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Public Works (1898) Department.

G.O., No. 1159-60 W.

DATED 11 May ~~April~~ 1898.

2802/18 21/4/98

[Despatch Abstract.]

Cheques: Passing orders on the conduct of the ~~officers~~ parties concerned, in connection with the encashment of two ~~forged~~ cheques — of the Godavari Eastern Division at the Rajahmundry Treasury and referring for consideration in the Financial Dept. the question of issuing instructions for the more careful scrutiny of ~~[illegible]~~ cheques in treasuries.

Cheques: Letter to the Govt. of India suggesting that the rules of the P. W. Code on the subject of the custody of cheque books be made more stringent, by para 94, Chap I, Vol II being amended as shown.

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Indexed.

BACK PAPERS.

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GENERAL.
ESTABLISHMENT.

Government {1898} of Madras.
PUBLIC WORKS.

Recd. } 1898. *Enclosures*
Regd. *Spare copies*

Letter, No. 1160 W., 11th May 1898.

MAY.

Forged Cheques

Letter to the Government of India suggesting that the rules of the Public Works Code on the subject of the custody of cheque books, be made more stringent, by paragraph 94, Chapter I, Vol. II, being amended as shown.

GENERAL.
ESTABLISHMENT.

Government {1898} of Madras.
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Recd. } 1898. *Enclosures*
Regd. *Spare copies*

G.O., No. 1159 W., 11th May 1898.

MAY.

Forged Cheques

Passing orders on the conduct of the parties concerned, in connection with the encashment of two — of the Gódávari Eastern division at the Rajahmundry treasury and referring, for consideration in the Financial Department, the question of issuing instructions for the more careful scrutiny of cheques in treasuries.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

General.
Establishment.

Read—the following papers :—

From the Superintending Engineer, I Circle, No. 630 G. D., dated 7th June 1897.
Endorsement in the Financial Department, No. 1435, dated 12th July 1897, on letter from the Accountant-General, Madras, No. 2014, dated 5th July 1897.
Endorsement in the Financial Department, No. —, dated 17th July 1897, on letter from the Accountant-General, Madras, No. 2150, dated 14th July 1897.
Proceedings in the Revenue Department, Mis. No. 5036, dated 27th September 1897.
From the Accountant-General, Madras, No. 3279, dated 21st October 1897.
" " " No. 3297, dated 22nd October 1897.
Endorsement in the Financial Department, No. 438, dated 17th February 1898, on letter from the Accountant-General, Madras, No. 516, dated 12th February 1898.
From the Accountant General, Madras, No. 658, dated 21st February 1898.
" " " No. 928, dated 10th March 1898.
Endorsement in the Financial Department, No. 754, dated 21st March 1898, on letter from the Accountant-General, Madras, No. 1090, dated 18th March 1898.

Order—No. 1159 W., dated 11th May 1898.

In his letter No. 630 G.D., dated 7th June 1897, the Superintending Engineer, I Circle, brought to notice that a passed candidate named P. Venkatadri Naidu was admitted into the Gódávari Eastern division in May 1897 and allowed to work in the clerical and accounts branches pending disposal of his application for a clerk's post; that on the 4th May 1897 the cashier of the office received from the Executive Engineer in camp cheque books containing drawn and undrawn cheques; that while he was making entries of the drawn cheques in the cash book he was obliged to go to the accountant to speak to him for a few minutes leaving the cheque books on the table; that Venkatadri who was working at one end of the cashier's table took advantage of the cashier's absence and abstracted from the Rajahmundry treasury cheque book two blank cheques Nos. 28 and 29, and another blank cheque from the Bhadrachalam treasury cheque book; that he erased the figure 2 in the two cheques on the Rajahmundry treasury and drew them in favour of one Dinadayalu Naidu for sums aggregating Rs. 2,418–13–5, forging the signature of Mr. Handcock, the Executive Engineer and dating them 4th May 1897; that on the 5th May he presented the two cheques to the Treasury officer, Rajahmundry, and obtained payment of Rs. 2,400 in currency notes and ~~Rs. 18–3–5~~ +Rs 18-13-5 in cash, representing that he was the man in whose name the cheques were drawn; that the forgery was discovered on the same day when a genuine cheque No. 10, dated 3rd May 1897, was presented at the treasury for payment and after Venkatadri had disappeared; that the case was at once reported to the police, and that the Collector offered a reward of Rs. 200 for the arrest of the culprit. The blank cheque abstracted by the man from the Bhadrachalam treasury cheque book was found, after he had disappeared, in the pocket of his coat left in his lodgings.

2. The Superintending Engineer considered that the man should not have been allowed to work in the office being an unpaid man; that the cashier should not have left the cheque books on his table during his absence; that the Executive Engineer should have sent to the office the drawn cheques only and not the whole books, and that the Rajahmundry Treasury officer was not free from blame as he cashed cheques containing erasures, and as a scrutiny of the Executive Engineer's signature, which was not easy to copy, should have led to detection.

3. The Accountant-General in his letter No. 2150, dated 14th July 1897, reported that the Taluk Head Accountant passed the cheques on the statements of the pound gumastah and a Public Works Department peon that they knew the man, and that the Head Accountant did not enquire concerning the name and profession of the man, there being no reason to doubt the genuineness of the cheques. The Accountant-General was however of opinion that if the Head Accountant had made a cursory comparison with any other Public Works Department cheque the erasures in the numbers would have been detected as the space between the words "Cheque No." and the actual figures was larger than usual; that the plea urged that he did not suspect the genuineness of the cheques could not be accepted as it was the duty of the Head Accountant, an official relieved of all magisterial work, to scrutinise every document presented for payment; that careful scrutiny was specially necessary in this case as the cheques were for large amounts and the payee was unknown to the Head Accountant; that the imitation of Mr. Handcock's signature was not very skilful; that the fact that it was written with the same ink as the remaining portion of the cheque should have aroused suspicion; that the Head Accountant should have detected the forgeries, and that the Sub-Treasury officer was not entirely free from blame. The Accountant-General also forwarded the two forged cheques for inspection.

4. The Head Accountant explains that he was on privilege leave up to the 4th May; that both he and the Acting Head Accountant went to the office at 11 A.M. on the 5th idem, when they found Venkatadri seated on a box inside the office; that the latter, on being asked who he was and what brought him, replied that he was a Public Works Department contractor and had brought cheques to be cashed; that the permanent Head Accountant called to his seat the office pound gumastah, a resident of Dowlaishweram, and pointing out Venkatadri Naidu to him asked him if he knew that contractor; that the pound gumastah replied that he knew the man as a resident of Dowlaishweram having business in the Executive Engineer's office, and that a Public Works Department lascar of Dowlaishweram named Jungili, who came to the treasury a little while after, to make some remittance was asked if he knew that contractor, and that he replied in the affirmative. The Head Accountant also states that he asked the Public Works peon how he knew the man and that the peon replied that the man was residing in Dowlaishweram and was often seen in the Eastern Division office. The Head Accountant says that he was afterwards engaged in assuming charge; that at about 1 P.M., he and the Acting Head Accountant resumed their seats; that the Tahsildar then came in from the Sub-Collector's office and taking his seat by the same table was giving certain instructions regarding jamabandi; that the office peon then placed on the table the Executive Engineer's credit order book, the forged cheque for Rs. 1,800 and odd and * another; that Venkatadri also came in and stood by the side of the Tahsildar's seat; that the Tahsildar took up the cheque for Rs. 1,800 and odd and perused it; that he asked Venkatadri who he was, that the latter replied that he was a Public Works Department contractor, and that the Tahsildar passed over the credit order book and the cheques to the Head Accountant. The Head Accountant adds that Venkatadri looked highly respectable with a nice tweed coat, a valuable gold-fringed upper cloth, and a Turkish cap, and that with the enquiries already made of the pound gumastah and the lascar, coupled with the respectable appearance of the man, he was satisfied and entertained no doubt about the person. In regard to the examination of the Executive Engineer's signature on the forged cheques, the Head Accountant explains that though the signatures of the Executive Engineer affixed to the several cheques issued by him were generally of the same form as the specimen signature furnished to the treasury, slight differences in minor details were however noticed, and that the signatures on the forged notes in question having exactly resembled the signature on the genuine cheques, no suspicion was entertained in regard to the forged cheques.

* The genuine cheque No. 5.

A / Issue orders

Urgent

No. 1159 W 11-5-98

PUBLIC WORKS DEPARTMENT

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Genl Estabt

READ the following

Letter from the Superintending Engineer, I Circle, No. 630 G.D., dated 7th June 1897.

Endorsement in the Financial Department, No. 1435, dated 12th July 1897, on letter from the Accountant General, Madras, No. 2014, dated 5th July 1897.

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Endorsement in the Financial Department, No. 754, dated 21st March 1898, on letter from the Accountant General, Madras, No. 1090, dated 18th March 1898.

Issue 1880

2 P

Order

The Chief Secy / Rev. Secy } for favour of comments.

In his letter No. 630 G.D. d/7th June 1897, the Superintending Engineer I Circle brought to notice --- that a passed candidate named P. Venkatadri Naidu was admitted into the Godavari Eastern Division in May 1897 and allowed to work in the clerical and accounts branches pending

[P. W. 40. / 500-10-3-98.]

W

C.S. 18.4.98 R 21.4.98 R.S. 21/4/98

pending disposal of his application for a clerk's post; that on the 4th May 1897 the Cashier of the office received from the Executive Engineer in camp, cheque books containing drawn and undrawn cheques; that while he was making entries of the drawn cheques in the cash book he was obliged to go to the Accountant to speak to him for a few minutes leaving the cheque books on the table; that Venkatadri who was working at one end of the cashier's table took advantage of the cashier's absence and abstracted from the Rajahmundry Treasury cheque book~~s~~ two blank -- cheques Nos. 28 and 29, and another blank cheque from the Bhadrachalam Treasury cheque book; that he erased the figure 2 in the two cheques on the Rajahmundry Treasury and drew them in favour of one Dinadayalu Naidu for sums aggregating Rs. 2,418-13-5, forging the signature of Mr. Handcock the Executive Engineer and dating them 4th May 1897; that on the 5th May he presented the two cheques to the Treasury officer Rajahmundry and obtained payment of Rs. 2,400 in currency notes ~~of Rs. 100 each~~ and Rs. 18-3-5 in cash, representing that he was the man in whose name the cheques were drawn; that the forgery was discovered on the same day when a genuine cheque No. 10 dated 3rd May 1897 was presented at the Treasury for payment and after Venkatadri -- had disappeared; that the case was at once reported to the Police, and that the Collector offered a reward of Rs. 200 for the arrest of the culprit. The blank cheque abstracted by the man from the Bhadrachalam Treasury cheque book was found, after he had disappeared, in the pocket of his coat left in his lodgings.

2. The Superintending Engineer -- considered that the man should not have been allowed to work in the office being an unpaid man; that the cashier should not have left the cheque books on his table during his absence; that the Executive -- Engineer should have sent to the office the drawn cheques only and not the whole books, and that the Rajahmundry Treasury officer was not free from blame as he cashed cheques containing erasures, and as a scrutiny of the Executive Engineer's signature, which was not --- easy to copy, should have led to ~~the~~ detection.

3. The Accountant General in his letter No. 2150 dated 14th July 1897 reported

Head Accountant also states that he asked the P.W. peon how he knew the man and that the ~~former~~ peon replied that the man was residing in Dowlaishweram and was often seen in the Eastern Division office. The Head Accountant says that he was afterwards engaged in assuming charge; that at about 1 P.M. he and the Acting Head Accountant resumed their seats; that the Tahsildar then came in from the Sub Collector's office and taking his seat by the same table was giving certain instructions regarding jamabandi; that the office peon then placed on the table the Executive Engineer's credit order book, the forged cheque for Rs. 1,800 and odd and another[x], that Venkatadri also came in and stood by the side of the Tahsildar's seat; that the Tahsildar took up the cheque for Rs. 1,800 and odd and perused it; that he asked Venkatadri who he was; that the latter replied that he was a D.P.W. contractor, and that the Tahsildar passed over the credit order book and the cheques to the Head Accountant. The Head Accountant adds that Venkatadri looked highly respectable with a nice tweed coat, a valuable gold-fringed upper cloth, and a Turkish cap, and that with the enquiries already made of the Pound Gumastah

[x]The genuine cheque No. 5

and

and the lascar, coupled with the respectable appearance of the man, he was satisfied and entertained no doubt about the person. In regard to the examination of the Executive Engineer's signature on the -- forged cheques, the Head Accountant explains that though the signatures of the Executive Engineer affixed to the several cheques issued by him were generally of the same form as the specimen signature furnished to the Treasury, slight differences in minor details were however --- noticed, and that the signatures on the forged notes in question -- having exactly resembled the signature on the genuine cheques, no suspicion was entertained in regard to the forged cheques.

5. In the statement taken by the Sub Collector, the Head Accountant states that the Tahsildar glanced at the cheques, while in the explanation furnished to the Treasury Deputy Collector he says that the cheques were perused by the Tahsildar. In other respects, there appears to be no material difference between the Head Accountant's explanation and statement.

6. In the statement taken by the Sub Collector from the Pound Gumustah Gattu Suranna, the latter --

states

states that the Head Accountant enquired about the delinquent only after it was known that the cheques in question had been forged, and completely denies any knowledge of the Head Accountant having made enquiries before the cheques had been cashed. The Sub Collector however remarks that from the demeanour of the Pound Gumustah there is no doubt he ~~is~~ was lying.

7. The Tahsildar in his report dated 9th May 1897 states that he saw two cheques Nos. 5[x] and 9 on the Head Accountant's table; that he casually touched them without paying any attention since he was engaged in talking about jamabandi works; that he never spoke to Venkatadri, and that Venkatadri did not stand by his side. The Tahsildar however admits that he saw the man. He also states that as soon as the forgery was brought to his notice he wired to the Executive Engineer as to the genuineness of cheques Nos. 8 and 9, and that on hearing that they were forged he proceeded at once to Dowlaishweram and found that the man had absconded an hour before.

