

MADRAS RECORD OFFICE.

Government of Madras.

Political DEPARTMENT.

G.O. No.

522

Press

~~Mis.~~

Dated

25. 5. 11. 1861

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Political Department,
25th November 1861.*

Read again letter from the Acting Government Solicitor, recorded in the Proceedings 19th November 1861, No. 800.

No. 60.

ORDER THEREON, 25th November 1861, No. 522.

Resolved that the Government Solicitor be requested to place himself in personal communication with Mr. H. D. Phillips on the matter of the action brought by Matorsee Varada Boye and another against R. Vencut Row and the Secretary of State in Council for India and others. Mr. Phillips, it is remarked, took a leading part in some of the proceedings mentioned in the Bill and is well acquainted with the whole question.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

N^o 56.

Resident's Office, On Circuit.

Trichinopoly 23rd November 1841.

From

J. N. Maltby Esquire
Resident of Travancore and Cochin.

To

J. Pycroft Esquire
Chief Secretary to Government
Fort Saint George.

Sir

Under date the 3rd Ultimo, Captain White reported to the Government the discovery of a defalcation in the Residency Treasury at Quilon, and I have now the honor to report more fully the circumstances of the case.

2. The Treasurer of Quilon an old servant of Government and hitherto considered a man of high respectability, became suddenly dangerously ill and being no longer able to conduct the duties of the Treasury, solicited Captain White to allow his brother to act for him on his responsibility. This Captain White allowed, and the brother was in charge for a few days, when the Treasurer died. On his death, Captain White thought it desirable to direct the Assistant Treasurer to take charge until a successor should be appointed. On the Assistant Treasurer preparing to do so by counting the treasure, in the presence of the brother of the deceased, a deficiency was discovered, which has subsequently been proved to amount to Rupees 20,809-8-6.

3. On the first rumour of there being something wrong, Captain White proceeded immediately from Travancore to Quilon. He found that Colonel Steven

True

son

son Commanding Quilon, had ^{already} closed the Treasury door, and at Captain White's request Colonel Stevenson appointed a Committee of Officers to inquire and report upon the case.

4. I think that under the circumstances, this was the best course that could be adopted, and that most likely to be satisfactory to the Government. I feel indebted to Colonel Stevenson for the promptitude with which he met Captain White's request and to the President and members of the Committee for the care and patience with which they conducted the investigation.

5. The result I have mentioned above. There was a deficiency of Rupees 20,809-8-6 resulting, not from falsification of the accounts but from the Treasurer having lent out the money.

6. I have every reason to hope that the whole sum will be recovered from the Treasurer's Security and property and of this I hope hereafter to make a report to the Government.

7. In the meanwhile, I am desirous of satisfying the Government that no negligence on my part, was the cause of endangering the property of Government and of obtaining their authority for carrying out measures of precaution in future.

8. When I joined the Residency in January 1860, there were two Treasuries under the Resident, one for the Cochin State at Cochin, and one for the Travancore State at the Quilon Residency, while the Resident's head quarters are seldom at either of those places. The Resident's duties require him to reside generally at Trevandrum, but the Troops paid from his Treasury are stationed at Quilon, and the necessity for the Treasury being guarded by British troops does not allow of its being placed elsewhere.

9. I found that up to the time of my joining, it had not

not been the practice to require the Treasurer to give security, nor had it been usual to examine the Treasury.

10. These circumstances I brought to the ^{knowledge of the} Accountant General in the correspondence annexed. I stated the amount which was commonly left to the charge of the Treasurer and requested to be informed what amount of security should be required, and I also explained the impossibility of examining the Treasury every month but stated that I should do so whenever the opportunity occurred.

11. Accordingly security has since been taken under the prescribed rules from the Treasury Servants; the Treasury was carefully examined by me and found to be correct, and on my last visit to Quilon in March, it was examined by my Assistant Captain White and I have no doubt that on both these occasions the full cash balance was there.

12. There is little doubt of the Treasurer having long been in the habit of making use of public money, but not to so large an extent, but what on the emergency of an examination by the Resident, of which he would always be forewarned, he could borrow money to make the balance correct.

13. I have subsequently, with the sanction of Government, got rid of the Cochin Treasury by arranging that the Cochin Subsidy should be paid to the Treasury of the Collector of Malabar, and I hope, I have shown that with reference to that of Quilon, all proper precautions were taken.

14. But after late events, it is apparent that the present arrangement by which large balances are left in the Treasurer's hands, cannot be continued.

15. At the same time it is not practicable, under present arrangements

arrangements, for the Resident to place the balance under his own key. The money must be available to meet the drafts of the Accountant General often for large sums; and it is impossible for the Resident to go himself to Quilon, or send his Assistant on the occasion of each of the Rists which are paid monthly, in order to lock it away.

16. I do not think it is possible so to arrange that a sum considerably larger than the late deficiency, shall not be in the Treasurer's care, but I offer for the approval of Government, the following measures for reducing the risk to a minimum:

1st I propose to sell by public Auction all coins except the common currency and so to simplify the account.

2^d To lay by, under the lock and seal of the Resident and Treasurer, one lac of Rupees, to be at hand in case of any sudden demand.

3^d To reserve a balance equal to about 2 months current expenditure for the forces and Residency and to arrange to remit at once all sums above this.

