

(1) Number of pages _____

(2) Date of repair _____

(3) Initials of the Referencer at

MADRAS RECORD OFFICE.

Government of Madras.

Finance DEPARTMENT.

G.O. No.	624.	Press
		<u>Mis.</u>
86-88		
Dated	26-8-	1862.

86-88

15/11

Not to be folded or roughly handled

*Proceedings of the Madras Government, Financial Department,
26th August 1862.*

Read the following papers :—

No. 86. From J. MACKEY, Esq., Secretary to the Government Savings' Bank ; to T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated 20th August 1862, No. 468.

In continuation of my letter, No. 452, dated 14th August 1862, I regret to state that another defalcation amounting to Rupees 725-6-6 in connection with 3 Privates of Her Majesty's 43rd Regiment has just been discovered.

2. When the 43rd Regiment left this Presidency for Bengal, three of the men remained behind as Pensioners, and the Adjutant of the Regiment Lieutenant George Garland, forwarded to this Office the following sums to be credited as follows :

James Lafferty...	282	15	9
Philip Martin...	231	13	0
Charles Osborne...	210	9	9
	<u>725</u>	<u>6</u>	<u>6</u>

the Adjutant's Clerk took a receipt signed by the late Actuary for the money, but it does not appear that any Bank books were issued to the several parties, nor has any account been opened in the Books of the Bank with them ; the money so far is traced to the hands of the late Actuary, and is there lost sight of.

3. I have now the honor to submit copies of the correspondence on the subject ; you will please note that Colonel Booth, Commander of the 43rd, with his letter No. 527, submits copy of a Memo. made by the Adjutant of the Regiment, when the money was sent to the Savings' Bank, and across it's face is the late Actuary's receipt.

1st, letter from Captain Stoddard, No. 124, dated 30th June 1862.

2nd, my reply, No. 334, dated 15th July and stating that the Bank books shewed no account in the name of C. Osborne.

3rd, his reply, No. 41, giving cover to letter No. 572, from Colonel Booth, Commander of the 43rd Regiment, with Memo. annexed by the Adjutant, Lieutenant George Garland, detailing the names and amounts of the 3 deposits referred to, including C. Osborne's.

4. In Captain Stoddard's letter, No. 124, a reference is made to letter from the Officer Commanding the 43rd, which said letter is not now in my possession, having been returned at Captain Stoddard's request, but I have written to him to send me a copy, which shall be forwarded to you, as this letter is the one regarding the deposit of Private C. Osborne, the absence of which sum, has led to the present correspondence and discovery.

5. You will observe that this fraud is of a totally distinct character to those previously reported, and should any similar ones exist, they can only come to light either by accident or on application from the defrauded parties themselves. Auditors I admit, in such cases, would be of no use.

No. 87. From J. MACKEY, Esq., Secretary to the Government Savings' Bank ; to T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated 21st August 1862, No. 477.

Referring to my letter, No. 468, dated 20th August 1862, paragraph 4, I have now the honor to enclose a copy of letter therein referred, No. 419, dated 14th June 1862, from Colonel Booth of the 43rd Regiment, in reference to Private C. Osborne's deposit of Rupees 210-9-9.

No. 88. ORDER THEREON, 26th August 1862, No. 624.

In these letters the Secretary to the Government Savings' Bank, reports to Government that another defalcation amounting to Rupees 725-6-6 in connection with three Privates of Her Majesty's 43rd Regiment has been discovered.

Proceedings of the Madras Government, Financial Department,
26th August 1862.

2. With reference to the previous correspondence which has passed on the subject of the defalcations in the Government Savings' Bank, which occurred during the time that the late Mr. Clark was Actuary, the Government resolve to appoint Mr. Ellis, Acting Deputy Secretary to Government, as a Commissioner to enquire into and report on the following points in connection with this matter:—

- 1st. The total amount of money misappropriated by the late Actuary, for which the Government is liable.
 - 2nd. To what extent the subordinate officials employed in the Government Savings' Bank were cognizant of these frauds.
 - 3rd. The system which prevailed, during the time the late Mr. Clark was Actuary, and which would seem to have facilitated the commission of these frauds, and what checks have been subsequently introduced by the Directors of the Bank for the prevention of fraud.
3. Mr. Ellis will make such suggestions as may seem fit, in respect of any alteration in the present system required. Mr. Ellis, after he has made a preliminary enquiry into these matters, will report to Government whether he considers it desirable that any other Officer of Government should be appointed as a Joint Commissioner for conducting this enquiry and whether he will require the assistance of a professional Accountant.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

N^o 419.

Darrachpore.
14th June 1862.

Sir,

In reply to your letter N^o 41 of the 26 May 1862, I have the honor to inform you that the amount of Private L. Osborn's Savings' Bank Deposits including Interest to 6 months after date of discharge, from the Regiment under my Command, N^o 210-9-9, was withdrawn from the Regimental Savings' Bank on the 1st December 1861, and paid in to the Government Savings' Bank at Madras as amount of Civil Deposits, bearing interest at 4 per cent and can be obtained on application to the Secretary.