[x] One genuine and the other false.

8. The Acting Head Accountant, A. Sashachellum, states that the Tahsildar simply touched the cheques and placed them where they were without paying any attention to them, that Venkatadri did not stand by the side of the Tahsildar or the Head Accountant, and that the Tahsildar never questioned the man as to who he was.

9. The Collector in forwarding the above papers remarks that the Sub Collector in his letter No. A dated 6th May 1897 states that the Tahsildar acted with the greatest promptitude in communicating with the Police and in himself going to Dowlaishweram the moment he had suspicion of a fraud having been committed.

10. The notes were stopped at once their numbers being known, but it has since been reported that of the 24 currency notes obtained by M. Dinadayalu Naidu (23 hundred rupee notes and one fifty rupee note) 22 notes have been cashed. The value of these notes together with the cash received by the individual in payment of the forged cheques amounts to Rs. 2,218-13-5. The two notes which have not yet been cashed are of the value of Rs. 100 each. The man has not yet been discovered and there is apparently little likelihood of the recovery

This is not intelligible as it stands for M. Dinadayalu Naidu's name does not thus far appear in the G.O. It wd perhaps be better to say ~~"obtained by~~ "P. Venkatadri Naidu under the alias of"

ALA.

Add

recovery of the remaining Rs.200.

It has now to be considered who is responsible for the loss of Rs. 2,418-13-5.

11. The Executive Engineer. Mr. Handcock sent his cheque books in to his Accountant by tappal, containing cheques for salaries already drawn by him, and blank cheques, for the purpose of having

(1) the amounts of the cheques previously drawn compared with the amounts entered in the cash book.

(2) the amount of the drawn cheques for salaries sent in the cheque books entered in the cash book and the cheques themselves despatched to the payees.

(3) some further cheques drawn.

P.W.Code Vol.II, Chap.I, para 87 lays down that cheque books must be kept under lock and key in the personal custody of the drawing officer. But paras 93 and 94 of same chapter say that it is not necessary that a disbursing officer shall write out cheques with his own hand, and that if thought necessary, for safety, cheques may be required to be written up in the presence of the drawing officer. Mr. Handcock therefore technically broke no rule

in

in sending his cheque books to his Accountant; but His Excellency the Governor in Council observes that it is a matter of commom sense and ordinary precaution that a blank cheque book should be kept in careful custody. If the Executive Engineer had not neglected this ordinary and necessary measure of --- safety, the fraud would not have -- taken place, and the Government considers that that officer is primarily responsible for the loss, and more to blame than any other of the parties concerned. The Government of India will be requested to --- make the Code rule on the subject more stringent, and to amend para 94 Chapter I, Vol.II as follows:-

"All cheques must be written up by the disbursing officer, or in his presence".

12. The Accountant, Eastern Delta Division Office. This man is responsible for the presence of the forger in the Division office. G.O.No.201 W dated 24th January -- 1885 prohibits the employment of -- volunteers in public offices. But in the present case the man was not a volunteer. He had applied for a clerical appointment on 24th April, and pending the arrival of the --- Executive Engineer from camp and

a

a decision in the matter, he was given copying work in office to test his abilities, a common and a necessary procedure, provided it is not carried too far. The man had apparently been in or about the office for 10 days before he committed the forgery. In the light of this occurrence, the employment of all strangers in ~~public~~ offices of the Public Works Department for a longer period than is sufficient to test their fitness for employment will be prohibited. The period ~~shall~~ should not exceed one working day of 8 hours.

13. The Cashier was guilty of carelessness in leaving the cheque books on his table when he left the room, instead of locking them up or taking them with him, more especially as there was a stranger working at the same table, and he is much to blame.

14. The Treasury Officer. The officers connected with the disbursement of the cheques were the Tahsildar and the Head Accountant. The former cannot be blamed, as all that he had to do was to see that the cheques were for money which had to be paid at the Treasury. It was the Head Accountant's duty to pass the cheques for payment after careful scrutiny, but the least care on his part would have

It wo? better to say in "offices of the P. W. Dept."
this part of
If the order is to be of general application it will have to issue in Public; and as Volunteers are already prohibited there would be some misapprehension.

ASA. 19.4.98

have led to the immediate detection of the forgery, for the erasure of the figures is apparent at a glance The Head Accountant is however dead.

15. After full consideration of all the facts, His Excellency the Governor in Council considers that the case will be sufficiently met by directing the Executive Engineer Mr. Handcock and the Cashier, to each contribute half a month's pay towards the loss sustained by Government. The Examiner will therefore arrange to recover the sum of Rs.425 from Mr. Handcock & Rs.18 from the Cashier in 3 monthly instalments. The rest of the loss will be borne by Government.

16. The question of issu-ing instructions for the more careful scrutiny of cheques in treasuries will be considered in the Financial Department.

The Suptg. Engr. I Circle.
Other Suptg. Engineers.
The Consulting Architect to Govt.
,, Supt. of Works .. Lighthouse Dn.
,, Examiner, P.W. Accounts.
,, Chief Engr. for Irrgn.
,, Rev. deptt with 9 enclosures
& 4 original G.Os.
,, Financial Deptt, with 2 forged cheques
and 10 cashed cheques, for return
to the Accountant General.

Cu

ASA
19.4.98

21/4/98

P.T.O.

To

H.E.No. 1160 W d/ 11 May ~~April~~ '98.

To

The Joint Secretary to the
Government of India, P.W.D.

Sir,

I am directed to report that in May 1897, the Executive Engineer Godavari Eastern Division, while in camp, forwarded to his Accountant at head quarters, the divisional cheque books containing drawn and undrawn cheques in view to the amounts of cheques previously drawn being compared with the sums entered in the cash book, and to the amount of the drawn cheques being entered in the cash book, and the cheques themselves despatched to the payees. While the divisional office cashier was engaged in comparing the cheques with his cash book, he was called away from his table to consult the accountant, and during his temporary absence, two blank cheques from one book and one from another were abstracted by an individual named P. Venkatadri Naidu whose abilities for employment were being tested in the Division Office ~~who had been casually employed in the divisional office.~~ Two of the cheques were filled in by P. Venkatadri Naidu for sums aggregating Rs. 2,418-13-5 in favour of Dinadayalu Naidu; the signature of the Executive Engineer Mr. Handcock was forged, and payment of the cheques was obtained at the Rajahmundry treasury by the forger, who absconded, and has not since been apprehended. The third blank cheque was found in the pocket of a coat which the forger left behind him at Dowlaishweram.

9P

2. Para 87, Chap. I Vol. II P.W. Code rules that cheque books must be kept under lock and key in the personal custody of the drawing officer, but paras 93 and 94 of the same chapter say that it is not necessary that a disbursing officer shall write out cheques with his own hand, and that if thought necessary, for safety, cheques may be required to be written up in the presence of the drawing officer. The Executive Engineer, Mr. Handcock, was thus not technically guilty of a breach of rule in sending his cheque books to his accountant, but this Government considers that common sense should have dictated to him the necessity for observing greater precaution in the matter.

3. This Government has dealt with all points connected with the carelessness of the officers concerned and with the loss of Government money which has resulted from this transaction, but to make it inadmissible that cheque books should leave

leave the custody of drawing officers for any purpose, I am to suggest that para 94, Chap. I, Vol. II of the Code may be made more stringent by amending it as follows:-

"All cheques must be written up by the disbursing officer or in his presence".

I have &c.,

W.

[43/509.]

P. W. DEPARTMENT.

C. No.

HIS EXCELLENCY THE GOVERNOR.

~~THE HON'BLE SIR HENRY BLISS, K.C.I.E.~~

~~THE HON'BLE MR. GROSE, C.I.E.~~

SUBJECT. P. W. D. cheques forged and cashed by one P. Venkatadri Naidu -

FOR ORDERS.

× Please see previous note for orders

Resubmitted to His Excy the Governor with reference to the Hon. Members' notes ×.

Definite orders are requested as to the amount to be paid by Mr Handcroft and the Cashier respectively, - the pay of the former being Rs 850, & of the latter, Rs 36 per mensem. The amount actually lost to date is Rs 1318-13-5, & the undersigned presumes it is not intended to consider the balance (Rs 1100) as irretrievably lost until it is known whether the notes have -

being cashed.

Orders are also requested as to whether the Code rules are to be amended in the manner proposed by the under-signed at the end of his note of 27.10.97 (on this point the Govt of India would have to be addressed), and the Revenue Dept. directed to take more care in future in cashing cheques.

23.11.97

H. E. 23/11.

[$\frac{43}{504}$]

P. W. DEPARTMENT.

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C. No. 1628 & 2267 of 1898

HIS EXCELLENCY THE GOVERNOR.

~~THE HON'BLE SIR HENRY BLISS, K.C.I.E.~~

~~THE HON'BLE MR. GROSE, C.I.E.~~

The Hon'ble Mr Grose C.S.I.

SUBJECT. Loss by forged cheques – Godavari dist.

FOR ORDERS.

Resubmitted to His Excy the Governor, with reference the note for orders flagged Q, & the Private Secretary's note of 15.2.98 attached thereto.

It will be seen from the information now furnished by the Accountant General, that the total amount lost up to date is Rs. 2218-13-5, and that two notes of Rs. 100 each remain uncashed.

21.3.98

1. All things considered, perhaps it would suffice to make the Ex. Engineer and the Cashier pay, between them Rs. $\overset{443}{500}$. The pay of the Ex. Engineer is Rs. 850 p.m., that of the Cashier Rs. 36 p.m. They should each contribute half a month's pay.

2. Mr. de Winton's proposals, numbered 2, 3 & 4 at the end of his note dated 27.10.97, should be adopted.

A.G.H.
26.3.98

1/4/98

Hm (2) 29/3/98 R 1-4-98

H.E. 22.3.98 R 28/3/98

[43/509]

Public Works DEPARTMENT.

C. No. 5782, 6861, 7838, 9750/A, 10537 + 10588.

HIS EXCELLENCY THE GOVERNOR.
THE HON'BLE SIR HENRY BLISS, K.C.I.E.
THE HON'BLE MR. GROSE, C.I.E.

SUBJECT.

P.W.D. cheques forged and cashed by one P. Venkatadri Naidu.

FOR ORDERS.

Flag A.

In his letter No. 630 G.D. d/7th June 1897, the Superintending Engineer I Circle brought to notice that a passed candidate named P. Venkatadri Naidu was admitted into the Godavari Eastern Division in May 1897 and -- allowed to work in the clerical and accounts branches pending disposal of his application for a clerk's post, that on the 4th May 1897 the cashier of the office received from the Executive Engineer in camp cheque books containing drawn and undrawn cheques, that while he was making entries of the drawn cheques in the cash book he was obliged to go to the Accountant to speak to him for a few minutes -- leaving the cheque books on the table, that Venkatadri who was working at one end of the cashier's table took advantage of the cashier's absence and abstracted from the Rajahmundry Treasury

I see no reason to modify the opinion I expressed in my Note of 23.7.97 on No. 5782 (Please see my further Notes on inside pages)

A.H. 17.11.97

After going through the papers again, I think that the Treasury people are most to blame, but the question is Which of the treasury people? The man who ordered the payment was the Taluk Hd. Acctt., who acted as the P.W.D. banker. The least care on his part would have ~~also~~ led to the immediate detection of the forgery, for the erasure of the figures is apparent at a glance. If it had been the case of a private banker paying on such a cheque, no doubt could be entertained. The Hd. Acctt. is however dead. As to the blame to be attached to the Tahr. I am not clear. It is not certain how much he had to do with the cheques. Apparently he saw them & may even have handled them. But was it his duty to scrutinise them, or to have anything to

Treasury cheque books two blank cheques Nos. 28 and 29 and another blank cheque from the Bhadrachalam Treasury cheque book; that he erased the figure 2 in the two cheques on the Rajahmundry Treasury and drew them in favour of one Dinadayalu Naidu for sums aggregating Rs. 2,418-13-5 forging the signature of Mr. Handcock the Executive Engineer and dating them 4th May 1897; that on the 5th May he presented the two cheques to the Treasury officer Rajahmundry and obtained payment of Rs. 2,400 in currency notes of Rs. 100 each and Rs. 18-3-5 in cash representing that he was the man in whose name the cheques were drawn; that the forgery was discovered on the same day when a genuine cheque No. 10 dated 3rd May 1897 was presented at the Treasury for payment and after Venkatadri had disappeared; that the case was at once reported to the Police, and that the Collector offered a reward of Rs. 200 for the arrest of the culprit. The blank cheque abstracted by the man from the Bhadrachalam Treasury cheque book was found, after he had disappeared in the pocket of his coat left in his lodgings.

The

do with them? or would the Hd. Acctt. only be responsible for scrutiny and payment during the Tahr's presence in the cutcherry in the same way that he would have been if the Tahr. had been absent on circuit? I noted on this point on 27/7/97, but no reply has been made to the doubts then suggested. In the absence of infn. as to the Tahr's exact duty in the matter, I don't see how he can be held responsible at all.

There can be no doubt as to the carelessness of Mr. Handcock & the Cashier — But, in view of the fact that the Hd. Acctt. would no doubt, if he had lived, have been held responsible for a considerable part (say at least a half) of the loss, I think that A.G.'s proposal (in his note of 23/7/97) that they should pay three quarters of the loss is perhaps more severe than is necessary. I should say that if they are asked to pay half the loss it would be sufficient. Even that will be a very heavy penalty for carelessness and ~~[illegible]~~ if A.G. should, on reconsideration, propose still further to reduce the amt. of the penalty

on these officers, I shall be prepared to concur

KS

19/11/97

I don't think the Tahsildar can be blamed. All he had to do was to see that the cheque was for money which had to be paid at his treasury — if the cheque was genuine.

If it is the general practice, as stated in the Note, for Engineers in camp to send their cheque books, containing blank cheques, to a clerk of office, it is a wrong & careless

Flag B.

practice, & must be stopped at once. Mr H. wd not send his private cheque books about in that way. Both he & the Cashier are responsible for some part of the loss, because of their carelessness, but I agree with the Hon Mr H. Bliss in thinking it wd be hard to force the ~~R1209~~ R1814 by making them pay up three quarters of ~~half of~~ the sum lost.

