L. & M.
00-8-8-96.

Local & Munl. (1895) Department.

MISCELLANEOUS.

G.O., No. 1197 M.

DATED 25th July 1895.

[Despatch Abstract.]

Suit.

Sanctioning, with remark, the filing of a------against the late Chairman of the Karur Municipality.

1799
24/7/95

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Inf. 1197m
25-7-95

Report on the audit of the Accounts of the Karur Municipality for the year 1893-94.

Camp. Anantapur.

Dated 10th November 1894.

To

The Inspector of Local Fund Accounts.
Madras.

CHIEF SECRETARY
-8 MAR. 1899
GOVERNMENT OF MADRAS

Sir,

I have the honor to submit the following report on my recent audit of the accounts of the Karur Municipality for the year 1893-94.

2. The Receipts and Expenditure of the Municipality during the year under report (exclusive of Deposits) together with the opening and closing balances, are shown in Statements I and II appended.

3. The opening Balance as given in Statement I is in agreement with the closing Balance of the previous year's audit report.

4. The closing Balance, viz., Rs. 1339-7-6, was in agreement with that appearing in the ~~Bank~~ Treasury Pass Book allowing for Cash in hand ~~outstanding cheques~~, and for deposits.

5. Statement VI explains the differences (shown in red ink in the other appended Statements) between the figures of these Statements and those of the Statements submitted by the Municipality with their Annual Report to Government ~~or~~

~~The audit having been conducted before the preparation of the Municipal Annual Report to Government, the figures contained in the accompanying Statements should agree exactly with those in the Statements that will accompany the Annual Report.~~

6. A note on all the discrepancies and defects noticed in the accounts has been placed in the hands of the Chairman.

7. The audit has been conducted according to the instructions contained in the Enclosure to Accountant-General's letter to Government No. $\frac{\text{L. F. D.}}{495}$, dated 19th February 1892, as modified by subsequent Government Orders.

8. ~~Nothing was discovered important enough to call for immediate action on the part of Government, or~~

The following points deserve to be brought to the ~~immediate~~ notice of ~~Government~~.

8. In the course of the audit of the accounts for 1893-'94 and on the further investigation of those appertaining to 1894-'95 up to the 31st August 1894, it was found that a sum

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of Rs 1145-13-10 had been embezzled by the manager out of the Municipal Funds as detailed below.-

√	(i)	Rs 10-„-„.	By altering the amount of a contingent bill No 198 for Rs 5/-, drawn by the Manager and passed by the Council, into Rs 15/-, showing the increase of Rs 10, as "deposit to be returned" on the reverse of the counterfoil of cheque No 129 which furnishes particulars of the several items composing the amount of the cheque, and drawing the excess amount.
√	(ii)	Rs 10-„-„.	By altering the amount of the Cholera charges bill No 255 for Rs 6-10-5, prepared and signed by the manager and passed by the Council, into Rs 16-10-5 and drawing the higher amount on cheque No 150.
	(iii)	Rs 20-„-„.	By entering on the counterfoil of cheque No 164 the amount of a bill for printing charges for Rs 87-1-„ as 97-1-„ and by entering as the total of the details in the counterfoil a figure in excess of the actual aggregate by Rs 10/
√	(iv)	Rs 19-1-10.	By not crediting in the account and misappropriating security deposit paid by Bandy Petta Contractor in April 1894. To conceal this embezzlement the manager prepared a false bill and raised a false debit under Grant I Repairs - Water Supply and a neutralising false credit under Deposits.
	(V).	Rs 20-„-„.	By including in their counterfoils and drawing on cheques Nos 173 and 181, without supporting bills, two sums of Rs 10 each.

(Vi)

√	(Vi)	Rs 10-„-„.	By drawing on cheque No 189 Rs 10/- more than the amount of bill No 45 of June 1894.
√	(Vii)	Rs 737-8-„.	By omitting to deposit the amount in the Post Office Savings Bank although drawn for the purpose on cheque No 172 of April 1894.
√	(Viii)	Rs 179-4-„.	By not crediting the amount in the accounts - See remarks in Statements IV A and IV B accompanying.
	(ix)	Rs 100-„-„	By not crediting the amount paid by toll renter on the 17th September 1893 in the accounts - vide remarks in the Statement IV A.
	(X)	Rs 40-„-„	By drawing the amount which is the Provincial grant to the Municipal High School and not paying it in to the credit of the Municipality.

9. I beg to say (1) that before signing cheques the Chairman should have had placed before him the bill or bills in payment of which the cheques were drawn and he should have agreed the totals of bills with those in the cheques. This precaution he did not exercise and the omission furnished opportunities for embezzlement.

(2) The Chairman should have seen that the money drawn for investment in the Savings Bank, had actually been deposited and the necessary Pass Books obtained. This he omitted to do and the manager misappropriated the amount drawn and.

(3) The Chairman should not have drawn the

amo

and the amounts of bills for sums not due. Finally he gave as the total of the real and fictitious dues a figure in excess of the aggregate of the several items, drew up and got passed a cheque for the false total and made away with the sum overdrawn.

4. The Manager also misappropriated sums paid in to the credit of the Municipality. This he was enabled to do because the Chairman in violation of Rule (Stokes Memo para 13) permitted money to be delivered to the Manager instead of to the Shroff. The Shroff wrote up the chitta, it is true, but he derived his figures from the Manager. When therefore the Manager desired to misappropriate a receipt he simply refrained from intimating its realization to the Shroff and so kept the transaction out of the accounts and retained possession of the money.

(5) With regard to the sum drawn for deposit in the Savings Bank but embezzled, the Manager was able to make away with the money because the Chairman did not discharge the duty imposed on him by rule 5 of Stokes Memo.

and see

and see that there was no undue delay in the payment of money for the purpose for which it was drawn.

6. As to the Provincial grant to the High School the money should not have been drawn at all, but it having been drawn the Chairman should have kept watch that it was credited to the Municipality.

7. As further evidence of the absence of check and control I would mention that I have ascertained from the Assistant Inspector that the cash book from April to August 1894 did not at the time of the present audit bear either the signature of the Chairman or show any other traces of having been examined by him in the manner required under rule 5 of Stoke's Memo.

Camp Nellore. } (Sd) D. J. Burbridge.
13th November 1894 } Inspector of Local
Fund Accounts.

No L.F.D./481.

Forwarded to the Chief Secretary to Government, Local

and

and Municipal Department, Fort Saint George through the Chairman Municipal Council, Karur and the Collector of Coimbatore, with the remark that it would perhaps be well if other Chairmen could be made to realize the risk that is run by neglect of precautions prescribed and disregard of responsibility.

Fort Saint George.
Accountant General's Office
23rd November 1894 } Accountant General.

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Statement I.

Revenue and Receipts of the Municipal Fund of the Town of Karur for the official year 1893-94.

Heads of Account.	1893-94. Detail of Minor Heads. RS.	A.	P.	1893-94. Totals of Major Heads. RS.	A.	P.	Revised Estimate for 1893-94. RS.	A.	P
1. Balance brought forward—									
a. Municipal Fund	2089		6	„	„	„	2090	„	„
b. Endowments	95	8	2				90	„	„
c. Water-tax Fund				2184	8	8			
Total ..				2184	8	8	2180	„	„
2. Municipal rates and taxes—									
a. Tax on arts, &c. (section 53) ..									
b. Tax on buildings (section 63) ..	3775	12	„				3800	„	„
c. Tax on lands (section 63) ..	~~310~~ 309	~~11~~ 1	~~„~~ 3				320	„	„
d. Water-tax on buildings and lands (section 75)									
e. Tax on vehicles with springs and palanquins (section 77) ..	130	8	„				150	„	„
f. Tax on animals (section 77) ..	319	12	„				400	„	„
g. Tax on carts and other vehicles without springs (section 85) ..	738	„	„				800	„	„
Includes Rs 2-12-0, being interest on overdue kists. Tolls (section 91)— 3271-„-8							4720	„	„
Gross receipts									
Less Local Fund share 1082-~~12-„~~ 5-7	2188	~~4~~ 11	~~8~~ 1						
i. Penalties on account of—									
i. Tax on carts									
ii. Tax on buildings ..									
iii. Tax on lands									
iv. Water-tax on buildings and lands									
v. Tax onvehicles, &c. ..									
vi. Tax on animals									
vii. Tax on carts, &c. ..									
viii. Evasion of tolls				7461 ~~7462~~	12 ~~15~~	4 ~~8~~			
3. Realizations under Special Acts—									
a. Pounds									
b. Ferry rents	670	12	„				960	„	„
c. Fees under Act II of 1888 ..				670	12	„			
Carried over ..				8162 ~~8133~~	8 ~~11~~	4 ~~8~~	10650	„	„

Statement II—*cont.*

Heads of Account.	1893-94.						Revised Estimate for 1893-94.		
	Detail of Minor Heads.			Totals of Major Heads.					
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
Brought forward ..				~~8133~~ 8132	~~11~~ 8	~~8~~ 4	10,650	"	"
4. REVENUE DERIVED FROM MUNICIPAL PROPERTY AND POWERS APART FROM TAXATION—									
a. i. Rent of lands									
ii. Rent of buildings ..									
iii. Avenue receipts	21	11	6				30	"	"
iv. Fees from Travellers' Bungalows									
b. i. Sale-proceeds of lands ..									
ii. Produce of lands, gardens, &c.	5	8	"				10	"	"
iii. Sale-proceeds of old materials, empty oil cans, packing cases, &c.	37	2	10				60	"	"
c. Conservancy receipts—									
Sale-proceeds of night-soil, street refuse, &c.	* 251 ~~211~~	" ~~"~~	" ~~"~~				250	"	"
d. i. Fees from educational institutions	2,001	"	9				1,900	"	"
ii. Other revenue from educational institutions ..									
iii. Sale-proceeds of books in Municipal Book Depôt ..							30	"	"
e. i. Sale-proceeds and composition fees of medicines ..									
ii. Other Hospital receipts ..									
i. Income from markets ..	(a) 475	10	3				600	"	"
ii. „ slaughter-houses.	(b) ~~361~~ 362	~~8~~ "	~~"~~ "				390	"	"
g. Other fees									
i. Distraint fees	2	"	"				30	"	"
ii. License fees	39 ~~38~~	14 ~~4~~	8 ~~11~~				100	"	"
iii. Cartstand fees	(c) 468	15	7				450	"	"
iv. Fees for extracts from Birth and Death Registers ..									
h. Fines under Municipal and other Acts	183 ~~181~~	4 ~~4~~	3 ~~3~~				130	"	"
i. Interest on investments—									
i. General, including choultries									
ii. Educational									
iii. Medical									
j. Premium on loans				3848 ~~3,804~~	3 ~~2~~	10 ~~1~~			
Carried forward ..				11980 ~~11,937~~	12 ~~13~~	2 ~~9~~	14620	"	"

* Includes 8as. Interest

(a) Includes Interest Rs 4-6-1

(b) Do. .. Rs 4-8-"

