

(1) Number of pages 6(2) Date of repair 23.6.39(3) Initials of the Referencer A

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	818	Press
		Mis.
Dated	18-11-	18 62.

60-61

4/5

Not to be folded or roughly handled

144

Proceedings of the Madras Government, Financial Department,
18th November 1862.

No. 60. Read the following Extract from an Order passed by the Government of India, in the Financial Department, under date the 27th September 1862, No. 608A.

OBSERVATIONS.—The Governor General in Council observes that the above is a case of fraudulent misappropriation of public money in the Prome or Thayetmyo Treasury, which has been rendered possible by a systematic disregard by the Officers in charge of the Treasuries, of the standing orders of Government and of the Account Department.

1st. In allowing private deposits in a Government Treasury, and private accounts with the Government Treasurer.

2nd. In being concerned in money transactions with subordinate Officers.

3rd. In signing the certificate at the foot of the Monthly Cash Balance Report, without personally ascertaining the exact amount in the Treasury.

4th. In not verifying the accounts daily with the voucher.

2. On all of the above points which have each, from time to time, in various parts of the country, been the cause of loss to the State, and of disgrace to individuals, the most stringent and impressive orders have frequently been issued. Standing Rules have also been circulated by the Accountant General to every Treasury Officer for the transaction of Treasury business, so that apparently there can be no excuse whatever for the want of attention on the part of the Controlling Officers, which has rendered the misconduct of their subordinates in the present instance possible.

3. It is probable that frauds, such as have been here brought to light, would never have been thought of by the perpetrators, unless they had been subjected to temptation by the neglect of the Controlling Officer, and as it is apparent that the grave irregularities enumerated in the correspondence originated during the tenure of office of Lieutenant-Colonel Browne, the Deputy Commissioner at Prome, that Officer must, in the opinion of His Excellency in Council, be held primarily responsible for all that has occurred, though any further expression of opinion must be withheld until receipt of his explanations.

8. This, however, is only one of many instances which prove the inutility of Rules and Codes of Regulation however perfect in themselves unless enforced by a system of periodical inspection, and this it is the intention of Government to introduce as soon as possible.

9. His Excellency in Council is apprehensive lest the laxity of control and neglect of essential rules, specially prescribed, and partly provided for in the certificate at the foot of the Monthly Cash Balance Reports, which have been brought to notice in these papers, may be more common than is usually supposed. Officers on joining districts not unfrequently find rules disregarded by their predecessors, which it is the interest of their subordinates to render nugatory, and conclude that they are unimportant and mere matters of routine, thus thoughtlessly incurring a very serious moral as well as pecuniary responsibility. It is important that this error should be corrected, and that Officers in charge of Treasuries generally should have fair warning of the approaching introduction of the system of periodical inspection when any habitual disregard of prescribed rules which may be brought to light will be visited with severity.

Ordered that a copy of the above be forwarded to the Government of Madras, with a request that that Government will be good enough to forward a copy of it to every Officer in charge of a Treasury within its jurisdiction.

(A true Extract.)

(Signed) E. DRUMMOND,
Secretary to the Government of India.

No. 61. ORDER THEREON, 18th November 1862, No. 818.

Ordered that the foregoing Extract from the Proceedings of the Government of India be communicated to the Accountant General, and that he be requested to furnish a copy of the same for the information of all Officers in charge of Treasuries within this Presidency.

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

Exd. T. McMootry.

34

*EXTRACT from an Order passed by the Government of Inida, in the
Financial Department, No 608a under date the 27th September 1862.*

OBSERVATIONS.—The Governor General in Council observes that the above is a case of fraudulent misappropriation of public money in the Prome or Thayetmyo Treasury, which has been rendered possible by a systematic disregard by the Officers in charge of the Treasuries, of the standing orders of Government and of the Account Department.

1st. In allowing private deposits in a Government Treasury, and private accounts with the Government Treasurer.

2nd. In being concerned in money transactions with subordinate officers.

3rd. In signing the certificate at the foot of the Monthly Cash Balance Report, without personally ascertaining the exact amount in the Treasury.

4th. In not verifying the accounts daily with the voucher.

2. On all of the above points which have each, from time to time, in various parts of the country, been the cause of loss to the State, and of disgrace to individuals, the most stringent and impressive orders have frequently been issued. Standing Rules have also been circulated by the Accountant General to every Treasury Officer for the transaction of Treasury business, so that apparently there can be no excuse whatever for the want of attention on the part of the Controlling Officers, which has rendered the misconduct of their subordinates in the present instance possible.

3. It is probable that frauds, such as have been here brought to light, would never have been thought of by the perpetrators, unless they had been subjected to temptation by the neglect of the Controlling Officer, and as it is apparent that the grave irregularities enumerated in the correspondence originated during the tenure of office of Lieutenant-Colonel Browne, the Deputy Commissioner at Prome, that Officer must, in the opinion of His Excellency in Council, be held primarily responsible for all that has occurred, though any further expression of opinion must be withheld until receipt of his explanations.

8. This, however, is only one of many instances which prove the inutility of Rules and Codes of Regulation however perfect in themselves unless enforced by a system of periodical inspection, and this it is the intention of Government to introduce as soon as possible.

9. His Excellency in Council is apprehensive lest the laxity of control and neglect of essential rules, specially prescribed, and partly provided for in the certificate at foot of the Monthly Cash Balance Reports, which have been brought to notice in these papers, may be more common than is usually supposed. Officers on joining districts not unfrequently find rules disregarded by their

predecessors, which it is the interest of their subordinates to render nugatory, and conclude that they are unimportant and mere matters of routine, thus thoughtlessly incurring a very serious moral as well as pecuniary responsibility. It is important that this error should be corrected, and that officers in charge of Treasuries generally should have fair warning of the approaching introduction of the system of periodical inspection when any habitual disregard of prescribed rules which may be brought to light will be visited with severity.

Ordered that a copy of the above be forwarded to the Government of Madras with a request ^{that} that ~~you~~ will be good enough to forward a copy of it to every officer in charge of a Treasury within its jurisdiction.

(A. True Extract)

Enc. *Drummond*

Secy to the Govt of India.

MM

File 1852: 261

From
The Secy to the Govt of
India: File 1852: 261

At 27 the 1852: 261
File 1852: 261

No 889. 20th: 261

Copy the Resolution passed
on a case of Grand Jurors
refusing to return a bill of indictment
in the name of the King
The acting with a request that
a copy of it be furnished by
this Secy to every officer
in charge of a vessel
within its jurisdiction.

With an Order

Order No. 1852: 261

Order that the force

young shall from the Record
of the Govt of India be communicated
to the Assistant General, &
that he be requested to furnish
a copy of the same for the infor-
mation of all Officers in charge
of Vessels within the Re-
gion.

Wm. 261

To the Assistant General. 261

Wm. 261

261

60561

2-12-1852