JG

22/11/97

2 The Superintending Engineer considered that the man should not have been allowed to work in the office being an unpaid man; that the cashier should not have left the cheque books on his table during his absence; that the Executive Engineer should have sent to the office the drawn cheques only and not the whole books, and that the Rajahmundry Treasury officer was not free from blame as he cashed cheques containing erasures and as a scrutiny of the Executive Engineer's signature, which was not easy to copy, should have led to detection.

3 The Accountant General in his letter No. 2150 dated 14th July 1897 reported that the taluk Head Accountant passed the cheques on the statements of the Pound Gumustah & a P.W.D. peon, that they knew the man and that the Head Accountant did not enquire concerning the name and profession of the man, there being no reason to doubt the genuineness of the cheques. The Accountant General was however of opinion that if the Head Accountant had made a cursory comparison with any other P.W.D. cheque, the erasures in the numbers

would

would have been detected as the -- space between the words "Cheque No:" and the actual figures was larger than usual, that the plea urged that he did not suspect the genuineness of the cheques could not be accepted as it was the duty of the Head Accountant, an official relieved of all magisterial work, to scrutinise every document presented for payment, that careful scrutiny was specially necessary in this case as the cheques were for large amounts and the payee was unknown to the Head Accountant, that the imitation of Mr. Handcock's signature was not very skilful, that the fact that it was written with the same ink as the remaining portion of the cheque -- should have aroused suspicion, that the Head Accountant should have -- detected the forgeries, and that the Sub Treasury officer was not entirely free from blame. The Accountant General also forwarded the two forged cheques for inspection.

Besides, the actual erasures are plainly visible
BA

4 [In accordance with the remarks of the Hon. Members on the note for orders d/22nd July 1897, the explanations of the Tahsildar and the Head Accountant have been obtained and the papers on the subject in the Revenue Department have been added to the file. Also genuine cheques Nos. 1 to 8 & 10 & 11 of the same book have been obtained.]

Flag C.

Flag D

4 The Head Accountant explains that he was on privilege leave up to the 4th May, that both he and the Acting Head Accountant went to the office at 11 A.M. on the 5th idem, when they found Venkatadri seated on a box inside the office, that the latter, on being asked who he was and what brought him, replied that he was a P.W.D. contractor and --- he brought cheques ~~for~~ to be~~ing~~ cashed, that the permanent Head Accountant called to his seat the office Pound Gumustah a resident of Dowlaishweram and pointing out Venkatadri Naidu to him asked him if he knew that contractor, that the Pound Gumustah replied that he knew the man as a resident of Dowlaishweram having business in the Executive Engineer's office, that a P.W.D. lascar of Dowlaishweram named Jungili who came to the Treasury a little while after ~~for making~~ to make some remittance was -- asked if he knew that contractor, and that he replied in the affirmative. The Head Accountant also -- states

states that he asked the P.W. peon how he knew the man and that the former replied that the man was residing in Dowlaishweram and often seen in the Eastern Division office. The Head Accountant says that he was afterwards engaged in assuming charge, that at about 1 P.M. he and the Acting Head Accountant resumed their seats, that the Tahsildar then came in from the Sub Collector's office and taking his seat by the same table was giving certain instructions regarding jamabandi, that the office peon then placed on the table the Executive Engineer's credit order book, the forged cheque for Rs. 1,800 and odd and another x, that Venkatadri also came in and stood by the side of the Tahsildar's seat, that the Tahsildar took up the cheque for Rs. 1800 and odd and perused it, that he asked Venkatadri who he was, that the latter replied that he was a D.P.W. contractor, and that the Tahsildar passed over the credit order book and the cheques to the Head Accountant. The Head Accountant adds that Venkatadri looked highly respectable with a nice tweed coat, a valuable gold inged upper cloth, and a Turkish nd that with the enquiries --

already

x The genuine cheque No. 5.

x He had the opportunity of comparing side by side, & did so compare, a forged & a genuine cheque.

Flag F.

already made of the Pound Gumustah and the lascar coupled with the -- respectable appearance of the man he was satisfied and entertained no doubt about the person. In regard to the examination of the Executive Engineer's signature on the forged cheques, the Head Accountant explains that though the signatures of the Executive Engineer affixed to the several cheques issued by him were generally of the same form as the specimen signature furnished to the Treasury, slight differences in -- minor details were however noticed, and that the signatures on the -- forged notes in question having -- x exactly resembled the signature on the genuine cheques no suspicion was entertained in regard to the -- forged cheques.

5. In the statement taken by the Sub Collector, the Head Accountant states that the Tahsildar glanced at the cheques, while in the explanation furnished to the Treasury Deputy Collector he says that the cheques were perused by the Tahsildar. In other respects, there appears to be no material difference between the Head Accountant's explanation and statement.

In

Flag F.

?about

6 In the statement taken by the Sub Collector from the Pound Gumustah Gattu Suranna, the latter states that the Head Accountant -- enquired about [of] the delinquent only after it was known that the cheques in question had been forged, and completely denies any knowledge of the Head Accountant having made enquiries before the cheques had been cashed. The Sub Collector however remarks that from the demeanour of the Pound Gumustah there is no doubt he is lying.

Flag G.

x One genuine & the other false.

7 The Tahsildar in his report d/ 9th May 1897 states that he saw two cheques Nos. 5x and 9 on the Head Accountant's table, that he casually touched them without paying any attention since he was engaged in talking about [the] jamabandi works, that he never spoke to Venkatadri, and that Venkatadri did not stand by his side. The Tahsildar however admits that he saw the man. He also states that as soon as the forgery was brought to his notice he wired to the Executive Engineer as to [about] the genuineness of cheques Nos. 8 and 9, and that on hearing that they were forged he proceeded at once to Dowlaishweram and found that the man had absconded an hour before.

Flag H.

8 The Acting Head Accountant A. Seshachellum states that the Tahsildar simply touched the cheques and placed them where they were without paying any attention to them, that Venkatadri did not stand by the -- side of the Tahsildar or the Head Accountant, and that the Tahsildar never questioned the man as to who he was.

Flag I

9 The Collector in forwarding the above papers remarks that the Sub Collector in his letter No. A d/6th May 1897 (Copy not furnished) states that the Tahsildar acted -- with the greatest promptitude in communicating with the Police and in himself going to Dowlaishweram the moment he had suspicion of a fraud having been committed.

10 The notes were stopped at once their numbers being known, but it [will be seen from para 6 of the -- Collector's letter No. 1645 dated 7th July 1897 recorded with G.O. No. 3829 Mis. Revenue dated 23rd July 1897 that 13 of them were cashed before that date, 12 at Madras and 1 at Bombay.] The man has not yet been discovered and there is apparently little

has since been reported that of the 24 currency notes obtained by Mr. Dinadayalu Nayudu (23 hundred rupee notes and 1 fifty rupee note) 22 notes have been cashed. The value of these notes together with the cash received by the individual in payment of the forged cheques, amounts to Rs 2218-13-5. The two notes which have not yet been cashed are of the value of Rs 100 each little likelihood of the recovery ~~of the remaining Rs 200.~~ of any portion of the proceeds of the forgery though the remaining 11 notes may never be cashed. It has now to be considered who is responsible for the loss of Rs.2418-13-5.

11 The Executive Engineer. Mr. Handcock sent his cheque books in to his accountant by tappal, containing cheques for salaries already drawn by him, and blank cheques, for the purpose of having

(1) the amounts of the cheques previously drawn compared with amounts entered in the cash book

(2) the amount of the drawn -- cheques for salaries sent in the cheque books entered in the cash book and the cheques themselves despatched to the payees.

(3) Some further cheques drawn, vide statement of cashier.

Flag O.

P.W. Code Vol. II, Chap. I, Para 87 lays down that cheque books must be kept under lock and key in the personal custody of the drawing officer. But Paras 93 and 94 of same chapter say that it is not necessary that a disbursing officer shall write out cheques with his own hand, and that if thought necessary, for safety, cheques may be required to be written up in the presence of the drawing officer. (The origin of these 2 paras will be found in G.O. No. 172 W dated 21st January 1890). Mr. Handcock therefore broke no rule in -- sending his cheque books to his accountant, one of the objects being to have cheques written up, and it is a procedure not unfrequently -- resorted to when officers are in camp, and it is desired to prevent mistakes in the cash book by comparing it with cheque books. It may be necessary to amend the rule, but as it stands, it is considered that Mr. Handcock has committed no culpable act, and cannot therefore be held responsible for the results.

(Here enter attached slip)

Flag K.

It is possible that there may be no written rule against treating a cheque book in the casual, careless manner in which the Ex: Engineer treated this book. But, it is a matter of common sense and ordinary precaution that a blank cheque book should be kept in careful custody. There are two cheque-books in use. In one, the request is made "that this book "may be kept in a place of security"; in the other, 'it is enjoined upon me 'to keep the book in my own custody and "under lock and key". If the D.P.W. officers had not neglected this ordinary and necessary measure of safety, this fraud could not have taken place, and I consider he is primarily responsible & more to blame than any other of the parties concerned.

A.G.H

Flag L.

12 - The accountant, Eastern Delta Division office. This man is responsible for the presence of the forger in the Division office. G.O. No. 201 W d/24th January 1885 prohibits the employment of volunteers in public offices. But in the present case the man was not a volunteer. He had applied for a clerical appointment on 24th April, and pending the arrival of the Executive Engineer from camp and a decision in the -- matter, he was given copying work in office to test his abilities, a common and a necessary procedure,

provided

irma-
lso --
states

provided it is not carried too far. The man had apparently been in or about the office for 10 days before he committed the forgery. In the light of this occurrence, [it may be well to issue orders prohibiting] the employment of all strangers in public offices for a longer period than is sufficient to test their fitness for employment. will be prohibited. The period should not exceed one working day of 8 hours. [Under existing rules the accountant cannot be held responsible.]

13 The Cashier. [is considered to have been] was guilty of carelessness in leaving the cheque books on his table when he left the room, instead of locking them up or taking them with him, more especially as there was a stranger working at the same table, & he is much to blame. [He is a clerk IV Class 2nd grade on Rs. 30 to Rs. 40, and is drawing Rs. 36 at present. He should, it is thought, be punished by reducing him for 6 months to the minimum pay of his grade, viz, Rs. 30.]

Much to blame.
A.G.H.

14- The Treasury Officer. The officers connected with the disbursement of the cheques were the Tahsildar and the Head Accountant. (The former only glanced at them apparently, & it may not have been his duty to do even that. It was the Head Accountant's

These officers were very stupid, and are to blame, but in a less degree than the Ex. Engineer and the Cashier.
A.G.H.
17.11.97

(Hence entire staff [illegible])

Flag E.

Accountant's duty to pass them for payment after careful scrutiny, and this scrutiny he says he gave.

Flag J.

I cannot agree with the verdict of either of these officers.
A.G.H.

The Sub Collector exonerated him completely from blame. The Collector says 'I am of opinion he can hardly be blamed' but neither of these officers can have seen and compared a genuine and one of the forged cheques, or they could not possibly have come to this extraordinary decision.

Genuine cheques Nos. 1 to 8 & 10 & 11 are now before Government and the two forged cheques, and a careful examination of them is requested. Genuine cheques Nos. 4, 5, 6, 7 & 10 were all cashed on the same day as the forged cheques, and No. 5 at the same time. They are all evidently drawn by the same person and signed by the same person. Now look at genuine cheque No. 5 and forged cheque No. 9, both of which the Tahsildar 'glanced at', 'touched', 'perused' according to different accounts, and both of which lay side by side before the Head Accountant and were 'examined' by him.

Flag F.

Note

(1) The difference in the --- writing.

(2) The difference in the ink.

(3) The most palpable erasure of a figure before the 9.

(4) The strong resemblance of the writing of the limiting -- value of the cheque (under rupees etc.) to that of the endorsement on the back of the cheque.

(5) The fact that the man presenting the cheque was a complete stranger.

(6) The fact that the cheque was for a large sum.

(7) The fact that forged cheque No. 8 ~~and~~ was presented by the -- same man half an hour after -- cheque No. 9 had been paid.

(8) The probability that, if inquiry was made, it would be proved that P.W.D. cheques, certainly those for large amounts, are paid year after year, at the Treasury to the same men, local contractors well known to everybody.

(9) The fact that in spite of the man being a stranger and the cheques for large amounts the Head Accountant contented himself with the most meagre -- inquiry concerning him.

Note all these facts and then say if it is possible for an

Flag F.

x he means 'cheques'.

impartial mind to agree with the Collector and Sub Collector that no blame can attach to the Head Accountant?; ~~is~~ or to say with the Sub Collector "of course, the person most to blame is the D.P.W. Cashier". The Head Accountant at the end of his explanation says "The signatures in the forged notes x in question -- exactly resembled the signatures in the genuine cheques cashed on same dates". The forged signature is no doubt a fairly skilful piece of work, and might have deceived any one if there had been no chance of comparing it and the forged cheque as a whole with a genuine cheque; but so far from this being the case, the two cheques, genuine and forged, were there side by side, and differing in almost every particular, the genuine one being similar in every respect to genuine cheques cashed on the same day, and the forged one entirely dissimilar.

The conclusion seems inevitable that had the Head Accountant taken the very smallest conceivable amount of care, the fraud would -- have been at once detected. So evident is this that the first thing the Police should have done, if they had been properly instructed, was to search the house of the Head Accountant and see if there was any evidence of his collusion with the forger or any previous intercourse with him. There are several suspicious circumstances connected with the case which a skilful detective would have soon unearthed, i.e.,

(1) How did the forger obtain his knowledge of the method of drawing P.W.D. cheques.?

He had been in the office several days
MS

(2) Why were the cheques presented on the day the permanent Head Accountant returned to duty?