(c) Do. .. Rs 3-15-7

Statement II—*cont.*

Heads of Account.	1893-94.						Revised Estimate for 1893-94.		
	Detail of Minor Heads.			Totals of Major Heads.					
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
Brought forward ..				11980 ~~11,937~~	12 ~~13~~	2 ~~9~~	14,620	"	"
5. GRANTS AND CONTRIBUTIONS—									
a. From Government—									
i. Education—									
Normal stipends ..									
Buildings . 590-13-3 ~~630-13-3~~	214 ~~254~~	4 ~~4~~	5 ~~5~~						
Municipal Schools .. -376-8-10							680	"	"
Other purposes ..									
ii. Medical									
iii. Other purposes—									
Communications ..									
Water-supply									
Drainage									
Sanitation									
Other purposes ..	84	"	"				80	"	"
b. From Local Boards—									
i. Education									
ii. Medical	1,200	"	"				1200	"	"
iii. Other purposes									
c. Other grants and contributions—									
i. Education									
ii. Medical									
iii. Other purposes				1498 ~~1538~~	4 ~~4~~	5 ~~5~~			
6. MISCELLANEOUS—									
a. Recoveries on account of service rendered to private individuals—									
i. Private scavenging ..	24	2	6				100	"	"
ii. Other purposes									
b. Other items—									
i. Fishery rents									
ii. Refunds of Expenditure of previous year									
iii. Fee for numbering carts, &c.				24	2	6			
Carried over ..				13,503 ~~13,500~~	3 ~~4~~	1 ~~8~~	16680	"	"

Deduct amt retrenched by Acct General's ABH/1287 + ABH/1130 dated 3d July + 7th June 1893 respectively

Statement I—*cont.*

Heads of Account.	1893-94. Detail of Minor Heads. RS.	A.	P.	Totals of Major Heads. RS.	A.	P.	Revised Estimate for 1893-94. RS.	A.	P.
Brought forward ..				13503 ~~13500~~	3 ~~4~~	1 ~~8~~	16680	"	"
7. EXTRAORDINARY AND DEBT—									
a. Sale-proceeds of Government securities and withdrawals from Savings Bank.									
b. Loans—									
i. From Government ..									
ii. In the market from private individuals ..									
c. Realizations of Sinking fund for repayment of loans.									
d. Advances—									
i. Permanent ..									
ii. Others ..	1472 ~~1457~~	12 ~~13~~	7 ~~"~~	1472 ~~1457~~	12 ~~13~~	7 ~~"~~	1200	"	"
Total Receipts ..				14975 ~~14958~~	15 ~~1~~	8 ~~8~~	17880	"	"
Add opening balance ..				2184	8	8	2180	"	"
Grand Total ..				~~17142~~ 17160	~~10~~ 8	~~4~~ 4	20060	"	"

* Expenditure on toll tickets and process fees and overpayments to District Boards on account of tolls should be debited to advances recoverable in Statements II and when these are recovered, the recoveries should be credited to this head.

NOTE TO STATEMENT I.

1. Tax on arts, &c., is not levied ~~on~~ ~~the first~~ / ~~all~~ ~~classes.~~
2. Tax on buildings is levied at 6 1/4 per cent. and tax on lands at 6 1/4 per cent. of rent value. / annas 1/2 for every 80 square yards.
3. Water-tax on buildings and lands is levied at ~ per cent.
4. Tax on vehicles and animals is levied at full the maximum rates.
5. Tax on carts, &c., is levied at Rs. 4 per cart per annum.
6. Tolls are levied at 3/4 the maximum rates.
7. License-fees are levied at the rates sanctioned in G.O. No 1886 M. dated 15th November 1892
8. The house-tax registers were last revised in the official year 90-91 and the land tax registers in the official year. 89-90
9. Total extent of land assessed is 182 acres. & 60 cents.
10. The mode of estimating the annual rental of houses and lands is as follows:—

In the cases of houses and lands not actually rented out the rent as fixed on neighbouring — localities. Similarly circumstanced was taken as the basis.

STATEMENT II.

Expenditure from the Municipal Fund of the Town of Karur for the official year 1893-94.

Heads of Account.	1893-94. Detail of Minor Heads. RS.	A.	P.	Totals of Major Heads. RS.	A.	P.	Revised Estimate for 1893-94. RS.	A.	P.
GRANT I—(*Public Works*)—									
1. NEW WORKS—									
a. Communications	368 ~~380~~	5 ~~5~~	" ~~"~~				400	"	"
b. Buildings	815	9	6				800	"	"
c. Drainage	25	8	7						
d. Water-supply	~~8~~	~~"~~	~~7~~				150	"	"
e. Miscellaneous public improvements				~~1203~~ 1209	~~15~~ 7	~~1~~ 1			
2. REPAIRS—									
a. Communications	1651 ~~1639~~	13 ~~13~~	8 ~~8~~				1780	"	"
b. Buildings	~~105~~ 107	~~9~~ 9	~~6~~ 6				250	"	"
c. Drainage—									
i. Repairs to works ..									
ii. Establishment for flushing drains, &c.	1	8	"						
d. Water-supply—									
i. Repairs to works, machinery, &c.	51 ~~45~~	" ~~4~~	" ~~"~~				50	"	"
ii. Establishment									
iii. Contingencies									
e. Miscellaneous public improvements.				1811 ~~1792~~	15 ~~3~~	2 ~~2~~			
3. ESTABLISHMENT ..									
4. TOOLS AND PLANT AND OTHER STORES.									
5. CONTRIBUTIONS—									
a. To Local Boards for works ..									
b. To Provincial Funds for scrutiny of estimates, &c.									
c. To others for public works ..									
Total, Grant I ..				~~2996~~ 3021	~~2~~ 6	~~3~~ 3	3430	"	"
GRANT II—(*Education.*)—									
1. TRAINING SCHOOLS—									
a. Contributions to Local Boards ..									
b. Stipends to Normal students ..									
2. MUNICIPAL SCHOOLS—									
i. On Salary System—									
a. Establishment	1881	"	6				1920	"	"
b. Contingencies	305	12	1				260	"	"
Carried forward ..	2186	12	7				2180	"	"

Statement II—*cont.*

Heads of Account.	1893-94. Detail of Minor Heads RS.	A.	P.	1893-94. Totals of Major Heads. RS.	A.	P.	Revised Estimate for 1893-94. RS.	A.	P.
Brought forward ..	2186	12	7				2180	„	„
GRANT II—(*Education*)—cont.									
ii. On Salary-Results System—									
a. Fixed Payments	816	„	7				840	„	„
b. Results Grants	330	12	10				370	„	„
c. Contingencies	20	5	8	3353	15	8	20	„	„
3. SALARY GRANTS									
4. RESULTS GRANTS	96	5	10	96	5	10	350	„	„
5. COMBINED GRANTS—									
a. Fixed Payments									
b. Results Grants									
6. INSPECTION—									
a. Contributions to Local Boards ..	17	11	10				20	„	„
b. Municipal Inspectors—									
i. Establishment	52	„	3				120	„	„
ii. Contingencies	19	15	7 ~~11~~	89	11 ~~12~~	8 ~~„~~			
7. MISCELLANEOUS—									
a. Building, furniture, &c., grants ..									
b. Common gymnasium—									
i. Establishment									
ii. Contingencies									
c. Other items	69	8	„	69	8	„	50	„	„
Total, Grant II ..				3609	9	2 ~~6~~	3950	„	„
GRANT III—(*Sanitation and Medical Services.*)									
1. HOSPITALS AND DISPENSARIES—									
a. Establishment	1268 ~~1278~~	„ ~~10~~	7 ~~7~~				1320	„	„
b. Medicines and Supplies	566	4	11				320	„	„
c. Diet of Patients	165	13	5				200	„	„
d. Sundries and Contingencies ..	212 ~~201~~	5 ~~11~~	1 ~~1~~				200	„	„
e. Contributions to Local Boards ..	150	„	„				300	„	„
Carried forward ..				2,362	8	„	2340	„	„

Statement II—*cont.*

Heads of Account.	1893-94. Detail of Minor Heads. RS.	A.	P.	1893-94. Totals of Major Heads. RS.	A.	P.	Revised Estimate for 1893-94. RS.	A.	P.
Brought forward ..				2362	8	„	2,340	„	„
GRANT III—*Sanitation and Medical Services*—cont.									
2. *a.* CONTRIBUTIONS TO PROVINCIAL FUNDS FOR—									
i. Medical College ..	23	„	„				20	„	„
ii. Sanitary Inspection ..	44	„	„				50	„	„
iii. Medical Reserve staff ..	8	„	„				20	„	„
iv. Cutlers' Establishment ..	3	„	„						
b. CONTRIBUTIONS TO LOCAL BOARDS &C., FOR—									
i. Medical Schools ..									
ii. Reserve staff									
c. OTHER CONTRIBUTIONS				78	„	„			
3. VACCINATION—									
a. Establishment	189	„	„				220	„	„
b. Contingencies	12	9	„						
c. Contributions to Local Boards ..				201	9	„	50	„	„
4. REGISTRATION OF BIRTHS AND DEATHS—									
a. Establishment	84	„	„				90	„	„
b. Contingencies	20	3	„	104	3	„			
5. CONSERVANCY, ROAD CLEANING AND ROAD WATERING—									
a i. Establishment	2360 ~~2361~~	2 ~~1~~	7 ~~7~~				2420	„	„
ii. Other charges such as purchase or hire of carts, dry earth, purchase and maintenance or hire of bullocks, &c. ..	747 ~~757~~	7 ~~7~~	5 ~~5~~				850	„	„
b. Private scavenging—									
i. Establishment	128	7	10				130	„	„
ii. Contingencies, such as cost of scavenging carts, &c. ..									
c. Cholera charges	28 ~~38~~	10 ~~10~~	5 ~~5~~						
d. Contingencies	38 ~~40~~	12 ~~1~~	„ ~~„~~	3303 ~~3326~~	8 ~~12~~	3 ~~3~~	350	„	„
Total, Grant III ..				~~6072~~ 6049	~~„~~ 12	~~3~~ 3	6540	„	„

Statement II—*cont.*

Heads of Account.	189 -9 .						Revised Estimate for 189 -9 .		
	Detail of Minor Heads.			Totals of Major Heads.					
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
GRANT IV—(*Lighting and Miscellaneous Municipal purposes*)—									
1. LIGHTING—									
a. Establishment	263	1	10				270	„	„
b. Contingencies	523	11	11	786	13	9	600	„	„
2. i. MARKETS—									
a. Establishment	„	„	„						
b. Contingencies	~~19~~	~~8~~	~~„~~						
ii. SLAUGHTER-HOUSE—									
a. Establishment									
b. Contingencies	2	10	„	2 ~~22~~	10 ~~2~~	„ ~~„~~			
3. CHOULTRIES—									
a. Establishment	55	6	10				60	„	„
b. Contingencies	1	5	9				10	„	„
c. Feeding Travellers				56	12	7			
4. TRAVELLERS' BUNGALOW—									
a. Establishment									
b. Contingencies									
5. AVENUES—									
a. Establishment	52	5	„						
b. Contingencies	~~62~~	~~5~~	„	52 ~~62~~	5 ~~5~~	„ ~~„~~	70	-	-
6. PUBLIC GARDEN—									
a. Establishment									
b. Purchase of seeds, repair of well, purchase of bullocks, &c. ..									
7. SURVEY OF LAND									
8. FIRE—									
a. Establishment									
b. Purchase of fire-engine, buckets, repairs, &c.									
9. OTHER CHARGES—									
i. Work done for private individuals other than private scavenging									
Carried over ..				898 ~~928~~	9 ~~1~~	4 ~~4~~	1010	„	„