I have the honor to be
Sir

Your most Obedt Servant

(A true copy)

/Sigs/

L. H. Stoddard, Capt.

Commandant, Poonamallee.

To The Commandant
Poonamallee.

/True Copy of a Copy/

Wm. R. R.

Secretary to the Govt Savings Bank.

Wm. R. R.

* The 419 being the number for Bengal.

File 6/62 no 683

Not the same

No. 477

Fort Saint George.
Govt Savings Bank.
21st August 1862.

From,

S. Mackey Esq.
Secretary to the
Government Savings Bank.

To,

T. Pycroft Esq.
Chief Secretary to Government.
Fort St George.

Sir,

Referring to my letter No. 468
dated 20th August 1862, Para 4. I
have now the honor to enclose a copy of
letter therein referred, No. 419 dated 14 June
1862, from Col Booth of the 40th Regiment, in
reference to Private C. Osborn's Deposit of Rupees
210 - 9 - 9. -

I have the honor to be
Sir
Your most obedient servt.

Wm. Mackey
Secretary.

W. P.

N^o 334.

To

The Commandant at
Poonamallee.

Sir.

*herewith returned

In reply to your letter N^o 124 dated 30th Ult^o enclosing one from the Officer Commanding H.M. 13th Foot at Barrackpore; I have the honor to inform you that the amount of Private C. Osborne's deposits therein alluded to, has not been paid into this Office, nor is that amount standing to his credit as a Civil Depositor, in the Books of this Department.

If Private C. Osborne can produce the Bank Book, given him when that amount was re-deposited in this Office, as a Civil Depositor, I shall look into it and will communicate with you again.

I have the honor to be

Yours O^bl^y George

Govt Savings Bank

15th July 1862

Sir
Your most O^bl^y Servant

/Sigs/ J. Mackey
Secretary

/True Copy/

Immer

Comp^d Secretary to the Govt Savings Bank.

7-11/62 no 670

N^o 41

Ponnamallee

To

+ 16th August 1862

The Secretary
to the Govt. Savings Bank
Fort St. George

Sir.

Having referred your Letter N^o 334 of the
15th July 1862, to the Officer Commanding 43rd Regt.,
I have this day received his reply in a Letter N^o
527 dated 31st July 1862, which I have the honor to for-
ward for your perusal, to be returned, and to request
that, you will be good enough to inform me whether
the sum of Rs 210-9-9. does now stand deposited
in the Books of your Office in the name of Messrs
Charles Osborne or not.

The favor of an early answer
is requested.

I have the honor to be
Sir

Your most Obedt. Servant
/Sigs/ J. H. Stoddard Capt.
Commandant

/True Copy/

Wm. Vey

Compd. Secy to the Govt. Savings Bank.

File 162 no 670.

No. 527.

Banackpore
31st July 1862.

75

Sir,

^{herewith returned.}

In reply to your letter No 183 of the 16th July 1862, and its enclosure, I have the honor to inform you that the Savings Bank Balance due to Private C. Astor, late of the Regiment under my command, withdrawn from Regimental Savings Bank on the 1st Decr 1861, was paid into the Govt Savings Bank by the Adjutant of the 113th on the 17th of that month, together with the Balances of other two discharged men.

I beg to annex copy of Memo: which was taken with the money to the Bank, across the face of which is written the receipt of the Adjutant for the amount.

I have the honor to be
Sir

Your most obedient Servant
/Sgt/ Henry Booth, Lt Col
Commanding H. M. 113th Regt Light Infantry

His Commandant

for for

Poonamallee.

Madras.

/True Copy/

Wm. V. V.

Comp. Clk Secretary to the Govt Savings Bank

75/1862 July 31

Copy

Memorandum.

Amount withdrawn from Regimental Savings Bank, 43^d Light Infantry, & deposited in Government Savings Bank, Fort St. George, in the names of the undermentioned men late of the Regt now resident at the Station, shown opposite their names: *Sig. 1*

James Lafferty	Ponnamallee Rs 282-15-9 1/2
Phillip Martin	Bangalore " 231-13-"
Charles Osborne	Ponnamallee " 210-9-9
	<u>Rs 725-6-6 1/2</u>

Madras.
17 Decr 1861

/Sig/ George Garland.
Lieutenant & Adjutant.
43^d Lt. Infantry.

A True Copy.

/Sig/ Henry Booth, Lt Col.
Commanding Bt. 43^d Lt. Infantry

True Copy

Wm. M. M.

Comp. Sec. to the Govt. Savings Bank

N^o 468.

Fort Saint George.
Govt Savings Bank.
20th August 1862.

From,

J. Mackey Esq^r.
Secretary to the Government Savings Bank.

To.

J. Pycraft Esq^r.
Chief Secretary to Government.

Fort St George.