It was the day after the forger got hold of the cheque forms – naturally he did not delay for fear the abstraction of the cheques might be discovered –
MS

Yes. I see no reason for thinking the Hd. Acct. connived
JG

It is certainly true that, but for the carelessness of the cashier, the fraud could never have been committed, but it is also true that but for the inconceivable carelessness of the Treasury officers it would never have been successful. Even the one glance of the Tahsildar should have satisfied him that something was wrong. The Head Accountant is dead and beyond the reach of blame, and it is thought that the case will be sufficiently met and a recurrence prevented by

It was not his duty to examine the cheque. All he had to do was to see that it was payable (if genuine) at his office
JG

(1) Fining the cashier Rs.6 per mensem for 6 months.

(2) Amending para 94 Vol. II Chap. I of Code as follows:- "All cheques must be written up by the disbursing officer or in his presence".

(3) Prohibiting the employment of strangers in public offices for a longer period than is necessary to test their -- fitness. i.e. say for one working day of 8 hours.

(4) Issuing orders for more -- careful scrutiny in Treasuries

W Bell
27.10.97

[43/509]

…rks DEPARTMENT.

HIS E…

THE H…

THE H…

W/ Propose to send this file round to Hon. members, before orders are drafted.

C.. 25/3/98

W.S. 28-3-98

Rs - &

unders…

amt. W…

Mr. H &

respective,

of the former

& the latter Rs 36-

The amt. actually lost to date is Rs 1310-12-5 & I presume it is not intended to consider the balance (Rs 1100) as irretrievably lost, until it is known whether the notes have been cashed.

…W. D. cheques

…by one P.

…D. of

…er

…t

…d allowed

…rical and ac-

…pending dispo-

…ation for a clerk's

…the 4th May 1897

…ffice received

…tive Engineer

…books containing

…own cheques,

…as making

…w cheques

…was obliged

…t to speak

…utes leaving

Forged Cheques

W

In order whether the file may go back to His Exy. with refs. to the Hon. members' notes.

22-11-97

Ex - asks for definite orders as to the amt. to be paid by Mr. H & the cashier respectively - the pay of the former being Rs 850 & the latter Rs 36 - The amt. actually lost to date is Rs 1316-12-5. & because it is not intended to consider the balance (Rs 1100) as irretrievably lost until it is known whether the notes have been cashed.

Submitted -

The accountant general
[illegible] apparently been
[illegible]ed for the information
[illegible]ired by the Provost

His Exy. has
[illegible]ently not seen the
[illegible] since it was sent
[illegible] on 23 Nov: last.

16.2.98

…ine 1-11-97. R 22-11-97

The Hon'ble Member asks to see a number of other cheques admittedly signed by Mr. Handcock. & they are very essential to the proper placing of this matter before Govt.

The Acct. Genl., or other officer concerned, should be asked to submit if possible all the other cheques of the books in question in the Rajahmundry Treasy., especially the real numbers &c &c.

12.10

W

The accountant general has now furnished

Public Works DEPARTMENT.

SUBJECT. P.W.D. cheques forged and cashed by one P. Venkatadri Naidu.

DERS.

In his letter No: 630 G.D. of
June 1897, the Suptg. Engineer
Circle brought to notice that
passed candidate named P.
enkatadri Naidu was admitt-
ed into the Godavari Eastern
Division in May 1897 and allowed
o work in the clerical and ac-
counts branches pending dispo-
al of his application for a clerk's
post, that on the 4th May 1897
the cashier of the office received
from the Executive Engineer
in camp cheque books containing
drawn and undrawn cheques,
that while he was making
entries of the drawn cheques
in the cash book he was obliged
to go to the Accountant to speak
to him for a few minutes leaving

~~Forged Cheques~~

W

W For orders whether the file may go back to His Excy. with refer to the Hon. members' notes.

Cn
22.11.97

Ex-cashier for definite orders as to the amt. to be paid by Mr. H & the cashier respectively - the pay of the former being Rs & the latter Rs 3
The amt. actually to date is
& determine
not intend
consider the
(Rs 1100)
list, unless
whether
been

1-11-97. R22-11-97.

Submi
the a
appo
d fr
ind

Cheques No. 1 to 8 & 10 of book No. 705?73, &
Notes that cheque No. 10 is with the Collector, not yet cashed.

The note for orders might now perhaps be passed, with a P.S. stating that the above mentioned genuine cheques have been obtained from the assignee, & with such remarks as you may see fit to add. The signature on the forged cheques is certainly an imitation, & by no means a perfect one.

Cn
22.10.97

I have seen the a (mrs) draft of the ~~form~~ order. Please pass copy & send up with
26.10.97

This cashier is clerk III class 2nd grade - (Rs 30-40) and is in receipt of Rs 36
Para 8-7, chapter I, Vol II of the Code

Please return today with this report if available
23.10.97

[43/509]

Public Works DEPARTMENT.

C. No. ....

ELLENCY THE GOVERNOR.
N'BLE SIR HENRY BLISS, K.C.I.E.
N'BLE MR. GROSE, C.I.E.

SUBJECT. P. W. D. cheques forged and cashed by one P. Venkatadri Naidu.

FOR ORDERS.

Flag A

In his letter No: 630 G. D. d/ 7th June 1897, the Supty. Engineer I Circle brought to notice that a passed candidate named P. Venkatadri Naidu was admitted into the Godavari Eastern Division in May 1897 and allowed to work in the clerical and accounts branches pending disposal of his application for a clerk's post, that on the 4th May 1897 the cashier of the office received from the Executive Engineer in camp cheque books containing drawn and undrawn cheques, that while he was making entries of the drawn cheques in the cash book he was obliged to go to the Accountant to speak to him for a few minutes leaving the cheque books on the table; that Venkatadri who was working at one end of the cashier's table took advantage of the cashier's absence and abstracted from the Rajahmundry Treasury cheque books two blank cheques Nos: 28 and 29 and another blank cheque from the Bhadrachalam Treasury cheque book; that he erased the figure 2 in the two cheques on the Rajahmundry Treasury and drew them in favour of one Dinadayalu Naidu for sums aggregating Rs. 2,418-13-5 forging the signature of Mr. Handcock the Executive Engineer and dating them 4th May 1897; that on the 5th May he presented the two cheques to the Treasury Officer Rajahmundry and obtained payment of Rs. 2,400 in currency notes of Rs 100 each and Rs 18-3-5 in cash representing that he was the man in whose name the cheques were drawn; that the forgery was discovered on the same day when a genuine cheque No: 10 d/ 3rd May 1897 was presented at the Treasury for payment and after Venkatadri had disappeared; that the case was at once reported to the Police, and that the Collector offered a reward of Rs 200 for the arrest of the culprit. The blank cheque abstracted by the man from the Bhadrachalam Treasury cheque book was found, after he had disappeared, in the pocket of his coat left in his lodgings.

The Supdg. Engineer considers that the man should not have been allowed to work in the office being an unpaid man; that the cashier should not have left the cheque books on his table during his absence; that the Executive Engineer should have sent to the office the drawn cheques only and not the whole books, and that the Rajahmundry Treasury Officer was not free from blame as he had cashed cheques containing erasures and as a scrutiny of the Executive Engineer's signature, which was not easy to copy, should have led to detection.

The Accountant General in his letter No: 2150 d/14th July 1897 reported that the taluk Head Accountant had passed the cheques on the statements of the Pound Gumastah and a P.W.D. peon, that they knew the man and that the Head Accountant did not enquire concerning the name and profession of the man, there having been no reason to doubt the genuineness of the cheques. The Accountant General was however of opinion that if the Head Accountant had made a cursory comparison with any other P.W.D. cheque, the erasures in the numbers would have been detected as the space between the words "Cheque No:" and the actual figures was larger than usual, that the plea urged that he did not suspect the genuineness of the cheques could not be accepted as it was the duty

Flag B

of the Head Accountant, ~~who~~ any official ~~was~~ relieved of all magesterial work, to scrutinise every document presented for payment, that careful scrutiny was specially necessary in this case as the cheques were for large amounts and the payee was unknown to the Head Accountant, that the imitation of Mr. Handcock's signature was not very skilful, that the fact that it was written with the same ink as the remaining portion of the cheque should have aroused suspicion, that the Head Accountant should have detected the forgeries, and that the Sub Treasury Officer was not entirely free from blame. The Accountant General also forwarded the two forged cheques for inspection.

In accordance with the remarks of the Honourable Members on the note for orders d/22nd July 1897, the explanations of the Tahsildar and the Head

Flag C

Accountant have been obtained and the papers on the subject in the Revenue Department have been added to the file. Also genuine Cheques Nos 1 to 8 & 10 & 11 of the same book have been obtained. Flag D

The Head Accountant explains that he was on privilege leave up to the 4th May, that both he and the Acting Head Accountant went to the office at 11 A.M. on the 5th idem, when they found Venkatadri seated on a box inside the office, that the latter, on seeing asked who he was and what brought him, replied that he was a P. W. D. contractor and brought cheques for being cashed, that the permanent Head Accountant called to his seat the office Pound Gumastah a resident of Dowlaishweram and pointing out Venkatadri Naidu to him asked him if he knew that contractor, that the Pound Gumastah replied that he knew the man as a resident of Dowlaishweram having business in the Executive Engineer's office, that a P. W. D. lascar of Dowlaishweram named Jungili who came to the Treasury a little while after for making some remittance was asked if he knew that contractor, and that he replied in the affirmative. The Head Accountant also states that he asked the P. W. peon how he knew the man and that the former replied that the man was residing in Dowlaishweram and often seen in the Eastern Division office. The Head Accountant says that he was afterwards engaged in assuming charge, that at about 1 P.M. he and the Acting Head Accountant resumed their seats, that the Tahsildar then came in from the Sub Collector's office and taking his seat by the same table was giving certain instructions regarding Jamabandi, that the office peon then placed on the table the Executive Engineer's credit order book, the forged cheque for Rs 1800 and odd and another,×

× The genuine cheque No 5.

that Venkatadri also came in and stood by the side of the Tahsildar's seat, that the Tahsildar took up the cheque for Rs 1800 and odd and perused it, that he I asked Venkatadri who he was, that the latter replied that he was a D.P.W. Contractor, and that the Tahsildar then passed over the credit order book and the cheques to the Head Accountant. The Head Accountant adds that Venkatadri looked highly respectable with a nice tweed coat, a valuable gold fringed upper cloth, and a Turkish cap, and that with the enquiries already made of the Pound Gumastah and the lascar coupled with the respectable appearance of the man he was ~~able~~ satisfied and entertained no doubt about the person. In regard to the examination of the Executive Engineer's signature on the forged cheques, the Head Accountant explains that though the signatures of the Executive Engineer affixed to the several cheques issued by him were generally of the same form as the specimen signature furnished to the Treasury, slight differences in minor details were however noticed, and that the signatures on the forged notes in question having × exactly resembled the signature on the genuine cheques no suspicion was entertained in regard to the forged cheques.

× He had the opportunity of comparing side by side, & [illegible] to confuse, a forged & a genuine cheque.

Flag E

In the statement taken by the Sub-Collector, the Head Accountant states that the Tahsildar glanced at the cheques, while in the explanation furnished to the Treasury Dy. Collector he says that the cheques were perused by the Tahsildar. In other respects, there appears to be no material difference between the Head Accountant's explanation and statement.

Flag F

In the statement taken by the Sub Collector from the Pound Gumustah Gatti Suranna, the latter states that the Head Accountant enquired of the delinquent only after it was known that the cheques in question had been forged and completely denies any knowledge of the Head Accountant having made enquiries before the cheques had been cashed. The Sub Collector however remarks that from the demeanour of the Pound Gumustah there is no doubt he is lying.

Flag G

The Tahsildar in his report d/ 9th May 1897 states that he saw two cheques Nos: 5+ and 9 on the Head Accountant's table, that he casually touched them without paying any attention since he was engaged in talking about the Jamabandi works, that he never spoke to Venkatadri, and that Venkatadri did not stand by his side. The Tahsildar however admits that he saw the man. He also states that as soon as the forgery was brought to his notice he wired to the Executive Engine about the genuineness of [illegible] Nos: 8 and 9, and that on hearing that they were forged he proceeded at once to Dowlaishweram a found that the man had ~~be~~ absconded an hour before ~~away an hour ago earlier~~.

+ one genuine & the other false.

Flag H

The Acting Head Accountan A. Seshachellum states that th Tahsildar simply touched the cheques and placed them wher they were without paying any attention to them, that Venkatadri did not stand by the side of the Tahsildar or the Hea Accountant, and that the Tahsildar never questioned the ma as to who he was.

Flag I

The Collector in forwarding the above papers remarks that the Sub-Collector in his letter No. A d/ 6th May 1897 (copy not furnished states that the Tahsildar acted with the greatest promptitude in communicating with the Police and in himself going to Dowlaishweram the moment he had suspicion of a fraud having been committed.

^ It will be seen from para 6 of the Collector's letter No: 1645 d/7 July 1897 recorded with G.O. No: 3829 Mis: Revenue d/ 23rd July 1897 that ~~notes to the extent of Rs 1300~~ were cashed 12 at Madras & 1 at before that date. The man has not yet been discovered ~~detected and there is thus no chance of any portion of the forged cheques being recovered.~~ It has now to be considered who is responsible for the loss of Rs. 2418-13-5.

Against the Executive Engineer it may be said that he should not have allowed the cheque books out of his custody. Para 87, Chapter I, Vol II of the P.W. Code requires that the cheque books should be kept under lock and key

The notes were stopped at once, their numbers being known, but ^

Flag J

13 of them

Guntur

and there is apparently little likelihood of the recovery of any portion of the proceeds of the forgery though the remaining 11 notes may never be cashed.

Go on on new sheet.