Statement II—*cont.*

Heads of Account.	1893-94.						Revised Estimate for 1893-94.		
	Detail of Minor Heads.			Totals of Major Heads.					
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
Brought forward ..				~~928~~ 898	~~1~~ 9	~~4~~ 4	1010	„	„
GRANT IV—(*Lighting and Miscellaneous Municipal purposes*)—cont.									
9. OTHER CHARGES—*cont.*									
ii. Rewards for destruction of wild animals and snakes ..									
iii. Printing	338	4	9				500	„	„
iv. Compensation for lands ..	132	13	2						
v. Other items { Other charges Law charges	~~115~~ 38	~~7~~ 8	~~3~~ „	509 ~~492~~	9 ~~4~~	11 ~~„~~	120	„	„
Total, Grant IV ..				~~1420~~ 1408	~~5~~ 3	~~4~~ 3	1630	„	„
GRANT V—									
a. General Establishment—									
i. Office Establishment ..	505	7	11				520	„	„
ii. Inspection	300	„	„				300	„	„
b. Collection of Municipal Taxes—									
i. Establishment	211	1	4				220	„	„
ii. Purchase of account books, paper, money-boxes, repair to out-posts, &c. ..	36	„	10				100	„	„
c. Collection of Tolls—									
i. Establishment									
ii. Contingencies	24	„	„						
d. Office contingencies other than (*b*) (ii)	342 ~~355~~	3 ~~11~~	10 ~~10~~				200	„	„
e. Contributions for Central office and Audit establishments ..	89	„	„				90	„	„
Total, Grant V ..				~~1521~~ 1507	~~5~~ 13	~~11~~ 11	1430	„	„
REPAYMENT OF DEBT—									
a. Instalments paid during the year.									
b. Invested on account of Sinking Fund (Value of securities purchased)									
c. Charges of investment ..									
INTEREST—									
a. On account of last year ..									
b. „ of current year ..									
Carried over ..									

Statement II—*cont.*

Heads of Account.	1893-94 Detail of Minor Heads. RS.	A.	P.	1893-94 Totals of Major Heads. RS.	A.	P.	Revised Estimate for 1893-94 RS.	A.	P.
Brought forward ..									
Advances recoverable—									
a. Permanent									
b. Others	224 ~~181~~	4 ~~3~~	„ ~~6~~	224 ~~181~~	4 ~~3~~	„ ~~6~~	450	„	„
Refunds of other than current collections ..									
Discount									
Pensions and gratuities									
Investments—									
a. In Government securities for purposes other than Sinking Fund									
b. In Savings Bank									
Total Expenditure ..				15,821 ~~15,800~~	„ ~~10~~	10 ~~9~~	17,430	„	„
Balances—									
a. Municipal Fund	1216 ~~1,341~~	11 ~~15~~	11 ~~7~~				2,620	„	„
b. Endowments	122	11	7				10	„	„
c. Water-tax Fund				1339 ~~1,341~~	7 ~~15~~	6 ~~7~~			
Grand Total ..				17,160 ~~17,142~~	8 ~~10~~	4 ~~4~~	20,060	„	„

NOTE TO STATEMENT II.

Position of the Municipality of ~~Ale~~ Karur *on 31st March 1894*

LIABILITIES.

	RS.	A.	P.
Balance of Loans			
Deposits to be adjusted ..	3680 ~~3,467~~	„ ~~4~~	7 ~~10~~
Other Liabilities (in detail) ..			
Total ..	3680 ~~3467~~	„ ~~4~~	7 ~~10~~

ASSETS.

		RS.	A.	P.
Municipal Balance ..	Cash	1339 ~~1341~~	7 ~~15~~	6 ~~7~~
	Securities ..	nil		
Deposit Balance ..	Cash	3180 ~~3167~~	„ ~~4~~	7 ~~10~~
	Securities ..	500 ~~300~~	„ ~~„~~	„ ~~„~~
Sinking Fund of loans				
Funded Capital of endowed institutions, Hospitals, &c.				
Total ..		~~4809~~ 5019	~~4~~ 8	~~5~~ 1
Value of Premises, &c.		7732	„	„
Do. of Tools and plant		180	„	„
Do. of Live stock				
Do. of Furniture				
Arrears of taxes, &c. .. .. (a)		4014 ~~4048~~	6 ~~9~~	8 ~~8~~
Other assets (in detail) .. ∴		~~223~~ 263	~~8~~ 8	~~„~~ „ (b)
Total ..		~~9993~~ 12,189	~~6~~ 14	~~1~~ 3
Claims—				
Advances Recoverable—				
Permanent advance		41	8	„
Advances for works, &c. ..		243 ~~181~~	14 ~~3~~	5 ~~9~~
Total ..		285 ~~222~~	6 ~~11~~	5 ~~9~~
Grand Total ..		17494 ~~10416~~	13 ~~1~~	2 ~~10~~

(a) Of this Rs 279-4-„ has been found to have been misappropriated by the Manager.

(b) . Provincial grants. 184-„-„.
Suit costs to be recovered from Gopaiyer & the ghee merchant. 79-8-„
263-8-„.

Of this sum Rs 40/ was drawn from the Taluk Treasury on the 11th December 93 but was not credited to the Municipal account. This sum being one of the items that have been misappropriated by the Manager.

Statement III.—*Municipality of* Karur. Abstract of Deposits Account for the year 1893-94.

	RS.	A.	P.		RS.	A.	P.
Balance brought forward ..	2435	10	„	1. Credited to Municipal Funds ..	571 ~~572~~	4 ~~7~~	„ ~~4~~
				2. Returned to Appellants ..	„	„	„
1. Deposits by Appellants ..				3. Do. to Renters ..	„	–	–
2. Do. by Renters ..	1695	2	2	4. Do. to Contractors ..	30	„	„
3. Do. by Contractors ..				5. Do. to Municipal Servants ..	53 ~~50~~	7 ~~„~~	„ ~~„~~
4. Do. as Security by Municipal Servants ..	203	7	„	6. Do. to Parties ..	2	„	„
5. Deposited for the execution of work for which Private Parties are liable.				7. Paid to Claimants ..	„	–	–
6. Other Deposits under the Act or bye-laws Over recovery from a Contractor to be refunded to him ..	2	8	5				
Total Receipts ..	~~1695~~ 1901	~~2~~ 1	~~2~~ 7	Total ..	~~654~~ 656	~~7~~ 11	~~4~~ „
				Balance * ..	~~3476~~ 3680	~~4~~ „	~~10~~ 7
Grand Total ..	4336 ~~4130~~	11 ~~12~~	7 ~~2~~	Grand Total ..	~~4130~~ 4336	~~12~~ 11	~~2~~ 7

Details of Balance.

	No. of items.	Year. '86'87 RS	A.	P.	No. of items.	Year. '91'92 RS.	A.	P.	No. of items.	Year. '92'93 RS.	A.	P.	No. of items.	Year. '93'94 RS.	A.	P.	No. of items.	Year. RS.	A.	P.	No. of items.	Year. RS.	A.	P.	No. of items.	Year. RS.	A.	P.	TOTAL. No. of items.	Rs.	A.	P.	REMARKS.
Appellants' Deposits ..																																	
Renters' do. ..									1	1581	4	„	6	1472	10	2													7	3053	14	2	*1500 O.S. Bank
Contractors' do. ..									2	60	„	„																	2	60	„	„	1680 „ 7 in the Treasury
Municipal Servants' do. ..					2	300	„	„					2	200	„														4	500	„	„	500 „ „ Landed
Deposits for Work ..																																	Securities
Miscellaneous Deposits, viz.	1	50	„						4	13	10	„	1	2	8	5													6	66	2	5	
Total ..	1	50	„	„	2	300	„	„	7	1654	14	„	9	1675	2	7													19	3680	„	7*	

Statement IV-A—*Municipality of* Karur. Demand, Collection and Balance Statement for the year 1893-94.

CURRENT.

Tax.	Demand as originally assessed by the Chairman.			Remitted by the Council on appeal.			Demand as finally settled (column 2 *minus* column 3).			Collected.			Remitted on account of vacant houses, &c.			Written off as irrecoverable.			Balance (column 4 *minus* columns 5, 6 and 7).			
1	2			3			4			5			6			7			8			
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.	
1. Tax on arts, &c. ..																						
2. „ on buildings ..	4011	5	6	„	„	„	4011	5	6	3641	12	6				„	9	„	369	9	„	
3. „ on lands ..	366	7	3				366	7	3	228	13 ~~7~~	9 ~~6~~							137	9 ~~10~~	6 ~~9~~	
4. Water-tax on buildings and lands ..																						
5. Tolls (gross receipts) ..	6325	„	„				6325	„	„	3162	8	„	500	„	„	~~500~~	~~„~~	~~„~~	2662	8	„	A
6. Market rents ..	577	„	„				577	„	„	463	12	„							113	4	„	B
7. Slaughter-house fees ..	390	„	„				390	„	„	357	8	„							32	8	„	C.
8. Rent of cart-stands ..	440	„	„				440	„	„	403	5	4							36	10	8.	
9. Private scavenging fees ..	95	4	„				95	4	„	7	2	„							88	2	„	
10. Rubbish Depot	250	„	„				250	„	„	190 ~~150~~	„ ~~„~~	„ ~~„~~							60 ~~100~~	„ ~~„~~	„ ~~„~~	
11. Ferries	700	„	„				700	„	„	409	8	„							290	8	„	
12. Cocoanut Tope	6	„	„				6	„	„	3	„	„							3	„	„	
13.																						
14.																						
Total	13161	„	9	„	„	„	13161	„	9	8867 ~~8826~~	5 ~~15~~	7 ~~4~~	500	„	„	„ ~~500~~	„ 9	„	3793 ~~3833~~	11 ~~8~~	2 ~~5~~	

Note A. Of this sum Rs 100/ paid into the Office by the Contractor in September 93/ was misappropriated by the manager.

B. Of this item Rs 59-4 has since been collected. The balance Rs 54 was misappropriated by the manager –

(C) Rs 20-8-- was subsequently collected. Balance Rs 12 was misappropriated by the manager

Statement IV-B.—*Municipality of* Karur.

Demand, Collection and Balance Statement for the year 1892-~~94~~93—*cont.*

ARREARS.

Tax.	Balance of old Demand.	Arrears of previous year.	Total Demand.	Collected.	Remitted.	Written off.	Balance (column 4 *minus* columns 5, 6 and 7).	Years to which the balance relates.
1	2	3	4	5	6	7	8	9
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
1. Tax on Arts, &c.								
2. ,, on Buildings	21 6 ~~0~~ 6	142 11 „	164 1 ~~„~~ 6	133 15 6	- - -	2 7 „ ~~1 14 „~~	27 11 „ ~~28 3 6~~	'90-'91 & '92-'93(a)
3. ,, on Lands	9 10 „	118 3 „	127 13 „	~~86 6 3~~ 80 3 6		„ 1 „	47 8 6 ~~41 5 9~~	'88-'89 & '92-'93
4. Water-tax on Buildings and Lands ..								
5. Tolls		105 12 8	105 12 8	105 12 8				
6. Market Rents	4 „ „	24 8 2	28 8 2	7 8 2			* 21 - -	1890-'91, 1891-'92, 1892-'93
7. Slaughter-house Fees		65 8 „	65 8 „				* 65 8 -	1892-'93
8. Rent of Cart stands		61 10 8	61 10 8	61 10 8			- - -	
9. Private Scavenging Fees	1 3 „	48 1 6	49 4 6	17 „ 6			32 4 „	'91-'92, '92-'93, '93-'94
10. Rubbish Depot.	6 12 „	80 8 „	87 4 „	60 8 „			* 26 12 „	'91-'92, '92-'93
11. Ferries		461 4 „	461 4 „	261 4 „	200 „ „			
12.								
13.	(a) As per Balance list is Rs 29-6-„							
14.	* These are fictitious balances as they appear to have been misappropriated by the manager							

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STATEMENT V.—*Abstract of transactions under Advances.*—

	RS.	A.	P.
(1) Total amount outstanding at the beginning of the year	1533	15	„
(2) Amount advanced during the year	473	10	„
Total ..	2007	9	„
(3) Amount adjusted during the year—			
(*a*) On account of advances made during the year	249	6	„
(*b*) Do. previous years	1472	12	7
Total amount outstanding at the end of the year * ..	285	6	5
Total ..	2007	9	„

Details of Balance.