Sir,

In continuation of my letter N^o 452 dated 14th August 1862, I regret to state that another defalcation amounting to Rupees 725-6-6 in connection with 3 Privates of Her Majesty's 43rd Regiment has just been discovered. -

2. When the 43rd Regiment left this Presidency for Bengal, three of the men remained behind as Prisoners, & the Adjutant of the Regiment Lieutenant George Garland, forwarded to this office the following sums to be credited as follows; -

James Lafferty	282. 15-9.
Philip Martin	231. 13--
Charles Osborne	210. 9-9
	<u>725. 6-6</u>

the Adjutant's Clerk took a receipt signed by the late Actuary for the money, but it does not appear that any Bank books were issued to the several parties, nor has any account been opened.

Recd 1862-6-70

not the
money

opened in the Book of the Bank with them;
the money so far is traced to the hands of the late
Actuary, and is there lost sight of.

3. I have now the honor to submit copies
of the Correspondence on the subject. - You will
please note that Col. Booth, Commander of
the 43rd, with his letter No 527, submits copy
of a Memo. made by the Adjutant of the
Regiment, when the money was sent to the Savings'
Bank, and across its face is the late Actuary's
Receipt. -

1st letter from Capt Stoddard, No 124,
dated 30th June 1862.

2nd My reply, No 334 dated 10 July
& stating that the Bank Books
showed no account in the name of
C. Osborne. -

3rd his reply, No 41 giving cover to letter
No 527 from Col. Booth Commander
of the 43rd Regiment, with Memo annexed
by the Adjutant, Lieutenant George
Garland, detailing the names and
amounts of the 3 deposits referred to,
including C. Osborne's.

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to send me a copy, which shall be forwarded
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deposit of Private G. Osborne, the absence
of which sum, has led to the present correspondence
and discovery.

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previously reported, and should any similar
ones exist, they can only come to light
either by accident or on application from
the defrauded parties themselves. And it is
I admit, in such cases, would be of no use.

I have the honor to be
Sir

Your most obedt Servt.

Wm. H. Murray
Secretary.

W. H. Murray

Financial Dept

Proceedings of the Masters
Govt.

Read letter dated the
20th and 21st August
1862. from the Secretary
to the Govt Savings Bank.

Order thereon — 26 August 1862 No 624.

In their letter the Sec to
the Govt Savings Bank,
reports to Govt that an
over depreciation amounting
to Rs 725.6.6 in con-
nection with three quarters
of H. M. 243rd Mest has
been discovered.

With reference to the
previous correspondence

7th 1862 to 23rd April
20th of 1863

7th 1862 20th April

Govt Secretary to the
Government Savings Bank.

To
The Chief Secretary to
Government Fort St George

Date 20th

Order 20th August 1862.

To 4th 1862.
No 670
4 enclosures.

State that another
depreciation amounting to Rs
725.6.6 in connection
with 3 quarters of H. M. 243rd
has been discovered.

discrepancies which has
helped on the subjects
of the debalcations in
Hulport Savings Banks,
which have been found
to have occurred during
the time that ^{the late} Mr. Clark
was actuary, the Groh
resolves to appoint Mr
Ellis as Secretary
to Groh as a Commission
to enquire ^{& report on} into the following
points in connection
with this matter. —

1. The total amount
of money misappropriated
by the late actuary,
the amount for which
Hulport is liable.

2nd To what extent
the subordinate officials
employed in the Hulport
Savings Banks were
cognizant of these
frauds. —

3rd The system which
prevailed, during the
time the late Mr. Clark
was actuary, and which
would seem to have
facilitated the com-
-mission of these frauds,
and what checks have
^{subsequently} been introduced by
the Directors of the Bank
for the prevention of
such fraud. —

3. Mr. Ellis will make

Department.

+1
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PROCEEDINGS of the MADRAS GOVERNMENT.

such suggestions as may
seem fit, ^{in respect of any} ~~for any~~ alteration
in the present system required.

Mr. Ellis, after he has
made a preliminary enquiry
into these matters, will report
to Govt whether ~~and~~ he considers
it desirable that any other
officer should be
appointed as ^a Joint Commr.
for conducting this enquiry
and whether he will
require the assistance of
a professional accountant.

Issue

M.E.
JP

To the Secretary to the Govt
Savings Bank }
" R. S. Ellis Esq. (C.B.) }
" the Accountant Genl. }
11. 2. 1900. }
Sept 26th

Chas. J. Smith Esq. 235th
April 22nd of 1863

St. L
1862. Department.

No. 624

PROCEEDINGS OF GOVERNMENT.

Dated 26th Augt 62

with the
matters

Respecting the
delegation in the last
year's Grand to the
Committee of 125-6-6 in
connection with 3 Privates
of Mr. M. 43 Regt and
appoint Mr. R. J. Ellis
as a Commissioner to
enquire into report on
certain points in connection