Flag K

This modification of Para 87 will be found embodied in Paras 93 & 94 of the ~~same~~ P.W. Code Vol. II Chap I and under them a ~~Cashier~~ disbursing officer is empowered to send his cheque books out of his presence and custody to be written up by another person; and he breaks no rule in doing so. It is a matter of practice frequently done.

in the personal custody of the disbursing officer. This rule has been relaxed by G.O. No: 172 W of 21st January 1890 which lays down that the Accountant may well be entrusted with the writing up of the cheques and that this may, if it be thought necessary for safety, be done in the disbursing officer's presence. Apparently under this G.O. the disbursing officer can hand over the cheque books to the Accountant for writing up cheques, and Mr. Handcock explains that in this instance he sent the books to the cashier at the beginning of the month in order to compare the amounts with the cash book.

The next officer responsible appears to be the cashier who allowed the man to work at his table and left the cheque books on his table without securing them when he went to speak to the Accountant and the Despatching clerk. This was gross carelessness on his part, but he seems to have confided in the man.

The Accountant who is the manager of the office is also responsible for having allowed an unpaid man to work in the office. The only rule on the subject is that contained in

f the Collecto a/24 January 1885.

45 d/7 July prohibits the employment

O. No: 382 teers in public offices;

3rd July the present case the man

was not admitted as a volunteer. He was coming to the office whenever he chose to ascertain if any orders had been passed on his application for a post and was given fair copying work pending orders on his application on return of the Executive Engineer to the Head Quarters. The Executive Engineer considers that the Accountant as the manager of the office should have ascertained that the man's credentials and certificates were genuine before allowing him a footing in the office and the

Flag L

Flag M

G. O. No: 201st

G. O.

This

of volu

but

Accountant's explanation in this respect is that he was full of work and that he intended to bring the matter to the Executive Engineer for disposal on his return from camp.

In regard to the cashing of the forged cheques, it is submitted that if the Head Accountant had compared the forged with the genuine cheques, the erasures in the numbers of the forged cheques could have been easily detected as the space between the words "Cheque No:" and the figures in the forged cheques is larger than usual. The erasure in cheque No: 9 is also quite visible and should have attracted attention. The fact that the signatures as well as the remaining portions of the cheques are written in pale ink should have also aroused suspicion. The signatures on the forged cheques do not appear to be an exact imitation of Mr. Handcock's usual signature, four specimens of which will be found in the

Are a very close

Flags M, N, O.P

& enclosures to the Depty. Engineer's letter. In the written statement (Flag E) taken from the Head Accountant he admits that cheque No: 9 for Rs 1800 and odd was presented at 11 A. M., while cheque No: ~~567~~ 8 for Rs 567 and odd was produced after cheque No: 9 had been cashed. The man having brought the two cheques together and having tendered one, after the other had been cashed should have also created suspicion. As the forged cheques were for large amounts, and as the payee was unknown to the Head Accountant, he should have made sufficient enquiries to satisfy himself as to the identification of the person. The Head Accountant states that he enquired of (Flag D) the Pound Gumastah and a P.W.D. peon whether they knew the payee a contractor, but the Pound Gumastah denies any (Flag F) knowledge of the Head Accountant having made enquiries before the forgery was known and no deposition has been taken from the P.W.D. peon in question. Even admitting that the Head Accountant made the enquiries before the forgery was known, it is evident from ~~the~~ his own statement that the form in which he put the question was not clear enough to elicit a proper answer. If he had asked them whether the payee's name was Dinadayalu Naidu and whether he was a contractor, he would have got correct replies.

In the above circumstances it is submitted that the Accountant General's conclusion that the Head Accountant should have detected the forgeries seems quite correct. It will be seen from the Collector's letter recorded with G. O. No: 3829 Mis. Revenue d/ 23rd July 1897 that the Head Accountant in question has since died of dropsy.

There seems to be no reason to implicate the Tahsildar in the affair, as it is no part of his duty to scrutinise cheques or to order payment.

Maj

[illegible] 11.10.57

The Executive Engineer

Mr. Handcock sent his cheque books in [illegible] accountant by tappal, containing cheques for salaries already drawn by him, & blank cheques. In the [illegible] of [illegible] (1) the amounts of the cheques previously drawn compared with the & amounts entered in the cash book (2) the amounts of the ~~the~~ drawn cheques for salaries sent in the cheque books entered in the cash book & the despatched ~~sent~~ cheques themselves to the payees. (3) some further cheques drawn, vide statement of cashier.

Flag O.

P. W. Code Vol. II Chap I Para 87 says even that cheque books must be kept under lock & key in the personal custody of the drawing officer.

But Paras 93 & 94 of same Chapter say that it is not necessary that a disbursing officer shall

Flag K

make out cheques into his own hand, and that *if thought necessary, for safety*. cheques may be required to be written up in the presence of the drawing-officer-

(The origin of these 2 paras will be found in G.O. No 172 of 21 Jan 1890).

Mr. Handcock therefore broke no rule in sending his cheque book to his acct. one of the objects being to have cheques written up, & it is a procedure not infrequently resorted to when officers are in Camp. & it is desirable to prevent mistakes in the cash book by comparing it with cheque books. It may be necessary to amend the rule, but as it stands, it is considered that Mr. Handcock has committed

---

Rs 30 to Rs 40. - &c

Flag L

inculpable act, & cannot therefore be held responsible for the results. Certain

The Accountant.

Delhi Dn Office.

This man is responsible in the presence of the forger in the Dn. Office

G.O. No 201 of ~~24~~ Jan 1885 prohibits the employment of volunteers in public offices - But in the present case the man was not a volunteer - He had applied for a clerical appointment in Dn. Office, & pending the arrival of the Ldy. from camp & a decision in the matter, he was given copying work in office to test his abilities. a common & a necessary procedure, provided it is not carried so far. The man had apparently been in and about the office for 10 days before he committed the forgery. In the light of this occurrence, it may be well to issue orders prohibiting the employment of all strangers in public offices for a longer period than is sufficient to test their fitness for employment. Under existing orders the acct. cannot be held responsible.

The Cashier is considered to have been guilty of carelessness in leaving the cheque books in his table when he left the room, instead of locking them up or taking them with him, more especially as there was a stranger working at the same table. He is a clerk

2.

Rs 30 to Rs 40 – & is drawing Rs 36 at present – He should, it is thought, be punished by reducing him for 6 months to the minimum pay of his grade viz Rs 30.

The Treasury Officers.

The officers connected with the disbursement of the cheques were the Tahsildar & the Head Accountant. The former only glanced at them apparently, & it may not have been his duty to ~~do anything~~ even that. It was the Head Accountant's duty to pass them for payment after careful scrutiny and this scrutiny he says he gave.

Flag E.

The Sub Collector exonerates him completely from blame.

Flag J.

The Collector says 'I am of opinion he can hardly be blamed'

but neither of these
officers can have seen
& compared a genuine
& one of the forged
cheques. or they could
not possibly have come
to this extraordinary
decision -

Genuine cheques Nos 1 to 8
& 10 & 11 are now
before ~~me~~ Govt, and the two
forged cheques. & a
careful examination of
them is important -
~~Ch~~ Genuine cheques Nos
4, 5, 6, 7 & 10 were all
cashed on the same
day as the forged cheques
& No 5 at the same
time - They are all
evidently drawn by the
same persons & signed
by the same person.
Now look at genuine
cheque No 8 & forged
cheque No 9. both of
which the Tahsildars
[illegible] touched"

'personal' according to
different accounts. &
both of which lay
side by side before the
~~Head~~ Acct & were
'examined' by him -

Flag E.

* Note
(1) The difference in the writing.
(2) The difference in the ink.
(3) The most palpable erasure of a figure before the 9.
(4) The striking resemblance of the writing of the limiting value of the (under rupees etc) cheque to that of the endorsement on the back of the cheque.
(5) The fact that the man presenting the cheque was a complete stranger.
(6) The fact that the cheque was for so large a sum.
(7) The fact that forged cheque

No 8 was presented by the same man half an hour after cheque No 9 had been paid.

(8) The [illegible] Acct. of inquiry has made it [illegible] proved that P.W.D. cheques, certainly those for large amounts, are paid year after year, at this Treasury, to the same men, local contractors well known to everybody.

(9) The fact that in spite of the man being a stranger & the cheques for large amounts the Hd Acct. contented himself with the most meagre inquiry concerning him.

Notwithstanding these facts & then say if it is possible for an impartial mind to agree with

3

the Collector & Sub Collector that no blame can attach to the Head Accountant?

~~The latter says in his~~ the Sub [illegible] say with of course Collector, the person most to blame is the D.P.W. Cashier —

Flag 7.

The Head Accountant at the end of his explanation says "The signatures in the forged notes* in question exactly resembled the signatures in the genuine cheques cashed on same dates".

Flag D.

* he means 'cheques'

The forged signature is no doubt a fairly skilful piece of work & might have deceived anyone if there had been no chance of comparing it & the forged cheque as a whole with a genuine cheque, but so far from this being the case, the 2 cheques were genuine & forged, were there side by side, & differing in almost every particular, the genuine one being similar in every respect to genuine cheques cashed on the same day, & in every other the forged one dissimilar. The conclusion seems inevitable that had the P.O. acct. shown the very smallest conceivable amount of care, the fraud would have been at once detected. So evident is this that the first thing the Police should have done, if they had been properly instructed, was to search the house of the P.O. acct. to see if there was any evidence of his

collusion with the forger — or of any previous intercourse with him. There are several suspicious circumstances connected with the case which a skilful detective would have soon unravelled. e.g.

(1) How did the forger obtain his knowledge of the method of drawing P.O. cheques.

(2) Why were the two cheques presented on the day the permanent P.O. acct. returned to duty.

It is certainly true that, but for the carelessness of the Cashier, the fraud could never have been committed. But it is also true that but for the inconceivable carelessness of the Treasury officers it would never have been successful. Even the merest glance of the Tahsildar should have satisfied him that something was [illegible]. The head accountant is dead, & beyond the reach of blame, & it is thought that the case will be sufficiently met & a recurrence prevented by

(1) Fining the cashier Rs 6 per mensem for 6 months

(2) Amending Para 54 Vol II Chap I of Code as follows - "All cheques must be written up by the disbursing officer or in his presence".

(3) Prohibiting the employment ~~[illegible]~~ ~~dilution~~ of strangers in public offices for a longer period than is necessary to test their fitness. i.e. say for one working day of 8 hours -

(4) Issuing orders for more careful scrutiny in Treasuries

25.10.97

P.W. DEPARTMENT.

P.W.C. No. 5782
Spl. C.No. ~~1887~~ 2156

SUBJECT

P.W.D. Cheques forged & cashed by one P. Venkatadri Naidu.

(1) H. E. THE GOVERNOR.
(2) THE HON'BLE Sir Henry ~~MR.~~ BLISS, C.I.E.
(3) THE HON'BLE MR. GROSE, C.I.E.

FOR ORDERS.

The facts of the case are clearly set out in the letter from the Supdg. Engr, I Circle, No. 630 of D dated 7th June 97 - flagged B.

The question for consideration is who is responsible for the loss of Rs 2418-13-5 in view to the amount being recovered.

Against the Executive Engineer Godavari Eastern Division, it might be urged

(1) that the delinquent, P. Venkatadri Naidu, should never have been allowed to work in the office he being an unpaid man, &

(2) that the Ex: Engineer ~~he~~ should not have allowed the cheque books out of his custody.

As regards (1), the only

I think the Ex: Engineer should bear the greater burden of the blame; next to him, the Cashier was most in fault; the Treasury Officer and Head Accountant are not free from blame. Of the amount which may ultimately remain unrecovered, I think the Ex: Engineer and Cashier should pay ~~one fourth~~ three-fourths, leaving one fourth to be paid by the Treasury Officer and Head Accountant.

A.G.H 23.7.97

The Exve Engr seems to be the person originally & chiefly to blame; and lastly the then the cashier; and the Taluk Hd. Acctt. The Acctt Genl says that the Sub Treasury officer (that is, the Tahr.) is not entirely free from blame, but he does not explain, and I don't know in what way he is to blame. ~~There is~~ nothing to show that he somehow saw the forged cheques. That he was in Rajahmundry in the evening of May 5 we know, but we don't know whether he bearing on the point is contained in G.O. No 201W d/ 24th Jany 88, but this is not exactly applicable. This order prohibits the employment of volunteers in public offices, but the man Venkatadri Naidu was not posted to the Division office as a volunteer. Having applied for a clerkship, he was given a trial in the office for a few days till the Ex: Engineer returned to Head Quarters & passed orders on his application.

With reference to (2), para 87, Chap. I, Vol II of the P.W. Code equires that the cheque books ust be kept under lock and ey in the personal custody of he disbursing officer. # G.O. No 172W ated 21st Jany 90 also applies t this order is somewhat con= adictory. It lays down that is essential that the dis= rsing officer should keep the que books in his own custody adds that cheques may written by the Accountant if thought necessary for safety

He was in the office – Please see page 9 of the file under G.O. 3829 / 28-7-97

× Flag C

was at the office or even in Rajahmundry when the payments were made, for the orders to pay written across the cheques in red ink are signed by V. Sitarama Charlu, who appears by the Rev: Dept. list to be the Taluk Hd Acctt. — I don't know whether if the Tahr. was at office the cheques would have been taken to him for orders to pay or whether the Taluk Hd Acctt would ~~pay~~ order the payment in the same manner as he would have done if the Tahr. had been absent on circuit. It occurs to me, by the way, that when the P.W. Acctt says that the Tahr. & the Police Inspr. came to him about 5 P.M. on May 5, it may not have been the Tahr. at all, but the Taluk Head Acctt, who had signed the orders to pay.

Looking at the cheques, I can't say but what the forgery of Mr Handcock's signature may have deceived the treasury people — I should like to see a good many other cheques, admittedly signed by him, before saying that it should not have done so — But I can't understand the erasure of the figure "2" in ~~two places~~ each cheque escaping notice. It is apparent at a glance in the cheque No 29.

I think we had better learn what the Tahr. & Taluk Hd Acctt have to say before going further.

It seems to me that the forger must be a man who is well acquainted

Flag D.

with the routine of drawing P.W. cheques & getting them cashed & that the Police had better make enquiries as to men recently discharged from the P.W.D..