1 Permanent advances.
Manager — Rs 15-„-„.
Civil apothecary - 25-„-„.
Vaccinator - .. 1-8-„. Rs 41-8-„.

1888-89
2 Unadjusted advance to Pleaders for conducting suits —— 11-2-„.

1889-'90
3. Process fees. ('89-'90) — 3-13-„.
Do — ('90-'91) — „-9-„.
Do — ('91-'92) — „-12-„.

1892-'93
4. Process fees. - . . 1-6-„
5. Unadjusted advance out of the advance of Rs 984-11-„. drawn by the Chairman on the 31st March 1893... 2-„-5. 3-6-5., 19-10-5
61-2-5.

1893-94.
6. Process fees - - 2-2-„.
7 ~~Amount~~ of Permanent advance 130-„-„.
8 Advance for Law suit (25+15) 40-„-„.
9 Excess payment to the Dt Board. on account of Loc contributions 12-2-„.
10 Amount misappropriated by the manager by altering the amounts of bills by false bills. — 40-„-„. 224-4-„
285-6-5

STATEMENT VI.

Statement of Differences—*cont.*

Head of Account.	As per Municipality's statement.	As per accompanying Report.	Difference. More or less.	Remarks.
Receipts				
1 Rates and Taxes—tax on lands.	310 11 „	309 1 3	− 1 9 9.	Due to the correct figures vide Statement IV A + IV B.
2. Tolls. L. F. Share.	1082 12 „	1082 5 7	− „ 6 5	Excess payment transferred to Advances Recoverable
3. Do Municipal Share	2188 4 8	2188 11 1	+ „ 6 5	Vide item (2) above
4. Sale proceeds of night soil Street refuse &c	211 „ „	251 „ „	+ 40 „ .	Due to the correct collection
5 Income from slaughter house	361 8 „	362 „ „	+ „ 8 „	— Do — Do
6. License fees.	38 4 11	39 14 8	+ 1 9 9	Vide item (1) above
7 Fines under Municipal and other acts.	181 4 3	183 4 3	+ 2 „ „	Due to the correct amount collected under this head.
8 Contribution from Govt for Municipal Schools	254 4 5	214 4 5	− 40 „ „	Vide item (4) above. This is one of the items embezzled by the manager.
9. Advances II others.	1457 13 „	1472 12 7	+ 17 8 „ − 2 8 5	Due to the adjustment. Vide remarks in the Statement V that accompanied the report for 1892-93. Erroneous Excess recovery transferred to Deposit.
10. Total Receipts	14958 1 8	14975 15 8.	+ 20 6 5 − 2 8 5	} vide items (2), (5), (7) + (9) above.
Charges.				
Grant I				
11 New works, Communication	380 5 „	368 5 „	− 12 „ „	Due to correct classification
12. Do Water supply.	8 „ 7	25 8 7	+ 17 8 „	Due to the adjustment vide item No (9) above.
13 Repairs—Communications	1639 13 8	1651 13 8	+ 12 „ „	Vide item No (11) above.
14 Do. Buildings	105 9 6.	107 9 6.	+ 2 „ „	Due to correct classification (item 23)
15 – Do Water Supply Repairs to works, machinery &c	45 4 „	51 „ „	+ 5 12 „	Due to Do (items 21 + 26).
Grant III. Hospitals + Dispensaries.				
16 Establishment.	1278 10 7	1268 „ 7	− 10 10 „	} Due to correct classification
17 Sundries + Contingencies	201 11 1	212 5 1	+ 10 10 „	}

STATEMENT VI—*cont.*

Statement of Differences—*cont.*

Head of Account.	As per Municipality's statement.	As per accompanying Report.	Difference. More or less.	Remarks.
8. Conservancy Establishmt	2361 1 7	2360 2 7	− 0 15 „	Due to correct classification
19. Other charges such as purchase or hire of carts &c	757 7 5	747 7 5	− 10 „ „	} Transferred to advances recoverable being the amounts embezzled by the manager.
20 Cholera charges.	38 10 5	28 10 5	− 10 „ „	}
21 Contingencies	40 1 „	38 12 „	+ „ 15 „ − 2 4 „	Vide item No (18) above. Vide item (15) above.
Grant II.				
22. Inspection (b), II Contingencies.	19 15 11	19 15 7	− „ „ 4	Excess charge reduced.
Grant IV.				
23. Markets. Contingencies	19 8 „	„ „ „	− 17 8 „ − 2 „ „	Due to correct classification. Do Do—Vide item (14) above.
24 Avenues. Contingencies	62 5 „	52 5 „	− 10 „ „	Transferred to advances recoverable being the amount embezzled by the manager.
25. Other items—other charges.	115 7 3	132 13 2	+ 17 8 „ − 0 2 1	Vide item No (23) above. Transferred to advances recoverable
Grant V.				
26 (d) Office contingencies	355 11 10	342 3 10	− 3 8 „ − 10 „ „	Transferred vide item (15) above. Transferred to advances recoverable being the amount embezzled by the manager.
27 Advances Recoverable. — Others	181 3 6	224 4 „	+ 40 „ „ + 3 „ 6.	Vide items (19), (20) (24) + 26 above. Due to ~~the~~ correct outstanding balance under this head. Vide also items (2)-(5) (7) + 26 above.
28. Closing Balance	1341 15 7	1339 7 6	+ „ „ 4 − 2 8 5	Vide item (22) above Transferred to deposits vide item No (9) above
Deposits				
Receipts				
29. Security by Municipal Servants.	„ „ „	203 7 „	+ 203 7 „	Due to adjustments made. Rs 200 being the amounts of the cash Security of the Bill Collectors + Rs 3-7-0 is the amount realized on the amount deposited in the Savings Bank

STATEMENT VI—*cont.*

Statement of Differences—*cont.*

Head of Account.	As per Municipality's statement.	As per accompanying Report.	Difference. More or less.	Remarks.
30. Other Deposits (Over recovery from Contractor B. Venkitaramanadyer).	" " "	2 8 5	+ 2 8 5	Transferred to this head vide item (9) above. to be refunded to the contractor.
Charges				
31 Credited to Municipal Fund.	572 7 4	571 4 "	-1 3 4	Due to the Correct figure Credited in the account. The item in question should be paid to the District Board + not to be credited as per remarks in the Statement III that accompanied the audit report for '92-'93
32. Returned to Municipal Servants.	50 " "	53 7 "	+3 7 "	Due to the correct figure vide also item No (29) above
33. Closing Balance.	3476 4 10	3680 " 7	+203 11 9	Due to the above items.
Statement IV. A.				
34. Tax on lands. Amount Collected (Column 5)	228 7 6	228 13 9	+ " 6 3.	Due to the Correct amount collected.
35 Rubbish Depot col.5	150 " "	190 " "	+40 " "	Vide item (4) above.
36. Do Balance.	100 " "	60 " "	-40 " "	Vide item (35) above.
37. Tax on Buildings (col 7)	" 9 "	" " "	- " 9 "	Due to wrong classification vide item (39) below. Statement IV B.
Statement IV B.				
38. Tax on Buildings (Col 2) Balance of old Demand	21 6 "	21 6 6	+ " " 6.	Due to correct balance adopted-
39. Tax on Buildings (Col 7)	1 14 "	2 7 "	+ " 9 "	Vide item (37) above

Statement VI—*cont.*

Statement of Differences—*cont.*

Head of Account.	As per Municipality's statement.	As per accompanying Report.	Difference. More or less.	Remarks.
40. Tax on lands (Col 5)	86 6 3	80 3 6.	-6 2 9	Due to the incorrect figure adopted in the Statement by the Chairman.
41. Do (col 8).	41 5 9	47 8 6	+6 2 9	

Recd. 2050
24-11-94

LOCAL FUND (1894) DEPARTMENT.

(In G.O. 1197.M
25-7-95)

From

THE ACCOUNTANT-GENERAL,

MADRAS,

Rno. 474
K.M.C.

To

THE Chief Secretary to Government, Local and Municipal Department, Fort Saint George, through the Chairman Municipal Council, Karur and the Collector of Coimbatore

No. L.F.N / 481

Dated 23rd } November 1894.
Received }

COLLECTOR'S OFFICE
24 NOV. 94
COIMBATORE.

No.

Subject.

Forwarding, with remark, report on the Audit of the Accounts of the Karur Municipality for 1893-94

Forwarded to the Chairman, Karur Municipal Council, through the Sub Collector of Coimbatore.

Coll^r

26 11 94

DISTRICT MUNSIFF'S COURT,
29 AUG. 96
KARUR

24-12-94

2203 / C.R 7/94 / 80

Exhibit 12 in C.C. 50 / 96

L. G. MOORE.
31 OCT. 96

5/12/94

Forwarded.

La. 371/982/1894

26 May

562 / 96

TO BE RETURNED
~~WITH REPLY.~~

R

DISTRICT MUNSIF'S COURT OF KARUR.

No. 562 of 96.

~~Produced on the~~ 29 8 96

from the under secretary P.W.D. Madras

7 96

R

District Munsif

The Audit Report for 1893-94 has been taken out from this file.

In the Sessions Court,

Coimbatore Division.

:o:

THE 9TH DAY OF OCTOBER, 1894.

:o:

PRESENT:

THOMAS WEIR, Esq.,

Sessions Judge.

SESSIONS CASE NO. 72 OF 1894.

(REGISTER CASE No. 3 OF 1894,
Committed by the Joint Magistrate of Coimbatore,
Coimbatore District).

QUEEN EMPRESS OF INDIA *Versus*	Vencatanarayana Iyer. Defended by Messrs. Gooch and C. M. Padmanabhachar, Vakils.
OFFENCES	(1) Criminal breach of trust by a public servant. (2) Forgery, Sections 409 and 465, I. P. C.
OPINION OF ASSESSORS { 1 Christian. 1 Brahmin. }	Guilty.
FINDING OF JUDGE...	Concurred.
SENTENCE...	Four (4) Years' Rigorous Imprisonment for the offence under Sec: 409, I. P. C., and two (2) Years' Rigorous Imprisonment for the offence under Section 465, I.P.C. The sentence in the latter case (2 years) is to take effect after the expiration of the former.

JUDGMENT.

The accused, Vencatanarayana Iyer, was until recently, the Manager of the office of the Karur Municipal Commission. As such he was a public servant in the eye of the law [Section 21 (10) I. P. C.] being entrusted with public money and responsible both in virtue of his office and by special covenant, (Exhibit P) for the due administration of the same.

