58,733	44,40,666
April	33,75,500	10,20,666	4,62,000	48,58,166
May	33,84,266	10,88,766	4,50,933	49,23,965
June	35,34,533	10,88,700	4,38,067	50,61,300
July	29,73,066	11,49,833	4,35,766	45,58,665
August	28,42,100	10,38,000	4,21,800	43,01,900
September	27,32,533	9,32,400	4,02,800	40,67,733
October	27,92,900	9,10,400	4,21,300	41,24,600
November	29,55,366	8,93,866	5,45,700	43,96,932
December	32,40,166	8,96,266	4,39,300	45,75,732

FORT ST. GEORGE,
29th February 1876.

(Signed) R. W. LODWICK,
Accountant-General.

C.

STATEMENT showing the average Receipts and Charges of the District Treasuries in the Madras Presidency, excluding Presidency transactions at the Bank of Madras, for 1873, 1874, and 1875.

Months.	Average Receipts for 1873, 1874, and 1875.	Average Charges for 1873, 1874, and 1875.	Average Surplus.	Deficit.
	RS.	RS.	RS.	RS.
January	120,73,000	55,92,000	64,81,000	
February	113,16,000	58,93,000	54,23,000	
March	149,45,000	69,64,000	79,81,000	
April	109,63,000	50,56,000	59,07,000	
May	108,30,000	53,20,000	55,10,000	
June	89,88,000	54,66,000	35,22,000	
July	70,08,000	58,02,000	12,06,000	
August	56,73,000	53,57,000	3,16,000	
September	52,11,000	53,50,000		1,39,000
October	56,84,000	56,79,000	5,000	
November	81,90,000	54,52,000	27,38,000	
December	94,64,000	57,45,000	37,19,000	

FORT ST. GEORGE,
29th February 1876.

(Signed) R. W. LODWICK,
Accountant-General.

No. 66.

ORDER THEREON, 14th March 1876, No. 507.

Ordered to be forwarded to the Government of India with reference to their Resolution, No. 317, dated 19th January last, and with an expression of the

*Proceedings of the Madras Government, Financial Department,
14th March 1876.*

concurrence of this Government in the Accountant-General's opinion as to the amount of cash balances to be retained, and as to the non-necessity for a Central Treasury other than the Bank.

(True Extract.)

[Signature]
Chief Secretary.

To the Revenue Department.

.. Board of Revenue.
.. Accountant-General.

Rd. J. Wright.

Deposits De Karlina

250 1174

Subt. of 1876 33,000.35.

FINANCIAL.

To THE REVENUE DEPARTMENT,

Acc.

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Dated March, 14th.

Received

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Recd.

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G.O., 14th March 1876, No. 507.

MARCH.

Nos. 65-67.

Dis. 11/11

Treasurer.— Copy of a report from the Accountant-General with an expression of the opinion of the Government in that officer's opinion, as to amount of cash balances to be retained, and as to the necessity for a Central Treasury other than the Madras Bank, forwarded to the Government of India.

250 1174

21. March 76

New No. Sectt. I (i)-1—Old No. M.R.O. 1—10,006—10-6-63.

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