27/7/97

I have seen other papers on the subject of these defalcations (I think in the Rev. D epr.) They shd be put up. The Tahr & Taluk Hd Acctt shd be called on for explanation before orders are passed.

29/7/97

safety this *may* be done in the presence of the disbursing officer. Apparently under this order the disbursing officer can hand over the cheque books to the Accountant to write cheques. Mr Handcock explains that in this instance the cheque books were sent to the cashier at the beginning of the month in order to compare the amounts with the cash book.

As regards the officials of the Rajahmundry Treasury who as the bankers were responsible for the payment, the Accountant General's letter shows that the Taluq Head Accountant passed the cheques without inquiring the name & profession of the man who presented them. He considers that there is no doubt that if the Head Accountant had made a cursory comparison with any other P.W.D. cheque the erasures in the numbers would

would have been detected as the space between the words "cheque No" and the actual figures is larger than usual. He is of opinion that the plea urged by this official that he did not suspect the ~~genuines~~ genuineness of these cheques ~~can~~ cannot be accepted as it is the duty of the Taluq Head Accountant to scrutinise carefully every document presented to him before he passes it for payment. Careful scrutiny was especially necessary in this case as the cheques were for large amounts and the payee was unknown to the Head Accountant. The Acct. General thinks the forgery a clumsy one, and the conclusion he arrives at is that the Head Accountant should

should have detected the forgeries & that the Sub Treasury officer is not entirely free from blame.

22/7/17

Public works
~~Financial~~ (1898) Department.

CURRENT No. ~~917~~
2643

CHIEF SECRETARY
20 MAR 1898
GOVERNMENT OF MADRAS

From The Accountant General
Madras.

~~Order~~ Endorsement No. 754
d/ 21-3-98.

Transferred to the P. W. D.
Public Works Department
in Continuation of
Endorsement No. 438
dated 17th February 1898.

CWS
21. 3. 98

E. G. Roberts
As Asst.
~~for Chief~~ Secretary
21. 3. 98

× Cwo 1541 Lo with 5 Acw (Compild)

No. 1090

Dated 18 March 1898.
Received } ~~21~~ 22nd /3/98.
Registered }
Enclosures 1
Spare copies

SUBJECT.

Requesting an early reply to this office letter No. 516 dated 12 February 1898.

1541

R 25/4

1541/98

no. 1077C d/ 22. 2. 98
G.O. 4321 .. 18 August 97
G.O. 4205 .. 13 August 97
No. 3387C .. 2-8-97
G.O. No. 3829 23rd July, 97
no. 3266C . 21-7-97
No. 2923C . 18 June 1897
G.O. 2829, 4th June 97
G.O. ~~1890~~ 172W. 21 January 90
No. 201 W d/ 24 Jany 85
G.O. No 396 . 18th March 84

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

CURRENT No. 917

Treasury Account DEPARTMENT.

FORT ST. GEORGE,
Accountant-General's Office,
18th March 1898.

No. 1090

From

F. C. Harrison Esquire,
ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To

THE Chief Secretary to Government,
Financial Department.

SIR,

M I have the honour to respectfully invite attention to my letter No. 516 dated 12 February 1898, enquiring whether any orders have been passed on the loss sustained by Government on account of the encashment of two forged cheques of the Godaveri Eastern Division (Public Works Department), and to request that I may be favoured with an early reply, for the reasons mentioned in my ~~pension~~ previous report.

I have the honour to be,
Sir,
Your most obedt: Servt.,
F C Harrison
Accountant General.

Ausc. 1
2643/38

Particulars of Currency Notes reported in Treasury Officers Godavari Circular d/6 May '97 since cashed.

No.	Numbers of notes		Value Rs.	Date	By whom
1	2/87	30425	100	18 May 1897	Bank of Bombay at the Bombay Currency Office
2	"	50205	100	1 June 1897	Bank of Madras at the Madras — do —
3	2/75	39053	100	2 " "	— Do — do — do —
4	2/87	50203	100	2 " "	— do — do — do —
5	8/74	26402	100	3 " "	D. Ismail Sahib 98. Thumbu Chetty Street, Muthialpett. Madras Do.
6	8/53	52350	100	9 " "	Bank of Madras — do —
7	2/87	15148	100	9 " "	— Do — do —
8	2/65	28297	100	9 " "	C. Ragava Pillay Bill collector Messrs. Walker & Co. 2nd Line Beach Madras — do
9	3/75	05502	100	15 " "	Bank of Madras — do —
10	2/74	18472	100	17 " "	— do — do —
11	3/95	24052	100	17 " "	— do — do —
12	2/64	49676	100	29 " "	— do — do —
13	3/65	94236	100	29 " "	— do — do —
14	3/87	40680	100	10 July 1897	— Do — do —
15	2/87	14827	100	28 " "	— do — do —
16	3/86	83187	100	3 August "	Bank of Bengal at the Calcutta Currency Office
17	8/73	00575	50	30 " "	Bank of Madras at the Madras — Do —
18	2/86	84253	100	3rd Septr. "	— do — Do —
19	8/87	23448	100	5 Octr. "	P. A. M. Moideen Pillai No. 81 Linghi Chetty Street, Madras, Do.
20	2/87	65373	100	14 " "	Bank of Madras — do —
21	2/87	37843	100	29 " "	— Do — Do —
22	2/75	34579	100	29 Novr. "	— do — Do.

Public Works (1898) Department.

CURRENT No. 2269

Order

From the Accountant General, Madras.

No. 928

Dated 10th March 1898.

Received 11.3.98

Enclosures 1

Spare copies

SUBJECT.

Reporting on the encashment &c of currency notes obtained by Dinadayalu Naidu with reference to Govt. Memo. No. 1315C of 4-3-98.

Send this [illegible] W.S. with refce to [illegible] D.O. note of 15th Feb.
[illegible] 19.3.98

await A.G's return

Copy to [illegible]
15.3.98.

o.L.S. 28
R 28/4

OUCl 2269/98

BACK PAPERS.

No.	Date.
✓ ~~1315C~~	~~4-3-98~~
✓ ~~924C~~	~~17.2.98~~
✓ 1077C	22.2-98
~~C No 15[illegible]~~	~~[illegible].98~~
~~Note for orders & file of C Nos~~	
4185C	16.10.97
4321 Rev.	18.8-97
4205 "	13.8.97
3387C	2-8.97
3829 Rev.	23.7.97
3266C	21.7.97
2923C	18.6.97
2829 Rev.	4.6.97
172 W (SC)	21.1.90
201 W	24.1.85
396 Rev (S.C)	18.3.84

FURTHER PAPERS.

No.	Date.

Treasury Account DEPARTMENT.

FORT ST. GEORGE,
Accountant-General's Office,
10th March 1898.

No. 928

From
F. C. Harrison Esqr.
ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To
THE Secretary to Government
Public Works Department

SIR,

With reference to Government memorandum No 1315C dated the 4th Instant, I have the honour to report that from a copy of a printed circular issued by the Treasury Officer Godavari prohibiting encashment of the Currency notes obtained by Dinadayalu Nayudu, the stoppage order appears to have issued on the 6th May 1897, the day following that on which the forged cheques were cashed.

A list shewing the no and value of the notes which have been cashed, the parties by whom they were presented and the dates on and the places at which they were paid is appended.

With regard to the remark, contained in the last sentence of the memorandum, I would observe that

under

nder the rules of the Paper Currency Department payment of a stopped note, when presented, cannot be efused. Every note is payable on demand, and must be so paid without demur. In view, however, to facilitate the tracing of lost or stolen notes, reports f their loss are registered when the value of the note is Rs 50 or more, and information is given to the Police and to the loser when the note is presented for encashment. (Vide articles 274 & 282 Currency code)

I have the honour to be,

Sir

Your most obedt. Servant

J. Harrison

Accountant General.

Public Works (1898) Department.

CURRENT No. 1628

Order

ask him when the notes were stopped, & for the dates & places at which they were cashed.

3.3.98

From The Accountant General, Madras.

No. 658

Dated 21st February 1898.

Received 22.2.98

Enclosures

Spare copies

SUBJECT.

Reporting details for the 24 currency notes obtained by M. Dinadayalu Naidu.

Await W's return

S.N. 22-2-98

BACK PAPERS.

No.	Date.
924 C	17-2-98
1077 C.	22-2-98
4185 C	16-10-97
4321 Rev	18-8-97
3387 C.	20-8-97
3829 Rev	22-7-97
3266 C	21-7-97
2920 C	10-6-97
2829 Rev	4-6-97
172 W.	21-1-90

FURTHER PAPERS.

No.	Date.

Treasury Account DEPARTMENT.

FORT ST. GEORGE,
Accountant-General's Office,
21st February 1898.

No. 658.

From
F. C. Harrison Esqr.,
ACCOUNTANT-GENERAL TO THE GOVERNMENT OF MADRAS,

To
THE Secretary to Government,
Public Works Department.

SIR,

In reply to memorandum from Government No. 924C dated the 17th of February 1898, I have the honour to report that of the 24, currency notes obtained by Mr. Dinadayalu Nayudu (23 Hundred Rupees notes and 1 Fifty rupees note) 22 notes have been cashed. The value of these notes together with the cash received by the individual in payment of the forged cheques, comes up to Rs 2218-13-5. The two currency notes which have not yet been cashed are of the value of Rs 100/- each, and bear the no. $\frac{I}{75}$ 79588, and $\frac{I}{87}$ 25744 respectively.

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

F. C. Harrison

Accountant Gen

hall

Soon

Public Works

~~Financial~~ (1898) Department.

CURRENT No. ~~400~~ 1541

Endt No 438, d/ 17-2-1898.

Transferred to the Public Works Department in continuation of C. No 2156 Finl. of 1897

CHIEF SECRETARY
13 FEB 1898
GOVERNMENT OF MADRAS

From The Accountant General, Madras.

~~Order~~

A. T. Arundel
Chief Secretary

Cmd
16/2/98

No. 516

x No. 1023 D d/ 4.8.97
(Confidential)

Dated 12th February 1898.

Received ~~13~~ } 18.2.98

Registered ~~14~~ }

Enclosures 1

Spare copies

SUBJECT.

Enquiring what orders have been passed by Govt. in the matter of defalcation in Rajahmundry sub treasury, and requesting return of two forged Cheques of Godavari Eastern Dn.

Await reply from the Acct General to Memo No. 9241 C of 17-2-98

S. 18/2/98

note
The ~~case of~~ papers referred to appear to have been ~~sent~~ handed over to P.W.D.

B.
16/2/98

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

CURRENT No. 488 Finl

Treasury Account DEPARTMENT.

FORT ST. GEORGE,
Accountant-General's Office,
12th February 1898.

No. 516

From
F. C. Harrison Esqr.,
ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To
THE Chief Secretary to Government
Financial Department.

Cul 2156.

SIR,

With reference to my letter No 2150, dated the 14th July '97 reporting on the responsibility of the Rajahmundry Sub. treasury Officer in the matter of encashment of two forged cheques of the Godavari Eastern Division (P. W. D), I have the honour to request you to be good enough to inform me whether any orders have yet been passed by Government on the defalcation.

I may mention in this connection that a sum of Rs 2418-13-5 has been outstanding in my objection books since May 1897 pending orders of Government.

It is also requested that the forged cheques may be returned if they are no longer required.

I

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

Ullmann.

Encl. Accountant General.

BCSC.1 / 1521(58)

Public Works (1897) Department.

CURRENT No. 10588

Order

From The Acctt. General
Madras

No. 3297

Dated 22nd October 1897
Received 23-10-97
Enclosures
Spare copies

SUBJECT.

Informing that the Collector of Godavari has reported that another cheque bearing No. 3 K of Book No. 70,758 was issued in lieu of cheque No. 9 K of Book No. 70,573 and cashed on 25th May 1897.

BACK PAPERS.

G.O.	No.	Department.	Date.
	4185C	Ry	16-10-97 ✓
	1023D	"	4-8-97
	4321	Rev.	18-8-97 ✓
	4205	"	13-8-97 ✓
	3387C	P.W.	2-8-97 ✓
	3829	Rev.	23-7-97 ✓
	3266C	P.W.	21-7-97 ✓
	2829	Rev	4-6-97 ✓
	172W	P.W.	21-1-90 ✓
	201W	"	24-1-85 ✓
	396	Rev.	18-3-84 ✓

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Treasury Account DEPARTMENT.

FORT ST. GEORGE,
Accountant-General's Office,
22nd October 1897

No 3297

From
F. C. Harrison Esquire,
offg. ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To
THE Secretary to Government,
Public Works Department.

SIR,

x cuo 10537

In continuation of my letter No. 3279 of yesterday's date, I have the honour to state that the Collector of Godavari has this day reported that another cheque bearing No. 3 K of Book No. 70758 was issued in lieu of cheque No. 9 K of Book No. 70573 and cashed on 25 May 1897 and that the latter, filed as an exhibit, will not be cashed.

I have the honour to be,
Sir,
your most obedt. servt.,
F. C. Harrison
Offg. Accountant General.

GWK

(189) DEPARTMENT.

From

THE ACCOUNTANT-GENERAL
MADRAS,

To

THE

No.

Dated
Received

No.

SUBJECT.

Public Works (1897) Department.

CURRENT No. 10537

Order

From The Accountant General
Madras

No. 3279

Dated 21 October 1897.

Received 22-10-97

Enclosures 10 cheques

Spare copies

SUBJECT.

Fordg. cheques nos. 1 to 8 and 10 and 11 of Book no. 70573 of Godaveri Eastern Divn. on Rajahmundry Treasury and stating that cheque no. 9 of the same book has been filed in the Sty. Sub-Magistrate's Court, Rajahmundry in connection with the forgery case.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Treasury Account DEPARTMENT.

FORT ST. GEORGE,
Accountant-General's Office,
21st October 1897.

No. 3279

From H. C. Harrison Esquire,
Offg ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To
THE Secretary to Government,
Public Works Department.

SIR,

With reference to your memorandum No: 4185 C dated the 16th October 1897, I have the honour to forward herewith Cheques Nos. 1 to 8 and 10 and 11 of Book No: 70573 of the Godavari, Eastern Division on the Rajahmund Treasury, and to request that they may be returned when no longer required.