2. He is charged in the first place with the offence of criminal breach of trust by a public servant in respect of the following 3 items which came to his hands as Manager of the Municipality :—

(1) Rs. 100, paid on account of instalment of Toll-kists by 3rd witness Narasimha Chetti, on the 17th September 1893.

(2) Rs. 40, disbursed from the Taluq Treasury to the Municipality on account of School Grant, Provincial Funds, on 11th December 1893.

(3) Rs. 10, being an excess charge drawn under the pretext of cholera expenses on 6th and 12th February last.

3. The accused is further charged with having committed a series of forgeries in connection with, and for the purpose of concealing, the misappropriations committed by him in respect of the 2nd and 3rd items above stated.

4. Certain further charges of criminal breach of trust and forgery which formed part of the original indictment sent up by the Committing Magistrate were, under the orders of the Court, made before the commencement of the trial, allowed to stand over to form the subject, if necessary, of a subsequent trial—in the view that these further charges related to matters, which formed an entirely different transaction from the transaction in the charges just stated (Section 235, Criminal Procedure Code, and Judgment of the High Court in Criminal Revision case 582 of 1883 reported in Criminal Rulings, page 892).

5. It will be convenient at the outset to state who the several witnesses examined on behalf of the prosecution are and to indicate very briefly the general nature of their evidence.

6. The 1st witness, Krishna Aiyar, is the Tahsildar of Karur and the present Chairman of the Karur Municipality. He assumed charge of the Municipal office as recently as 18th August last. He conducted an inquiry, in conjunction with the Auditor, 2nd witness, into the affairs of the Municipality and, in the result, formulated charges against the accused.

7. This witness produces in Court Exhibits A to P, of which the following is a description :—

(1). Exhibit A— receipt for Rs. 100 in the writing of the accused dated 17th September, 1893.

(2). Exhibit B—receipt for Rs. 527-1-4 on account of Toll-kists granted by accused to 3rd witness, Narasimha Chetti, on 13th December, 1893.

(3). Exhibit C—Taluq chittah showing Rs. 40 paid from the Treasury on account of Provincial grant, *i.e.*, School-grant on 11th December, 1893.

(4). Exhibit D—Taluq Shroff's chittah showing that the Rs. 40 was paid to Municipal Peon, 7th witness, on 11th December 1893.

(5). Exhibit E—Municipal chittah showing that the Rs. 527-1-4 acknowledged under Exhibit B was duly credited in the Municipal accounts on account of Toll-kists under date, 13th December, 1893.

(6). Exhibit F—Municipal cash-book containing an entry of Rs. 487-1-4 only as received on account of Toll-kists, and of Rs. 40 as received on account of School-grant on 13th December, 1893.

(7). Exhibit G—a Chellan showing that the sum remitted to the Treasury on account of Toll-grants was stated to be Rs. 527-1-4 (in two items) and not Rs. 487, dated 14th December, 1893.

(8). Exhibit H—an entry in the Municipal Chittah, showing a sum of Rs. 194-8-0 received on account of Ferry-kists and of Rs. 40 received on account of Toll-kists for September, on 24th January, 1894.

(9). Exhibit J—a Chellan showing that the amount remitted to the Treasury on account of Ferry-kists is stated to be Rs. 234-8-0 (and not Rs. 194-8-0) on 24th January, 1894.

(10). Exhibit K, a bill of expenses incurred on account of cholera amounting to Rs. 16-10-5 and dated 29-1-94.

(11). Exhibit L — *Agenda* paper of the Karur Municipal Council Meeting on 1st February 1894, in accused's writing containing an entry regarding the expenditure sanctioned on account of cholera expenses.

(12). Exhibit M—printed copy of the Proceedings of the Municipal Council Meeting, dated 1st February, 1894, showing, among other matters, the total expenditure sanctioned.

(13). Exhibit N—counter-foil of cheque No. 150, dated 6th February, 1894, showing that the sum of Rs. 16-10-5 was drawn by accused on account of cholera expenses, and that two items aggregating Rs. 10 were struck out of the amount of the cheque.

(14). Exhibit O—counter-foil of cheque No. 151, dated 12th February 1894, showing that the two items aggregating Rs. 10 which were struck out of cheque No. 150 (Exhibit N) were drawn on 12th February, 1894 by accused.

(15). Exhibit P—a security bond, dated 31st May 1893, executed by accused mortgaging landed property for the due performance of his duties.

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8. The 2nd witness, Mr. Govindan, was Assistant Inspector of Local Fund Accounts. He audited the accounts of the Karur Municipality for the year 1893—94 and discovered the irregularities which led to the present trial.

9. The 3rd witness, Narasimha Chetty, was agent of the contractors for the Karur Municipal Tolls. He deposed to the payments by him to the accused of the sums acknowledged in the receipts, Exhibits A and B.

100

10. The 4th witness, Venkataramana Iyer, was the contractor of the Karur ferry Tolls. He deposed to the payment of a sum of Rs. 234-8-0 to the accused on account of Ferry-tolls, on 23rd January, 1894, and produced his account book (Exhibit Q) in support of the same.

11. The 5th witness, Kolandai Velupillai, was the Shroff of the Karur Municipal Office. He depose to the course of business in the office and to the writing in Exhibits E, F, G, J, H and K.

12. The 6th witness, Rajagopal Chetti, was the Shroff in the Taluq Kacheri. He deposed to Exhibit D and to the payment of Rs. 40 therein entered to the 7th witness—the Municipal Peon.

100

13. The 7th witness, Latchma Naidu, was the Peon of the Municipal Office. He stated that it was his duty to take all sums remitted to or from the Taluq Treasury. He would leave all monies he brought to the Municipal Office on the table of the Manager (accused).

14. The 8th witness, Srinivasa Iyengar, was the Ex-Chairman of the Municipal Council. He had held office from July 1891 to July 1894. He deposed to Exhibits E to P and in regard to the course of business in the Municipal Office. This witness was severely cross-examined with the object apparently of showing that he himself was responsible for the misconduct attributed by the prosecution to the accused.

100

15. 9th witness, Ramasami Chetti, was a trader. He gave evidence that he sold tar to the accused on 4 occasions last year to the value of Rs. 4.

16. 10th witness, a Shroff in the Taluq Kachéri, Vasudéva Iyer, deposed to the payment of amount of the cheque, Exhibit N, to the Municipal Peon, 7th witness.

17. 11th witness, Subba Rao, was Chairman-delegate, for a time, of the Municipal Council after 8th witness ceased to be Chairman. He, on being examined by the defence, deposed that he found a number of vouchers on taking charge of the Municipal office: these were all filed and were left for a time in the keeping of the accused — but were found to be missing some time afterwards.

100

18. 12th witness, Mr. Shekaran, Apothecary and a Municipal Councillor, examined by the defence, stated that, on one occasion, he saw the Ex-chairman receive a sum of Rs. 3 from the Manager, accused.

19. The accused, at the close of the evidence for the prosecution, voluntarily made a lengthy statement setting out his defence in regard to the several items of the charge. His statements will be noticed in their appropriate place in connection with the evidence relating to the several items.

100

20. The case, involving as it does, a large amount of oral evidence and an examination of numerous Exhibits and entries in accounts, appears, at first sight, somewhat complicated, but it is, to some extent, simplified by certain admissions made by the accused himself which will hereafter be noticed.

21. As regards the first item of the charge, *viz.*, the sum of Rs. 100, received on 17th September, the case is comparatively simple.

100

The 3rd witness, Narasimha Chetti, deposes that he paid the Rs. 100 in question to the accused on 17th September 1893, and got from him Exhibit A, as a receipt. It is remarkable that this document (Exhibit A) does not state the name of the payer—nor the purpose for which the payment was made. It is also noteworthy that it bears no receipt stamp. In itself, therefore, it seems of little probative value. The accused, however, admits that he executed the document to 3rd witness, Narasimha Chetti, but alleges that the money was not received on account of any public purpose, but was borrowed by him from 3rd witness in order to pay off, in part, a promissory note for Rs. 500, executed by the Ex-chairman of the Municipality, 8th witness. This is, of course, denied by the Ex-chairman as 8th witness for the prosecution. The evidence on the subject will more conveniently be discussed in a later part of this Judgment. It is sufficient to state in the meantime that the execution of Exhibit A and the receipt of the money are admitted by the accused and that it is proved and also admitted that the sum was never entered by accused as received in the Municipal accounts.

100

No charge of forgery arises therefore in respect of this particular item.

22. The circumstances connected with the second item alleged to have been embezzled are of a more complicated character.

23. On the 11th December 1893, a sum of Rs. 40 was paid out of the Taluq Treasury to the Municipality on account of School-grant. The payment is proved by Exhibits C & D and by the 6th witness, and the money is also admitted by the accused to have come to his hands through the Municipal Peon, 7th prosecution witness.

100

24. The case for the prosecution is that this money should, in the first instance, never have been drawn at all in the form of a cash-payment by the Municipality, but should have been simply dealt with by a paper adjustment of accounts—(2nd witness, the Auditor's evidence) but that, having been drawn, it ought to have been duly accounted for in the Municipal Chittah and Cash-book and that, as a matter of fact, it has never, up to the date of the Auditor's examination, been accounted for.

25. It does, however, find a temporary place in the accounts under circumstances which give rise to the first in the alleged series of forgeries as will now be seen.

100

26. On the 13th December 1893, the 3rd witness, Narasimha Chetti, paid, according to the case for the prosecution, a sum of Rs. 527—1—4 to the accused as Manager of the Municipality on account of instalment of Toll-kist. The payment is acknowledged by Exhibit B.

27. This document—differing therein from Exhibit A—does state the name of the payer and the purpose for which payment is made. It resembles Exhibit A, however, in one respect, *viz.*, that it is unstamped.

100

28. The payment of the full sum of Rs. 527—1—4 is also duly entered in the Municipal Chittah, Exhibit E, under date 13—12—93.

29. In the Municipal Cash-book, however, under the same date, the following entry marked as Exhibit F, is found—

13–12–93—Toll-kist for August balance and September—Rs.487-1-4.
Provincial grant on account of High School—Rs. 40-0-0.

The figures 4 and 8 in the first entry have obviously been altered after an erasure, seemingly, of the figures 5 & 2 and the entry of Provincial grant Rs. 40 is an apparent interpolation.

100

This is the first of the alleged forgeries.

30. In support of the fact that the payment made on account of toll-kists by 3rd witness was actually 527–1–4 and not Rs. 487 as entered in Exhibit F, the Chellan Counter-foil, Exhibit G, which is in the writing of the Shroff, 5th witness, is produced as corroborative evidence. The note of particulars of remittance entered on the back of Exhibit G, shows that out of a total sum of Rs. 837–12–4 remitted to the Treasury on 14th December 1893, Rs. 527-1-4 were on account of toll-kists.

100

31. The accused, it may here be stated, admits that the entry in Exhibit F was altered by him. His defence will be stated and considered later on.

32. The above transactions (viz., Exs: B, E, F and G) occurred in December 1893.

Proceeding to January 1894, we find in the Cash chittah under date of 24th January 1894

Ferry rents for the 1st and 2nd quarters ... ... Rs. 194—8—0

Just above this entry and obviously interpolated is the entry

Balance of Toll-kists for September ... ... Rs. 40—0—0

100

The above entry is marked as Exhibit H. The Cash-book of the same date contains a similar entry. Both in the Cash-chittah (Exhibit H) and in the cash-book the figures 1, 9 and 4 are obvious alterations after erasure—and the entry as to Rs. 40 for toll-kist is an obvious interpolation. This is the second of the alleged forgeries.

