

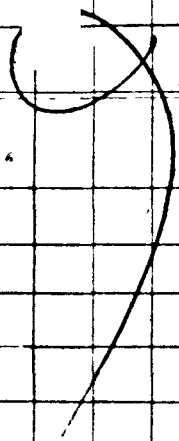
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FINANCIAL
CHAPTER
IN THE HISTORY OF
BOMBAY CITY.

D. E. WACHA.

Bombay
PRINTED AT THE "COMMERCIAL" PRESS.

1910

PREFATORY NOTE.



In 1897 the Editor of the *Advocate of India* invited me to contribute to its columns a narrative of the rise, growth and collapse of that colossal speculation popularly known in Bombay as the "share mania," a mania which in its ultimate consequences was more disastrous than either the South Sea Bubble Scheme, or the Tulipo mania of the eighteenth century. Having been an eye-witness to the speculation and having watched it, as an on-looker only, from within and without, I was able to respond to the invitation. My narrative was given in the form of a series of articles principally based on my personal knowledge and experience, and next from facts gleaned from authentic books, specially the now forgotten Report of the Commission which sat to inquire into the failure of the old Bank of Bombay under the presidency of the late Sir Charles Jackson.

As a young man I was then being specially trained in the Bank of Bombay. The period of my probation there, and of my subsequent engagement with two financial institutions of the day, happened to be co-eval with that of the very meridian of the speculation. I had thus the opportunity of watching it not only from without but from within. Moreover, it also happened that when the many ephemeral concerns of the hour collapsed, sweeping away

in their train many an old and reputed bank and mercantile firm, and reducing thousands of families to insolvency and distress, I was an assistant at Messrs. Brodie & Wilson, a firm of public accountants who, owing to their great reputation and integrity, were liquidators to half a dozen financial institutions and trustees of a dozen large bankrupt estates, including those of the two insolvents most prominent for their colossal liabilities, namely, the late Mr. Byramji Hormusji Cama and Mr. Premchund Roychund. I myself was official liquidator of one of the financial corporations on the retirement of Mr. George Ramsay Wilson. This triangular experience and knowledge greatly helped me to indite my narrative.

Since its publication in the columns of the *Advocate of India* I was more than once urged by its editor as well as by other friends to put the articles in a collected form for purposes of permanent interest, if not of reference. ~~Also~~ I hesitated for a long time for one reason or another till at last I was urged on by my old and esteemed friend, Mr. G. A. Kittredge, now retired, ~~but~~ who in 1864-65 was a member of a well-known firm in the city. This brochure is the result. I have embraced the opportunity not only to revise and amplify the original matter but introduce some supplementary one without which I thought the narrative would be incomplete. I now leave it to the public to judge of its merits, only observing that every fact recorded is based on official and other

authentic publications. The book has not been published with the object of any gain whatsoever. I dedicate it to the banking and mercantile public as a permanent record of the salient events of those stirring days. I shall deem myself amply rewarded for my labour if it serves, even after forty-five years of that event in the financial history of Bombay, to point the moral which still seems to be sorely needed.

BOMBAY,
August 17th, 1910.

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D. E. WACHA.

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