The Collector reports that Genuine cheque No: 9 of the same book has not yet been cashed having been filed in the Stationary Sub Magestrates Court, Rajahmundry in connection with

with the forgery case.

I have the honour to be,
Sir,
Your Most obedient Servant.

J. Harrison
Offg. Accountant General.

Public Works (1897) Department.

CURRENT No. 9750/A

Order

From
The Revenue Department.

Mis **No.** 5036

Dated 27th Septr. 97.

Received 29-9-97
Registered 1-10-97
Enclosures 13 (4 original G.Os)
Spare copies

SUBJECT.

Forwarding to the P.W. Dept certain papers regarding the encashment of forged Cheques at the Rajahmundry Sub-Treasury.

OS/119

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

$\frac{F.}{16}$ 2,000—25-5-97.

REVENUE DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read letter from the Collector of Godavari, Ref.on C.No.1645/Acc of 1897 dated 28th August '97.

Order thereon, Misc.No.5036 dated 27th Sept.1897.

The Collector's letter read above and its enclosures will, together with the marginally noted orders, be forwarded to the Public Works Departmen with reference to Office Note No. 1023D dated 4-8-97.

G.O.No.4321 d/ 18-8-97
,, 4205 d/ 13-8-97
,, 3829 d/ 23-7-97
,, 2829 d/ 4-6-97.

(True Extract.)

Ag.Secretary to Government.

To the P.W.Dept.with papers in original to be returned.

6

28.9.97

2051/97

P. W. Current No. 838 (Collector for [illegible])

Received 20.7.97. Enclos. 12

Financial (1897) Department.

8 on 7

C7

CURRENT No. 2156

[illegible] Treat as Conf & send about in box & sealed cover
Cwl
17/7/97

Endorsement.

Transferred to the Public Works Department in continuation of Endorsement No. 1435 dated 12.7.97.

Francis
Ag. Under Secretary

CHIEF SECRETARY
16. JUL. 1897
GOVERNMENT OF MADRAS

From The Accountant General Madras

Cwl
17/7/97

~~**Order**~~

Recd from Financial 20/7/97

No. 2150

Dated 14th July 1897

Received } 16-7-97
Registered }

Enclosures 2 and Finl C No 188 with Enclos returne

Spare copies

Recd 21/7/97

SUBJECT.

Reporting about the quest of the Sub Treasury officers responsibility in regard the cheques forged by P. Ke-tadu Naidu

Ref. 610 PW

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Treasury Account DEPARTMENT.

FORT ST. GEORGE,
Accountant-General's Office,
14th July 1897.

No. 2150

CURRENT NO 2156

From
F. C. Harrison Esquire,
Offg: ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To
THE Chief Secretary to Government,
Financial Department.

SIR,

With reference to your endorsement No 1317 dated the 25 of June 1897 forwarding endorsement of Government in the Public Works Department No 2923 C, dated 18th idem, referring to me letter from the Superintending Engineer 1st circle No 630, dated 7 June 1897, for opinion as to the responsibility of the sub treasury officer Rajahmundry for the payment of the two forged cheques Nos. 8 and 9 on the 5 May 1897, I have the honour to make the following observations.

It appears that the two cheques in question were presented by one Venkatadri Nayudu to the Taluq Head Accountant who

who asked the Pound Gumastah and a Public Works Department peon then present in the office whether they knew him, that on their answering in the affirmative the Head Accountant passed the cheques for payment and did not enquire the name and profession of the man as he had no reason to doubt the genuineness of the cheques. There is no doubt that if the Head Accountant had entertained the slightest suspicion and made a cursory comparison with any other Public Works Department cheque, the erasures in the numbers would have been detected as the space between the words "cheque No" and the actual figures is larger than usual. I do not think that the plea urged viz that he did not suspect these cheques can be accepted as it is the duty of the Taluq Head Accountant who I may add is relieved from all magisterial work to scrutinise carefully every document presented to him before he passes it for payment. Careful scrutiny was especially necessary in this case as the cheques were for large amounts and the payee was unknown to the Head Accountant. I do not consider the imitation of Mr Handcock's — signature very skilful and the fact that it is written

with

with the same ink as the remaining portions of the cheque and that this ink is peculiarly bad might have aroused suspicions.

I consider the Head Accountant should have detected the forgeries and that the Sub Treasury officer is not entirely free from blame.

I forward herewith the two forged cheques Nos 8 and 9 as requested (to be kindly returned). The Treasury Deputy Collector Godavary has reported in his letter of 10 May 1897 that genuine cheque No 9 was subsequently presented for payment and that cheque No 8 had not been presented.

I have the honour to be,
Sir,
Your most obedt: servt,

Offg: Accountant General.

L 6 pp
P. W.

L 6 No 311

~~Financial~~ (1897) Department.

rsement. No. 1435 d/12th July 1897.

Transferred to the
lic Works Department

A.W. Knapp.
Ag. Under Secretary.

CURRENT No. ~~2051~~ 6861

Rd 12-7-97

Regd: 14.7.97

Enclos 1

From The Acct General
Madras

-7 JUL. 1897
No. 2814

ler

Await further
port from the
cct. Genl

Cd
Dd
15.7.97.

Dated 5th July 1897
Received ~~7th July~~ 97
Registered ~~8th July~~
Enclosures –
Spare copies –

SUBJECT.

Informing that the Collector of Godavari was telegraphed to forward the two forged cheques as well as the explanation for the occurrence. On receipt thereof, the Acct General's opinion will be furnished

Recorded
12.7.97

O.S.
35

0
20/8/97

L 6 bp
P. W

L 6 No 311

~~Financial~~ (1897) Department.

Endorsement. No. 1435 d/12th July 1897.
Transferred to the Public Works Department

A.W.Knapp.
Ag. Under Secretary.

Cwd.
10.7.97

CURRENT No. ~~2051~~ 6811

Rd. 12 7-97

Regd: 14.7.97

Enclos 1

From The Acctt General
Madras

-7 JUL. 1897
No. 2814

Order

Await further report from the Acct. Genl

Dated 5th July 1897

Received ~~7th~~ } July 97
Registered ~~8th~~ }

Enclosures – <

Spare copies – 1

Cwy
Del
15.7.97.

Cs

SUBJECT.

Informing that the Collector of Godavari was telegraphed to forward the two forged cheques as well as the explanation for the occurrence. On receipt thereof, the Acctt General's opinion will be furnished

Recorded
12/2/97

O.S.
35

0
20/8/97

No. 3387 C d/ 2-8-97
32 Kb C d/ 21-7-97
2923 C d/ 18-6-97
172 W d/ 21-1-90

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

CURRENT No. 2051

Treasury Account DEPA[illegible]T.

FORT ST. GEORGE,
Accountant-General's Office,
5th July 1897.

No. 2014

From

F. C. Harrison Esquire,
Offg. ACCOUNTANT-GENERAL TO THE
GOVERNMENT OF MADRAS,

To

THE Chief Secretary to Government,
Financial Department.

SIR,

With reference to your endorsement No. 1317, dated the 25 June 1897, forwarding to me endorsement of the Public Works Department No. 2923 C, dated 18 June 1897, referring letter from the Superintending Engineer I circle for my opinion as to the Treasury officer's share of responsibility in the matter of encashment of two forged cheques at the Rajahmundry Sub Treasury in May 1897, I have the honour to state that an explanation was called for by me from the Collector of Godavari on the 22nd May 1897 but has not yet been received. As the forged cheques required for the inspection of Government are not in this office, I have wired

wired to the Collector to furnish the explanation and the cheques at once.

On receipt of these, I shall duly communicate my opinion on the subject and forward the cheques to Government as desired.

I have the honour to be,
Sir,
Your most obedt: servt:,
J Harrison
Offg: Accountant General.

[F. / 28]
1,000—25-11-96.

Financial (1897) Department.

CURRENT No. 1887

ACCOUNTANT GENERAL'S OFFICE
28 JUN 97
MADRAS

From

The Public Works Depr.

~~Order~~ Endorsement No: 1317, d/ 25 June 1897.
Forwarded to the Accountant General.

A.W. Knapp.
For Chief Secretary

No. 2923 C

Dated 18
Received 20
Registered 21
} June 1897

Enclosures 6.
Spare copies.

2816

The Accountant General, Madras with papers in original.

SUBJECT.

Referring to the Acct Genl the question of the Treasury Officer's responsibility in regard to the cheques forged by P. Venkatadri Naidu

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

~~blic Works~~ Financial Dept (1897) Department.

RRENT No. 1887

CURRENT No. ~~5782~~

CHIEF SECRETARY
20 JUN. 1897
GOVERNMENT OF MADRAS

o. 2923 C of 18th June 1897

der Govt.

Referred, through Financial Department, to the Accountant General for favour of opinion as to Treasury Officer's share of responsibility. It is requested that the two forged cheques may be forwarded for the inspection of Government, & that information may be afforded as to whether the genuine cheques Nos 8 & 9 of the same series were cashed before the forged ones purporting to bear the same numbers.

G. W. Campbell Colonel R.E.
Secretary to Govt.

From J. C. Larminie Esq.
Suptg. Engineer, 1st Circle
To The Chief Engineer, P.W.D.
No. 630 G.D.

Dated 7.6.97.
Received 14-6-97
Enclosures 6.
Spare copies

SUBJECT.

Cheques forged & cashed by P. Venkatadri naidu — Submits correspondence relating to certain — for orders.

naidu cashed here but they

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

---

tolerably good, he was

No. 121 L.

G. E. D. / 7 1,500—14 4.96.

GODAVARI EASTERN DIVISION OFFICE,

Dowlaishweram, 11th May 1897.

From

G. T. Handcock Esquire.

14 Copies 5/8

EXECUTIVE ENGINEER,
GODAVARI EASTERN DIVISION,

To

THE SUPERINTENDING ENGINEER,
1st CIRCLE.

16/5

Sir,

Enclosures (2)

I have the honor to make the following report:—

On the 6th Instant when in camp at Jaganadhagiri I received information from the accountant (ie manager of my office) that two cheques on the Rajahmundry Treasury dated 4th Instant, and aggregating to Rs 2400 & odd, had been presented and cashed on the 5th Instant by one signing himself M. Dinadayalu Naidu, my signature having been forged to the cheques.

2. The Treasury officers suspicions were apparently not aroused till cheque No 10 dated 3d Instant was presented at 4.30 P.M; the forged cheques having been cashed at 2 P.M on the same day. The Tahsildar wired as follows:—

"Two cheques for Rs 2418 annas thirteen Pies 5 presented "by M. Dinadayalu Naidu cashed here but they

een suspicions. wire if genuine or forged". they
ar No: 8.9 book 70573". To which the following
ply was wired:- "your telegram of today. cheques
os 8 and 9 book 70573 presented by M. Dinadayalu
aidu are forged"

. Shortly after at about 5 P.M. the Tahsildar and
lice Inspector arrived at Dowlaisweram and showed
he cheques to Mr Howley Executive Engineer Central
elta, whereupon the latter declared my signature
o have been forged. It was also discovered that
the figure "2" had been erased from the number of
each cheque thus making 28 & 29 appear as 8 & 9.
It is inexplicable that this ~~has not been~~ was not discovered
at once by the Treasury officer. On examining the
Rajahmundry Treasury cheque Book it was found
that the foils of cheques ~~of~~ Nos 28 and 29 had been
extracted..

4. A man named P. Venkatadri Naidu

was immediately suspected, and a warrant has
been issued for his arrest.

On about April 25th P. Venkatadri Naidu
put in an application for a clerks post in this
division, declaring that he had passed the F.A.
Examination. To his enquiries as to the success of
his application, he was informed that the matter
[illegible] returns to Dowlaisweram.

His handwriting being tolerably good, he was given drafts to fair copy and the accountant gave him certain schedules to copy.

5. On the 4th Instant it appears that the cashier (vide his report enclosed) allowed Venkatadri to sit and write at one end of his table. The cashier had occasion to leave his table for a few minutes to speak to the accountant and injudiciously left the cheque books on the table, whereas he should of course have locked them up. In the interval during which the cashier was absent from his table, P. Venkatadri appears to have got possession of the Rajahmundry cheque book and extracted cheques No 28 and 29.

He erased the figures "2" from the cheque Nos and filled them in for sums agregating to Rs 2418-13-5, dated them the 4th Instant, made them payable to M. Dinadayalu Naidu, and forged my signature; As soon as the Treasury opened on the 5th Instant he presented the forged cheques at about 2 P.M.; received payment in Rs 100 Notes and disappeared. Shortly after he left the Treasury, cheque No 10 dated the 3rd Instant was presented when suspecions were aroused as stated in para 2.

6. It is understood that the Treasury officers and Police have done and are still doing all in their power to trace the forger but so far

their efforts have proved fruitless. Telegrams were sent up and down the Railway line with a description of the man but it is supposed that he did not get away by train and that he is hiding in some village not far from Rajahmundry.

The Treasury officers have wired all over the Presidency to stop the notes the numbers of which are known. If any information is received as to the successful tracing of the forger you will be informed thereof.

I have the honor to be

Sir

Your most obedient Servant

Recd
12/5/97

G. Murdock

13.5.97

Executive Engineer

~~Go~~ Go. Dn.,

RBR
12/5

From

The Executive Engineer,
Eastern Division Godavari,

To

The Superintending Engineer,
1st Circle.

15 MAY. 97
First Circle

Dated 13th } May 1897.
Despatched 14th
Received

ENCLOSURES 2

No. 121 S.

Subject.

Dinadayalu Naidu, M.
Cheques forged & cashed
beyond called - Reports
on the two -

1897
PW Dept.
Enclos. No. 1
To
C. No. 1887

P.W. E. 3 / 5782/97

This is the Cashier's Report.

His conduct in permitting a perfect stranger to sit and write beside him at his table was singularly confiding & in leaving the Cheque books on the table while he went to speak to the Accountant & Despatching clerk he shewed gross carelessness – but beyond this I do not suspect him.