100

33. The ferry-contractor—Vencataramana Aiyar—4th witness—swears that he paid Rs. 234–8–0 which was exactly the half of his whole year's kist to the accused on the 23rd January 1894 and he produces his account-book in support of his statement. The entry is marked as Exhibit Q—it is as follows:—

January 23. 'Two kists paid—Rs. 234–8–0.'

100

34. In this case again, as in the case of the earlier transaction of December 1893, the Chellan-book is put forward to show the falsity of the entry in the account (marked Exhibit H). The latter, *i.e.*, the Chellan marked Exhibit J shows that the amount paid in and entered as remitted to the Treasury on account of toll ferries was, as alleged by the prosecution, Rs. 234–8–0 and not Rs. 194–8–0 as represented in the entries in the two account-books, under date, 24th January.

35. The accused admits that, in this case also, he altered the entry in the accounts from Rs. 234-8-0 to Rs 194-8-0. His explanation in regard to these two admittedly altered entries must now be stated.

100

36. As regards the entry of Rs. 487 instead of Rs. 527-1-4, Exhibit F, his explanation is as follows—He (accused) had been obliged to borrow Rs. 40 from 3rd witness, Narasimha Chetti, on account of the Ex-chairman, Srinivasa Iyengar, and in order to pay the latter's share in a chit or lottery transaction; that, when 3rd witness came afterwards to pay his kists in December 1893, he (3rd witness) insisted on being repaid the Rs. 40 or being credited with the amount and accordingly asked for a receipt for Rs. 527-1-4. Accused relied on

the Ex-chairman repaying the Rs. 40—and accordingly gave a receipt for Rs. 527-1-4. The Ex-chairman, however, did not repay. Accused then got back the receipt (Exhibit B) for Rs. 527-1-4. (This last statement, it may be noted, is apparently falsified by 3rd witness' and 1st witness' evidence, inasmuch as the former produced Exhibit B to the latter). Just at this juncture, the Municipal Peon (7th witness) brought the Rs. 40 on account of School-grant saying the Chairman had got it on account of Salary Grant Bill. The accused then continued—'when the Toll-contractor brought the money, the Shroff 'entered Rs. 527-1-4 on 13th December 1893. As Rs. 40 was not really paid 'by Narasimha Chetti, during the course of my inspection (of accounts) I struck 'Rs. 40 out of the original entry and entered Rs. 40, grant for provincial funds.' 'This was done with a good intention and not to defraud the Municipality.'

37. As regards the Ferry-Toll Transaction of Rs. 234-8-0, the accused's explanation is this.

The Ferry-Toll-contractor, 4th witness, Venkataramana Aiyar—had entered into a chit or lottery transaction with one Krishnaswami Naidu (1st defence witness) and had paid 2 instalments. Venkataramana Aiyar, 4th witness, thereupon, wished to get out of the transaction and stopped payment. Some dispute arose—Krishnaswami Naidu, the chit-holder offered to let 4th witness off provided the latter made him a loan of Rs. 60. The loan was arranged accordingly.

Furthermore, Krishnaswami Naidu asked accused to repay to 4th witness the amount of the 2 instalments which the 4th witness had paid to the chit. Accused promised accordingly to repay to 4th witness this Rs. 40. After this, when the 4th witness, Venkataramana Aiyar, brought his kists in the month of February, he (4th witness) wanted accused to pay up the Rs. 40 and 4th witness accordingly only paid Rs. 194-8-0 on account of the kists. Accused, having no money at the time, said he would pay the Rs. 40 afterwards and the 4th witness promised to send the Rs. 40 from his house. Accused then states—'as he (4th witness) failed to send the Rs. 40, I sent word to Narasimha Chetti—'the toll-contractor—to pay the Rs. 40 as a loan. 'He sent the Rs. 40 and 'asked that it should be credited to tolls only. 'He asked for a receipt for the 'Rs. 40. So I had to strike off the Rs. 234-8-0 and to enter Rs. 194—8—0 'as being the real amount paid. 'The Rs. 40 was credited to tolls.' 'This '*correction* was also made with a good intention.'

38. The case as regards the third item must now be stated.

39. Exhibit K is a bill for Cholera charges, dated 29th January 1894. The evidence is that the bill generally is in the writing of the accused and the declaration to the effect that the expenditure incurred was unavoidable is certainly signed by the accused.

40. The bill K has obviously been altered in the following respects. The item 'cost of tar'—which, it is clear, originally stood as Rs. 5—0—3 has had the figure 1 prefixed to the 5 making Rs. 15. The figure 1 has also presumably, although not so clearly, been prefixed to the original total of 6. Rs.~~16~~-10-5 making the total Rs.16-10-5 and in the part of the bill denoting the the total amount in words—'ten' has very obviously been written after the word 'six.' There are therefore in the bill three alterations, two at least of which, are apparent on the face of the document. This is the third of the alleged forgeries.

41. That the alterations in the Bill (K) must have been fraudulent is shown by Exhibits L, M, N and O.

42. Exhibit L is the *agenda* paper of the Municipal Commission meeting of 1st February 1894. The *agenda* are in accused's writing. Item (h) therein, viz., 'bill for cholera charges' has obviously been altered from Rs. 6-10-5 to Rs. 16-10-5.

43. That this is so is further supported by the fact that the official printed report of the Proceedings of the Municipality (Exhibit M) shows a total expenditure sanctioned of Rs. 590-3-5 only, whereas if Rs. 16-10-5 (the obviously altered figures in Exhibit L) is taken as correct, the expenditure amounts to Rs. 600-10-5.

44. Further corroboration is afforded by the cheque-book, Exhibit N, which is dated 6th February 1894. On the back of the counter-foil the item of cholera charges was originally, it is clear, Rs. 6-10-5. This has been altered into Rs. 16-10-5 while to make the total amount tally 2 items of Rs. 5-8-0 and Rs. 4-8-0 respectively are struck out. The striking out is clearly the act of the accused—being effected *in blue ink*—and the fact as regards the first of the 2 items struck out being stated below in a note in blue ink which is clearly in accused's writing.

45. Finally, it is shown that the accused did not forego the amount of the 2 items temporarily struck out of Exhibit N. Exhibit O, a cheque which is dated 12th February 1894, shows that these 2 items were included in the amount drawn on that date. The entry on the back of the cheque is in the blue ink already referred to.

46. As regards this part of the case, the accused's defence is simply that the expenditure, viz., Rs. 16-10-5 was actually incurred, sanctioned by the Council and passed by the Ex-chairman.

47. The above is a sufficient statement of the case omitting the evidence for the defence—which will be referred to in its appropriate place.

48. It has already been indicated (para 14) that the defence in cross-examination of the 8th witness and indeed throughout the trial took up the

line of attacking the character and conduct of the Ex-chairman with the object of suggesting that he was responsible for the delinquencies imputed to the accused.

49. Although the cross-examination was, in no way, checked, the Court felt called upon to intimate more than once that the line of defence adopted was irrelevant. It was intimated that, granting that there was gross carelessness in supervision and possibly something worse on the part of the Ex-chairman, the fact of such carelessness could not exonerate the accused. It was not the case of the defence that the sums in regard to which the charge was framed found their way into the hands of the Ex-chairman—or were misappropriated by him—nor was there any suggestion that the alterations in the accounts were the work of the Ex-chairman.

50. The case for the defence is briefly this :—

(1) as regards the sum of Rs. 100 acknowledged under Exhibit A—that the money was borrowed for, and spent on behalf of, the Ex-chairman,

(2) as regards the deduction of Rs. 40 from the amount of the Toll-kists (Rs. 527-1-4) and from the Ferry-kists (Rs. 234-8-0), that the deduction and alteration of the accounts were necessitated by two chit transactions, in the former of which, the Ex-chairman was interested, and in the latter, the Ferry-contractor, 4th witness,

(3) that, as regards the cholera charges, the expenditure of Rs. 16-10-5 was really incurred.

51. As regards the first matter, while it was shown by the 8th witness' cross-examination and by Exhibit II, that the 8th witness had borrowed Rs. 500 under a Promissory note from one Pattabhi Chetti on 19th August 1893—it was also shown by endorsements on the back of the Promissory note (Exhibit II) that the amount was repaid in full on the following dates: Rs. 250 on 29—8—93, Rs. 250 on 12—9—93. No reason was shown for distrusting the genuineness of these endorsements.

52. The defence case, therefore, that the Rs. 100 was borrowed from 3rd witness on 17—9—93 to repay an already discharged balance of Rs. 250 and of the accused making up the remaining Rs. 150 from his own pocket (a most improbable statement having regard to his admittedly embarrassed circumstances) is clearly refuted.

53. For the rest—the receipt A is in accused's writing—and the accused admits the receipt of the money (although not for the purpose alleged by the prosecution) from the 3rd witness.

The latter, 3rd witness, had no concern with the Municipality except as Agent of the Toll-contractors.

In these circumstances and notwithstanding the unsatisfactory character of the document itself—I hold that the charge regarding this item is clearly established against the accused.

54. As regards the second item, viz., the Rs. 40, there is evidence on the part of the defence that the Ex-chairman was concerned in a chit transaction along with the accused—and that the latter made a payment of some Rs. 67 in this connection on account of the Ex-chairman (2nd defence witness' evidence and Exhibits V & VI). The evidence, however, carries the defence no further than the fact of the Chairman's concern. The Chairman, viz., 8th witness for the prosecution, while admitting his concern in the chit, denied that accused made any payment for him.

55. There is also evidence that the 4th prosecution witness—the Ferry-contractor—was concerned in another chit transaction in which accused was also concerned (1st defence witness' evidence). The accused's assertion, however, that he was asked by the holder of the chit (1st defence witness) to repay Rs. 40 on account of instalments to 4th prosecution witness is not supported by the defence evidence. On the contrary, the 1st defence witness asserted emphatically that he never asked the accused to repay the money—but that he himself and his brother executed a Pro-note for the amount and that he himself repaid it.

56. The defence, therefore, such as it is on these two matters, is not established and in respect of one item, it is, it may be said, refuted.

56 (*a*) It is scarcely necessary to observe, however, that the defence even if it were reliably proved, amounts to no defence at all.

The accused's private obligations under the two chit transactions—assuming them to have existed—afforded, of course, no justification whatever for his receiving, while granting a full receipt, an amount less than what was really due from the Toll and Ferry contractors—: if he did so, he clearly defrauded his employers and through them the public in the most unmistakeable manner.

57. There is no reason whatever, however, to believe that the contractors paid any amounts less than what were really due—Exhibits B, E, G, J & Q are very strong evidence to the contrary. Sums representing in the aggregate Rs. 705—9—4 (viz., Rs. 527—1—4, Rs. 234—8—0 and Rs. 40) were, it is clearly shown, paid on account of public purposes and the latter amount, viz., Rs. 40, was never really brought to account—while the juggling entries of the 13th December 1893 (Exhibit F) and of 24th January 1894 (Exhibit H) were made to conceal the fraud.

58. The accused is, therefore, I hold, clearly proved to have misappropriated the amount of Rs. 40 which forms the second item of the charge.

59. As regards the charge of forgery arising in connection with this part of the case, the accused is also clearly guilty. He admits himself that he made the entries and alterations in the accounts (Exhibits F & H).

The necessity of discussing the evidence as to the same being in his hand-writing is thereby obviated. The evidence was, however, it may be said, sufficiently clear. 100

60. The object of the alterations was clearly dishonest and fraudulent, viz., to defraud the Municipality and the alteration was the alteration of a document in a material part. The alteration, therefore, amounted to a forgery (Section 464, second part, I. P. C.) and I, accordingly, find the accused guilty also of forgery in connection with this part of the case.

61. Proceeding now to the third item of the charge, it is clearly shown by Exhibit M, taken along with Exhibit L, that the amount sanctioned by the Municipal Council on account of Cholera charges was only Rs. 6—10—5 and it is shown by Exhibit N that the accused drew Rs. 10 in excess of that amount on account of such charges. 100

The bill—Exhibit K—has clearly been altered, on the face of it, in material parts and the proceedings of the council—Exhibit L—has also clearly, on the face of it, been altered as regards the figure 16.

The body of the latter document, *i.e.*, the Agenda paper—Exhibit L—is proved to be in the writing of the accused—and the body of the writing in Exhibit K is also proved to be the writing of the accused. The signature on the back is admittedly the accused's—and the inference is, on the whole, irresistible that the material alterations in Exhibit K and in Exhibit L were made by the accused and were supported afterwards by the alterations made by the accused in the note of particulars on the back of the cheques, Exhibits N and O. 110

62. The accused is, therefore, clearly proved to have committed criminal breach of trust and a series of forgeries in respect of this transaction also. 100

63. The Assessors who were men of education and superior intelligence unhesitatingly found the accused guilty in respect of all the charges.

64. For the reasons stated, I convict the accused of the offences charged, *viz.*, of offences under Sections 409 and 465 of the Indian Penal Code.

65. The offence, involving as it does, a great breach of public trust, is of a serious character and calls for a severe punishment.

The evidence of the auditor, 2nd witness—affords grounds for believing that the amount of public money embezzled has been very considerable, viz., Rs. 1145-13-10. A person who abuses the trust placed in him for the purpose of defrauding the public is, in my opinion, a much more culpable and more dangerous criminal than on ordinary robber or forcible despoiler of goods. Against the latter, civil society can, for the most part, take effective precautions —but, by reason of the element of treachery involved, it is difficult for society to protect itself against the latter. 100

66. Having regard to section 35 of the Code of Criminal Procedure, and the decision of the High Court in I. L. R., XII, Mad: 36, I pass sentence on the accused as follows:— 100

For the offence under Section 409 of the Indian Penal Code, the accused is sentenced to be rigorously imprisoned for four years, and for the offence under Section 465 of the Indian Penal Code, he is sentenced to be rigorously imprisoned for two years. The sentence under Section 465, I. P. C., will commence after the expiration of that under Section 409, I. P. C.

NOTE.—Under section 240 of the Criminal Procedure Code, the Public Prosecutor is allowed, on his application, to withdraw the remaining charges against the accused.

100

Pronounced in open Court, this 9th day of October, 1894.

True copy
(Signed) T. WEIR,
Sessions Judge.

Deputy

To,

The Registrar of the High Court of Judicature, Appellate side, Madras.

„ District Magistrate, Coimbatore, with ( ) spare copies.

„ Superintendent of Police, Coimbatore, with ( ) spare copies.

„ Prisoner.

35

B 14/11/54

7/28

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SUPERINTENDENT.

Proceedings of the Municipal Council Karur at the meeting dated 6th Decr 1894

Present

H. Q. D. Harding Esqr Ex officio.
Mr Rry S. Krishna Aiyar avl Chairman
Rev. James Lewis.
Mr Rry S. Munisawmi Naidoo Garu
" A Muthu Naidoo Garu.
" A Krishna Rao avl
" Venkatachalam Pillai avl
" L Kuppu Rao avl
" Gulam Dastagir Sahib Gori avl

1. Read audit notes of the Karur Municipal Council for 1893-1894. and audit report for 1893-1894.

The defects pointed out will be rectified and the instructions given will be attended to. The amount embezzled will be recovered from the Manager, but if the amount cannot be

Ent'd Regl No 97
24-12-94

be recovered from him, it will be recovered from the Ex-chairman K. Streenivasa Iyengar.

× × × ×

(True Extract.)

(Ed)

Karur Mpl. Office }
17 — 12 — 94 }

Chairman

1/28

Local & Municipal Dept.
No 2 CURRENT No. 28 M. 24-12-94

Submitted to the Chief Secretary to Government, Local and Municipal Department, through the Revenue Divisional Officer and the Collector of the District.

2. In addition to the sum of Rs. 1145-13-10 referred to in para 8. of the auditor's report, Rs 25-..-.. have also been collected by the late Manager from the Contractor of the Karuppayee Kovil Ferry for 1893-94 and misappropriated by him. The Contractor has got a receipt given to him for the amount, and he declines to pay up the amount. The total amount of the embezzlement is therefore Rs 1170-13-10.

3. The Manager has been convicted and sentenced to six years' rigorous imprisonment by the Sessions' Court of Coimbatore for Criminal breach of trust + forgery. A Copy of the judgment of the Sessions Court in Register Case No. 3 of 1894, in which the manager was tried, is herewith Submitted for perusal.

4. A Copy of the resolution of the Municipal Council dated 6th December 1894, on the report of the Auditor, is also herewith Submitted.

5. The Report of the Auditor discloses a state of things which, but for dishonesty, would not have been serious.

6. The retention of the Paid Vouchers in the Municipal Office appears to give ample opportunity for committing frauds of the kind referred to in the report. If they can be ordered to be sent to the Accountant General's office at least once a month for safe custody, there will be less room for frauds. The Auditor can take the vouchers with him when he visits the Municipality for auditing the accounts.

SUB-COLLECTOR

Karur Municipal Office 17-12-94 } Chairman

Klk

Despd. 19th

Encl. 3.

---

ignorance of their connection or otherwise, and that he never troubled his head afterwards to ascertain what became of the money. He is responsible for nearly the whole of the defalcation. The manager seems to have no property, so the Council will have to proceed against the late Chairman for recovery. He seems still to have friends on the Council: In case they fail to proceed against the late Chairman I wd. recommend that the Secretary of State take action.

Acting Collector

Mupl L. No. 97
24-12-94

Local & Municipal Dept.
CURRENT I 28 1/2

CHIEF SECRETARY GOVERNMENT OF MADRAS
2 JAN 1895

Forwarded -

2. The municipal council should certainly proceed against the late Chairman, through whose carelessness the defalcation was brought about, for the total amount now ascertained to have been actually embezzled, should there be no means of recovering it, as appears to be the case, from the manager.

Herbert Bradley
Collector
31/12/94

25/12

(5353 of 94
R. G.

H. BRADLEY
22/12 4

Forwarded. The manager stated some time in jail that the late Chairman Srinivasiengar had a share in this embezzlement. The late Chairman as a witness in the case - while admitting that most of this money was drawn on his signature stated that he trusted the clerk entirely, that he never looked at particulars of bills, that the manager would send him bills to sign when he was engaged in Court as a vakil; that he would sign [illegible] them [illegible] in absolute

[2]

LOCAL AND MUNICIPAL DEPARTMENT.

Local & Municipal Dept.
CURRENT No. 28 M.

P.R.

From

The Collector of Coimbatore

No. 97

Dated 24/12/94

Received 2-1-95.

Enclosures

SUBJECT.

Forwarding with remarks report on the audit of the accounts of the Karur Municipality for 1893/94

Refce. on No. 25/Govt. of 95

Coimbatore Collector's office
8th February 1895.

From,

Herbert Bradley Esquire
Collector of Coimbatore

To

The Chief Secretary to Government
Local and Municipal Department,
Madras.

Sir,

With reference to Government Memorandum, dated 1st current, No. 121, I have the honor to report that the late manager of the Karur Municipal Council has preferred an appeal to the High Court, and I have asked the Government Pleader at Madras to oppose it. The result of the appeal will be reported in due course on its being intimated to me by the Government Pleader.

I have the honor to be
Sir,
Your most obedt. Servant

For Collector.

Local & Municipal Dept.
PR. N.S. CURRENT No. 463 M
(1895)

From

The Collector
of Coimbatore

To.

The chief Secretary to Govt
Local & municipal Deptt
Madras.

Refce on No $\frac{25}{\text{Govt}}$ of 95

Dated 8 } 2- 1895
Received }

Enclo a

Subject.

Informing him that the result of the appeal preferred by the late manager Municipal Council Karur will be reported as soon as the same is intimated by the Government Pleader who has to oppose it.

B/3.

Refce on $\frac{\text{No } 82}{\text{Govt Dy}}$ of 95

Coimbatore Collector's
Office 10th April 1895

From,

Herbert Bradley Esqre,
Collector of Coimbatore

To,

The Chief Secretary to Govt.,
Local and Municipal Deptt.,
Madras

Sir,

With reference to G.O. dated 3rd April 1895, No. 596 Mis:, and in continuation of my letter, dated 8th February last, Refce on No. $\frac{25}{\text{Govt.}}$ of 95, I have the honor to report that the Government Pleader at Madras has intimated to me that the manager's appeal to the High Court has been dismissed. A copy of the Judgment of the High Court has not yet been received.

I have the honor to be,
Sir
your most obdt Servant
A Edgington

answer to the Charges relating to the Rs. 100 and the Rs. 10. As to the Rs. 40 there is really no defence. No doubt the supervision has been very imperfect. The Sessions Judge ought to have found clearly in respect of which documents the prisoner was guilty of forgery. With regard to some of the alterations it would seem that they were effected merely to screen the malversation of the manager. But as to Exhibit K there is clearly a case of forgery.

We dismiss the appeal and Confirm the Conviction and sentence.

Ordered accordingly.

(Signed) D. W. G. Cowie
Ag. Registrar
appellate side

True Copy
Herbert Bradley
Collector

C.V.V.
15/5

1850 Mof 95

Drs No. 1063 / Rev G 95
Coimbatore Collector's Office,
15th May 1895

From,
Herbert Bradley Esqre
Collector of Coimbatore.

To,
The Chief Secretary to Government
Local and Municipal Department,
Madras.

Sir,

With reference to Government Memorandum, dated the 13th Current, No 662, I have the honor to forward herewith a Copy of the Judgement therein alluded to.

I have the honor to be,
Sir,
Your most obdt Servant
Herbert Bradley
Collector

C.V.V.
15/5

Local & Municipal Dept.
N.S. CURRENT No. 1650 M

C. no 1277 m of 95
G.O. 596 m of 95.
1178 m of 94 ✓
923 m of 93 ✓
1824 m of 90 ✓
1579 m of 89 ✓
929 A m of 89
921 A m of 89
936 m of 88
1057 of 83

(1895) DEPARTMENT.

From,
The Collector
of Coimbatore.

To,
The Chief Secretary to Government
Local & Municipal Department,
MADRAS.

Dis No. 1063/Rev of 95.

Dated 15th May 1895
Received 18 MAY. 95

No.

ENCS. 1

SUBJECT.

Forwarding a copy of the Judgment alluded to in Government Memorandum dated the 13th Current no 662

22/5

LOCAL AND MUNICIPAL DEPARTMENT.

Current No. 28 M/95. 1277 L

From The Collector of Coimbatore.

FOR ORDERS.