G. Narasimha Rao has been employed in the Godavari E. D. Office since 11th June /83 & as Cashier since 12th Nov /93.

He bears an excellent character, & has been well reported upon by his superiors.

G. Standish
10. 5. 97

To

The Executive Engineer
Godavari Eastern Dn.

Honored Sir.

I beg to submit my explanation, in regard to Cheques detached from Cheque books. as follows:-

On the 4th of this month as soon as I attended the Office the accountant called me and handed over the cheque books and acq: Rolls received in that days tappal duly signed by you and with them I came to my seat detaching all the cheques signed from the cheque books I kept the cheque books on my table just in front of me as I have not finally done with them and arranged the cheques with the acq: Rolls and began writing up the cash book attentively so that I might complete it in time to despatch the cheques &c to the subordinates concerned by that days post that leaves the office at about 3 P.M. While I was doing so I was called by the accountant for some information and was therefore obliged to leave my seat for a couple of minutes or so. Again when the despatching clerk hurried me to give him for despatch those cheques that were to go by that days post I completed writing up the Cash book in haste and went to the despatching clerk whose seat is just behind my back to personally hand him over all the Cheques & acq: Rolls for despatch. I then drawing another Cheque on Bhadrachellam Treasury, gave that Cheque book and that on Huzur Treasury to the accountant for submission to you locking up the others in the chest.

Before I attended the office and took up my seat and sometime after, while I was thus busily engaged one by name K. Venkatachala Naidu seating himself at one corner of my table was doing some fair copying business but when he left the place I did not notice. He might have taken the advantage of my temporary absence though of a few minutes from my seat and had the audacity of stealing the Cheques from the Books.

When I took up my seat he apologised me

9 may 141

accoun

that as the seat where he used to sit was occupied by some other man he came to here seeing it vacant and my reasons for not asking him to leave the place are the following:

(1) He ~~[illegible]~~ professed himself to be an educated man having passed F.A. examination & looked respectable.

(2) Applied for an appointment in the P.E. and his application recognised

3. There was a talk in the Office that he was offered a Overseer's Clerk's post in place of one of the unpassed men.

4. Ever since he submitted his application he had been attending the Office almost every day and was given fair copying work both in the accounts and correspondence branch.

(5) when he seated himself at the corner of my table he was doing Govt work in the way of fair copying drafts.

(6) and lastly he was not suspected in the least.

Beg to state that these are the facts.

Beg to remain
Sir
Your most obt & humble
servant.
acting
Cashier
9/5/97

P.W. E.1/57 82/97

1897
Fin Dept.
Enclos. No. 2
To
B. No 1867

This is the Accountant's report:—

As manager of the Office ~~that~~ he should have ascertained that K.P. Venkatadri Naidu's credentials & certificates were genuine before allowing him ~~took~~ a footing in the Office even as a copyist.

His explanation for neglect in this respect is that he was very full of work at the time & intended to bring the matter to me for disposal on my return from camp.

G Standrock

13.5.97

SUPERINTENDENT ... 1/275 15 MAY 97 FIRST

Sir,

On the 5 Instant, at about 5 P.M., a telegram (Copy enclosed) was received from the Thasildar of Rajamundry to the effect tha Cheque Nos 8 & 9 for Rs 24 and odd were cashed by one Dinadayalu Naidu Contractor and requesting to wire if they were genui cheques as they appeare suspicious. I showed the telegram and Rajahmundry Cheque Book to Mr. Howle We found the foils of Cheque Nos 28 & 29 detac from the Rajahmundry Cheque book.

2 Within half an ho after, the Thasildar & Police Inspector arriv

9 May /97

Cheques Nos 28 & 29 from the cheque book on Rajahmundry Treasury and foil of cheque No 24 from the cheque book on Bhadrachalam Treasury. He forged the two former; and the latter blank foil was found unused, in his coat pocket, when his things were searched by the police.

5 This P. Venkatadri Naidu presented an appli-
cation for employment on
the 24th or 25th April 1897. In
which he stated that he
passed the F.A Examination
and the Hand writing test;
since then he was coming
office whenever he chose,
ascertain if any order
appointment was received
m the Executive Engineer.
asked me for the information
e, and I said no orders
re received & he must wait

until the Executive Engineer returns to Head Quarters. As his handwriting was good, & it appears some drafts were given him, by the copyist, now and then, for fair copying. I had also certain schedules of expenditure copied by him on the 26th April /97. He said he was a native of Kurnool and had come to Godavari in search of employment, and the Station Master Godavary South station was his relative. I did not observe the man sitting by the side of the cashier and making fair copies, nor did I order him to work in the office. This is the ~~[illegible]~~ abstract of my daily reports, on the subject, to your-

but see expla-
nation ~~[illegible]~~
copyist clerk

your most obedt. Servt

9 May /97 M Chinnayya
Accountant

S. E. I. 1500—20-2-97

re remain

Your most obedt. Servt

M Chinnappa

[illegible]

S. E. I. / 3. 1500—20-2-97.

No. 426 GD

D. P. W.

Superintending Engineer's Office 1st. Circle.
Station Waltair

Dated 16
Despatched 18
Received

May 1897.

To

The Executive Engineer,
G. Eastern Division.

Reference His Letter
No. ~~121~~ dated 11th May 1897 vide its endorsement

Before submitting the above letter to Government for orders, the undersigned has the honour to draw the attention of the Executive Engineer to para 87 Chap. I. Vol. II P.W. Code and the Government of Indi Circular No: 1 dated the 7th January 1890 communicated with G.O. No: 1720 dated the 21st Idem forwarded to the Exe Engineer with this Office No: 650 G.L dated 12.2.90, and to request him to submit such explanation as he may have to offer as to why the whole Cheque books which should have been kept in his own Custo and which Contained blank Cheque were sent to office with the Cheques draw – Vide also Note I on the fly leaf of Cheque boo

P.W. E.4/5782/97

1897
Dept.
Enclos. No 3
To
G. No 1887

P.W. E.4 / 5782/97

1897
Finl Dept.
Enclos. No. 3
To
G. No. 1287

No. 426 G.D

D. P. W.

Sup·rintending Engineer's Office 1st. Circle.
Station Waltair

Dated 16
Despatched 18 } May 1897.
Received

Enclosures.

To

The Executive Engineer,
G. Eastern Division.

Reference His Letter
No. ~~121~~ dated 11th May } 1897 with enclosure

Before submitting the above letter to Government for orders, the undersigned has the honour to draw the attention of the Executive Engineer to para 87 Chap: I. Vol II P.W. Code and the Government of Indi r- -cular No: 1 dated the 7th January 1890 -municated with G.O. No: 1720 dated the 21st Idem forwarded to the Exve Engineer with this Office No: 650 G.L. dated 12.2.90, and to request him to submit such explanation as he may have to offer as to why the whole Cheque books which should have been kept in his own Custo and which contained blank Cheque were sent to office with the Cheques draw. – Vide also Note I on the fly leaf of Cheque book

2. He should report also the name of the Copyist who allowed the new man to fair copy the drafts without permission of his superior in the office.

3. No mention is made as to how the Cheques having been drawn in one man's name were paid to another. They should be endorsed by the payee Dina Dayalu Naidu. The Treasury Telegram says "were presented by Dina Dayala Naidu"; but apparently the latter and Venkatadri Naidu are one and the same.

(Sd) J. C. Lamminie
Supdg Engr 1 Circle

(True Copy)

Supdg Engineer 1st Circle

7/6/97

P.W. E.2 / 5782/97

Enclos. No 4
C. No

4th June 1897

1/381-97
5

To
G. T. Handcock Esquire
Executive Engineer
Goavari Eastern Division.

Accts 4/6/97

Sir

As the Accountant asked me to explain how I, as fair copyist, gave fair copying work to P. Venkatadri naidu, I beg most respectfully to explain as follows.

This Venkatadri naidu came in April a day before commencing the fair copying of accou into the accounts branch and the Accountant asked the Head clerk if there was any fair copying work to be given to an Under-Graduate and the He clerk asked me if there was any work. By the t the Head clerk went to the Accountant and s that there was some work the man disappe From the next day he attended the Acco Branch and fair copied there until the a were despatched. Subsequently he was va in the record room. There being heavy work my hands and as I was previously asked him ^work^ and as he has worke in the accoun I gave him some drafts to fair copy for two days. I did not give him work of my own acc but under the instructions of my Superiors

Yes this has to turn up here on the first day.
Accts 4/6/97

He copied accts. for a day & a half while the whole office was at work.
Acct 4.6.97

I beg to remain
Sir
Your most obedient Servant
P. Lh. ha Rao.
4.6.97.
Clerk.

G. E. D. / 7 1,500—14.4.96.

No. 170 S.

GODAVARI EASTERN DIVISION OFFICE,
Dowlaishweram, 4th June 1897.
[illegible]-6-97

From
G. D. Handcock Esquire.
EXECUTIVE ENGINEER,
GODAVARI EASTERN DIVISION,

SUPERINTENDING ENGINEER
381 G.A.
5 JUN. 97
FIRST CIRCLE

To
THE SUPERINTENDING ENGINEER,
1st CIRCLE.

7/6

Sir,

Enclosures (one).

In reply to your Memo No 426 G. D. d
16th May 1897, I have the honor to state tha
the cheque Books were sent to the Cashie
t the begining of the month in order to Com
the amounts with the cash book.

2. When in charge of the Vizagapatam D
the Subdivisional officers drew their own
and those of their establishments, and
thus the keeping of only one cheque book
personal custody. I then wrote out che
in my own hand and the cheque book
never out of my custody. I have now ad
this system in this division.

3. The Explanation of the fair-Cop
herewith sent. The fair Copying wo
given to the man (P. Venkatadri h

so that he might gain some experience in the correspondence work, as there was every liklihood of his being appointed as an overseer's writer on the score of his being a passed candidate and to replace one of the unpassed men who are working as overseers temporary clerks.

4. The forged cheques were drawn in favor of Deenadayalu Naidu and the forger signed them as payee.

I have the honor to be
Sir
Your most obedient Servant
G. Murdoch
Executive Engineer
S. Dn.
4. 6. 97

Exd 4/6/97

RCR
4/6

Public W 130 G.P. Supdg Engineer's office
7. 6. 1897.

From

The Executive Engineer,
Eastern Division Godavari,

To

The Superintending Engineer,
1st Circle.

Dated 4 }
Despatched 4th } June 1897.
Received }

ENCLOSURES 1

No. 170 S.

Subject.

Deenadayalu Naidu forger - Fair copying work given to - Reports [illegible]itted -

6/5782/97

1897
Fin. Dept.
Enclos. No 5
To 1887

Public W... 50 G.P.

Suptg Engineers office
Waltair Dated 7.6.1897.
Desp 10.6.97.

From
J. C. Larminie Esqr. M.I.C.E.
Suptg Engineer I Circle

To
The Chief Engineer
P. W. Department
Madras.

Sir,

I have the honour to report that a man named P. Venkatadri Naidu, a passed Candidate was last month, admitted into the Godavari Eastern Dn. Office and was allowed to work in the Clerical and Accounts branches pending settlement of a petition which he sent to the Exec Engineer on the 24th Apri 1897 requesting to be appointed to a Clerkship.

2. On the 4th May 1897, the Cashi Clerk IV Class II grade, of the Divisi Office received from the Exec Engineer, who was in camp, through the Accountant, Cheque books which Contained blank Cheques as well Cheques drawn on account of Sal of Subordinates &c. While he w engaged in entering the drawn Cheq

book he was obliged to
Accountant* to speak to him for a few minutes leaving the Cheque books on the table.

3. Venkatadri who was working at one end of the Cashier's table taking, it appears, advantage of the Cashier's absence abstracted from the Rajahmundry Treasury Cheque book, No: 70573 two blank Cheques Nos: 28 and 29. He then filled in the Cheques in favor of one M. Dinadayala Naidu for sums aggregating to Rs 2418-13-5 and forged the Signature of Mr. Handcock, Exec Engineer dating them 4th May 1897.

4. On the 5th May 1897, he presented them to the Treasury Officer Rajahmundry and obtained payment in Currency notes f each Rs 100, representing that he was the man in whose name the Cheques were drawn nd then disappeared.

. Before presenting them for payment erased the figure 2 from each cheque that the numbers appeared as Nos. 8 & 9. e forgery was discovered on the same ay when a genuine Cheque No: 10 ated 3rd May 1897 was presented at Treasury for payment and after man had disappeared.

The case was at once reported to the Police and the Collector of Godavari District has offered a reward of Rs 200 for the arrest of the Culprit; but he has not yet been found.

7. Letter from the Exec Engineer Godavari Eastern Division No: 121 S of 11th May 97 on the Subject is enclosed with its enclosures.

8. In my No: 426 G.D. dated 16. May 97, Copy enclosed, explanation was called for from the Exec Engineer for his not having kept the Cheque books in his personal Custody and his explanation* is also herewith sent.

*No: 170 S d/ 4 6/97

9. In the first place the man should not have been allowed to work in the off Contrary to G.O. No: 2010/24/1/85, he being an unpai man and the Cashier clerk should no have left the Cheque books on his table during his absence.

10. The Exec Engineer should ha sent to office the drawn Cheques out and not the whole books.

11. Venkatadri obtained possess of another blank Cheque from Bhad-Chelam Treasury Cheque book wh however was found after he disap

in the pocket of his Coat which he le
his lodgings.

12. I Submit the Case for such orders as you may deem proper to pass.

13 In my opinion the Rajahmundry Treasury officer is not free from blame in as much as he Cashed the Cheques when they apparently bore erasures. Further the Exec Engineer's Signature is not an easy one to Copy, so a proper Scrutiny of it might have led to detection. Except Rs 18 and odd payment of the cheques was made in Notes. The numbers of the Notes are known and payment has been Stopped.

I have the honor to be,
Sir,
Your most obedt St.
J C Lammie
Supdg Engr 1st Circle

8/6

lit
7/6/97

Public Works (1898) Department.