The reports of the assistant Inspector of Local Fund Accounts & the endorsement of the Inspector thereon, show beyond doubt that the defalcation in question was brought about by the carelessness of the ex-chairman, who is therefore mainly responsible for it. The late manager, has been convicted & sentenced by the sessions court of Coimbatore to six years' rigorous imprisonment for criminal breach of trust & forgery. The municipal council now proposes to r[illegible]er th[illegible]ember

C. no 1277 m of 95
G.O. 596 m of 95.
1178 m of 96

which has since been found to amount to Rs 1.170-3-10, from the manager, & if this cannot be done, from the ex chairman. The Sub-Collector says that the late manager stated to him in jail that the ex-chairman had also a share in the embezzlement, that as the manager has apparently no property, the Council will have to proceed against the late chairman, who still seems to have friends on the council, for recovering the amount and that if the council fails to proceed against him, the Secretary of State should take action. It is not known how the amount can now be recovered from the late manager or the late chairman & what action the Secretary× of State can take in the matter.

The

It is not clear whether a suit wd. lie against the Chairman for his carelessness. Any suspicion that he participated in the frauds is supported by the manager's statement to the Sub Collector in jail, but by no other evidence at

V.R.
15/1/95

× Govt. is of course meant.

present. The manager did not however implicate the Chairman at his trial (para 49 of Sessions Court's judgment.) Hd. C.S. has directed personally that the case in respect to the chairman shd. lie over until the manager's appeal is disposed of. May not the Collector be asked to report the result of the appeal? There is nothing in this file to show that one has been filed.

(W. Gibson)

W 19.1.95

Yes: ask the Colr but I don't know that the result of the appeal will affect the case against the late Chairman much either one way or the other. Something or the other may however come out to damn him still further. It appears to me that the late Chairman is civilly responsible to the Council but it would probably be advisable before a final order is passed in this case to take the opinion of the Advocate General as it is not advisable to institute proceedings if they are likely to be stopped by a legal objection

JD
22/1/95

Orders are solicited as to whether the Adv. General's opinion on the case shd. be taken now. It appears that the question of proceeding or not proceeding against the late Chairman will rest with the Council. They have decided by their resolution within to recov so much of the amount lost as cannot be got from the late manager from the late Chairman. It is however possible that they may decline to file a suit, & it does not seem that if they did so decline, Govt. wd. have the power to compel them to. for sec. 37. does not seem to apply clearly to a case like this.

The Council may therefore, it is submitted, be left to consult their own law officers, Govt. not being directly interested in the case.

Perhaps, in view of the fact that C.S. differs from the Ag. C.S. as to the utility of waiting for the ex manager's appeal, the file may now go to H.M. for final orders.

MC 28. 1. 95

Ask the Colr. first regarding the appeal. The manager it is I think stated penniless. We can see after as to the question of whether the Chairman is responsible. It is the business of Govt. [illegible] to see that the Council does this. There is more than one way in which Govt. can put the screw on. It would if the Chairman is legally responsible be a gross scandal if the matter was allowed to drop.

30/1/95

Report on the audit of the Municipal accounts — Karur Municipality

FOR ORDERS.

28 M

~~C.S.~~

~~H.M.~~

~~H.M.~~

Refce 121 dy 1-2-95

The Collector will be requested to report whether the late manager has preferred any appeal against the sentence imposed upon him by the Sessions Court, & if so, the result of the appeal

MC 31. 1. 95 (from orders)

Copy under despatch before 11/2

To

The Collector of Coimbatore

12/2

LOCAL AND MUNICIPAL DEPARTMENT.

Current No. 28 + 463 M.

1277 M

From

FOR ORDERS.

The Second Current read above furnishes the information called for on the first.

V.R.
14/2/95

Approved. Wait till the result of the appeal is known

MC 15. 2. 95

Please see C. No. 1277 M from the Collr of Coimbatore, reporting that the appeal preferred by the late manager against the sentence of the Sessions Court has been dismissed, but that a copy of the judgment of the High Court has not been received.

In this connection attention is invited to the Chairman's letter in G.O. d/ 3.4.95. No. 596 M. from which it appears that the ex chairman was asked to pay up the balance of the amount misappropriated viz Rs 970—10—4, but that he has replied to say that he is not responsible for the embezzlement.

Report on the Audit of the municipal accounts - Karur

28 & 463 M

For orders

Hm

360—28-5-94.

Land Mn. DEPARTMENT.

No. 28
1277 M & 1650 M

From the Collector of Coimbatore

Dated 10th April 1895.

This is, I believe, the first case of its kind & I think we should help the Munl. Cl. by getting the best advice we can, as to whether, presuming carelessness to be proved, a suit will lie. I dont suppose we can ask the Adv. Genl. for his opinion as to the particular case, for that is a matter for the legal advisers of the particular Muny., but I think we may fairly ask his opinion on the general question & if he replies in the affirmative then tell the Munl. Cl. that we approve of their suing, if facts showing the carelessness alleged can, in the opinion of their ~~leg~~ lawyers, be proved.

28/5/95

FOR ORDERS.

The existence of extensive frauds on the part of the manager Karur Municipality was discovered last year by the Assistant Inspector of Local Fund accounts (vide his report in c no 28 M). The manager was prosecuted and sentenced to six years rigorous imprisonment by the Sessions Judge Coimbatore. He appealed and his appeal was dismissed by the High Court (vide c. no 1277 M)

2. The question of recovering the money remains. The Audit report puts the amount lost at 1145-13-10 but the present Chairman reports discoveries of further frauds (c. nos 28 M and 1067 M) and the full amount is not yet known. Only Rs 200, the amount of his security, has been recovered from the manager.

3. The audit report declares the late Chairman M. R. Ry Srinivasa Iyengar to be responsible for the frauds on account of his neglect of duty and the Council has accepted this conclusion and called upon him to pay a sum of Rs 970-13-10 but he has refused to do so saying he is not responsible.

4. The Chairman in his letter of the 11th March no 1067 M states that the Council awaits the advice of Government before taking legal proceedings.

was ordered to lie over pending the Collector's reply regarding the result of the manager's appeal.

5. The appeal having been decided against the manager it is submitted that the Council may be told to consult their legal advisers and, if they ~~file~~ find that a suit is sustainable, to ~~file~~ file one for the ~~remainder~~ recovery of the balance against the late Chairman. There is no doubt that the frauds would have ~~CGT~~ been impossible but for the latter's neglect.

CGT
30-IV.

Let us have the H. Ct. Judgment. We may as well know if it considered in any way the responsibility of the late Chairman.

4/5/95

Very well — get the H.C. judgment

6/5/95

Please see the judgment of the High Court submitted by the Collector with Current No. 1650. M.

V.R.
22/5/95

The High Court say that there is no doubt that the supervision was very imperfect but that there is no proof of ~~[illegible]~~ the charges made by the accused in his defence against the ex-Chairman.

CGT
24th

27/5/95

My note above was not intended for H.M. but for A.S.

27/5

Embezzlement of municipal funds - Karur.

H.M.

Note for orders —

Embezzlement of municipal funds - Karur -

FOR ORDERS.

[G/69]
1,000-[illegible]-3-95.

Land Rev. DEPARTMENT.

CHIEF SECRETARIAT, MADRAS.

Memorandum. No. 787
10/6/95

Read the following

463
C nos 28 m/1277 m and 1650 m.

A case has lately arisen in a mufassal municipality, in which, owing to the alleged carelessness of the Chairman, the ~~offi~~ manager has been enabled to embezzle considerable sums of money. The latter, who has been convicted, is unable to repay more than a very small portion of the amount embezzled and the Council propose to recover the remainder by suing the Chairman.

2. The Advocate General will be requested to state his opinion, as to whether in these circumstances and presuming carelessness to be proved, a suit would lie.

(from orders)

31.V.

1/6/95

To

The Advocate General.
thro' the Govt Solicitor

Desptd 10/6/95

Embezzlement of Municipal funds Karur.

C.S. N.S.

(from orders

787/95

Local & Municipal Dep
CURRENT No. 2073 M

Re Memorandum dated 10th June, 1895, No. 787, Local and Municipal Department.

OPINION.

If the loss was the "direct consequence" of the Chairman's neglect of duty imposed upon him by the District Municipalities Act, 1884, "a suit for compensation may be instituted against him by the municipal council or by the Secretary of State for India in Council" (Section 259) Without further information than has been given to me in the Memorandum, I am unable to say whether the alleged neglect of duty directly caused the loss or misappropriation. That is a question which doubtless the legal adviser of the Municipality can advise his clients upon.

J.H.Spring Branson
Advocate General.

Ootacamund.
22nd June 1895.

(True Copy)

Ernest Banks

Government Solicitor.

Local & Municipal Dept.
n.S. CURRENT No. 1473 Department 2073 M

From

Ernest Barclay
Government Solicitor
Madras

To

The Chief Secretary
to Government
Ootacamund

Dated 25th June 1895
Received

CHIEF SECRETARY
26. JUN. 1895
GOVERNMENT OF MADRAS
No. 343

Forwarded with reference to the Order of Government dated 10th June 1895. No. 787 Local and Municipal Department

Ernest Barclay
Government Solicitor

LOCAL AND MUNICIPAL DEPARTMENT.

Current Nos. 28, 463, 1277, 1650 + 2073 M/95

From

FOR ORDERS.

Please see the notes and orders on the first four of the currents read above.

2. The last current contains the opinion of the Advocate-General called for in Government Memorandum No. 787 dated 10th June 1895.

3. The prosecution of the ex-chairman ~~for an offence, especially under section 409 of the Indian Penal Code~~, has been sanctioned in G.O. dated 12th July 1895, No. 1100 M. The Collector's letter read therein shows that there was more than negligence.

V.R.
15/7/95

Submitted that the suit may be sanctioned

18/7/95

Cf
16-VII

Ys — The Munl. Cr. will doubtless consider whether, if they succeed in their suit, they are likely to be able to recover —

19/7/95

Note. The connected papers were put up with Cur. 2014 M, in G.O. 12-7-95 No. 1100 M, which returned from Ooty on the 12th & was despatched only today —

CS.

order.

Read again letter No. 31 dated 11th March 1895 &c. from the Chairman M.C. Karur forwarding copies of the Council's resolutions regarding the recent defalcations of municipal funds, & G.O. dated 3.4.95 No. 596 M thereon requesting the Collector of Coimbatore to ~~frame~~ submit to Govt. a copy of the H. Court's judgment on the appeal preferred by the late Municipal Manager.

Read also letter dated 15.5.95 from the Collector submitting copy of the judgment in question.

Read also current 2073 M.

[illegible]
25/11.95 No. 1197

order.

The sanction of Govt. to the filing of a suit against the late Municipal Chairman, asked for in para. 6. of the Chairman's letter read above, is accorded.

2. The Municipal Council will doubtless ascertain whether, supposing it is successful in the suit, it will be able to recover the amount of the defalcations from the late Chairman.

(from orders)

22/7/95

WC 20.7.95

To Collector of Coimbatore
- C.M.C. Karur.

Despd. 3/7/95

Embezzlement of municipal funds
Karur

FOR ORDERS.

2073 M &c

CM/7
20/7

When given for copying
When copied
When examined
When signed
189 .

EAD AGAIN G.O., No. DATED 189 ,							
RRENT No.							
RES TO C. No.							
ORDER OF GOVERNMENT	A	A	A	A	A	A	A
LETTER OF GOVERNMENT.							
STATEMENT WITH DITTO.							
PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH IN ORIGINAL.							

N.B.—
A = Copy in full.
B = Not to be copied
P = Copy abstract only.
Q = Copy heading only.