17. To effect this last measure, the plan I propose is as follows: The trade of Travancore is chiefly with Bombay, and I request permission that the money may be remitted there, as was the case in Canara. I propose that I should acquaint the Accountant General of Bombay & whenever I have a balance to be remitted, and if he should notify that he is prepared to give Bills on my Treasury to that amount for cash paid into the Treasury at Bombay, I believe it will seldom occur that the money will remain long on my hands. I should be able to inform the Accountant General by Telegraph from Cochin, of the amount which I wish to remit.

* Consisting of
Surat Rupees
Good bank - 8%
Spanish Dollars
Gold Fanams
Tellicherry 8%
Gold Mohurs, in all
amounting in value
to Rupees 1725-12-9.

Yr

18. If thus enabled to permit his surplus cash, as soon as accumulated instead of keeping a large balance to meet uncertain drafts from the Accountant General of Madras, I think the Resident will seldom have a large balance on hand, and I believe that the Commercial public will find the proposed arrangement more advantageous than the present one.

19. The Treasury is now closed and Captain White by my advice deposited with the Staff Officer of the Quilon force a sum sufficient to meet the Paymaster's draft for two months, and requested the Dewan to retain the Rists in deposit and allow him to draw upon him till a new Treasurer be appointed.

20. The amount of security demanded from the late Treasurer according to the orders of Government was five thousand Rupees. I believe that I shall be able to appoint a respectable person willing to deposit Government Securities to a larger amount, perhaps ten thousand, without loss to himself, as he will draw the interest. Even under the arrangement proposed balances considerably larger, must often be in the Treasurer's hands, but I hope only for very short periods offering but slight temptation. The examination of the Treasury will be made as often as possible.

21. I request that I may be favored with the early instructions of the Government, as it is desirable that the Treasury should be opened as soon as possible.

I have the honor to be,
Sir,
Your most Obedient Servant

W. H. Atty
Resident

N^o 662.

Residents' Office,
Trevandrum, 14 April 1860.

To

The Accountant General
Fort Saint George.

Sir,

I find that it has hitherto, not been customary here, to obtain Securities from the Presidency Treasurer's stationed at Quilon and Cochin.

2. But I am of opinion that such Securities are necessary for the proper care of the large sums of money entrusted to their charge.

3. I shall feel obliged to you therefore for instructions as to the extent of bonds to which each of those Officers should be made liable and the form of one in use in any of the Departments in the Presidency.

4. The Quilon Treasurer draws a Salary of 70 Rupees, and has the charge of from 12 to 15 lacs of Rupees. The Cochin Treasurer is paid 35 Rupees, and the amount of Cash in his custody varies from 15,000 to 100,000 Rupees.

I have &c
Sd/ F. N. Maltby
Residents

General Depart^t

N^o 63.

From

R. P. Harrison Esq
Accountant General

Fort St George, Account Gen^l Office
9th May 1860.

To

To

F. N. Maltby Esquire
Resident of Travancore Cochin

Sir,

With reference to your letter N^o 662 of the 14th Ult^o, I have the honor to forward a copy of an Order of Government in the Revenue Department, N^o 663 dated 27th Ult^o, fixing the rates of Securities to be taken from Cash-keepers in the Provinces.

I have &c
Sd/ R. P. Harrison
Account General.

A Note appended to the Particulars of Coins composing the Balance in the Quilon Cochin Treasuries of the Resident on the 3rd January 1860.

Note In consequence of one Treasury being at Quilon and one at Cochin, it is impossible that they should both be examined on the same day, & as the Resident usually resides at Trevandrum, it is only on occasional visits that he can examine either of the Treasuries.

Sd/ F. N. Maltby
Residents

/True Copies/

F. N. Maltby
Residents

Political Department.

PROCEEDINGS of the MADRAS GOVERNMENT

Read the following again letter
from the Acting Government Solicitor

(Here enter 19 November 1861. No. 800)

Order thereon 25 November 1861. No. 522.

Resolved that the Govt.
Solicitor be requested to place himself
in personal communication with
Mr. H. D. Phillips on the matter of
the action brought by Attorneys Varadar
Boys and another against R. Vincent
Row and the Secretary of State in
Council for India and others. Mr.
Phillips, it is remarked, took a
leading part in some of the
proceedings mentioned in the Bill

130:14 "Oct 1861-1863 33 1854
"-4 "49 Nov 1861.
1861 486 4-198.

Referred to the Secy

-consult General for his
opinion of the suggestions
submitted in paras 10 & 11.

W. H. W.
Chief Secretary (G.O.)

To the Secy to the Govt.

The

130:14 "Oct 1861. Separated.

From T. N. Walling Beggs

Resident of Travancore

To The Chief Secretary
to Government

Travancore.

Dated 23rd November 1861.

No. 56.

Inclosure none

No. 564

Reports on the circumstances
of the deputation in the R.
-sidney Mackenzie at Quilon.

With an Order

and is well acquainted with
whole question.

(True Extract)

Thos W
Chief Secretary

To
H. D. Phillips Esq^r

H. D. Phillips

Wurttschick

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Political Department.

Proceedings of the Madras Government.

Read again letter
from the Acting Gov^t.
Solicitor.

Here enters 19 November 1861.
No. 809

Order thereon 25 November 1861 No. 522.

Resolved that the
Gov^t. Solicitor be requested
to place himself in
personal communica-
tion with Mr. H. D.
Phillips on the matters of
the action brought by Matoru
Varada Boys and another
against W. Vincent Bow
and the Secy. of State in
Council for India and
others. Mr. Phillips,
it is remarked, took
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of

of the proceedings
mentioned in the Bill
and is well acquainted
with the whole question

JP

To the Ag. Genl. Solicitor
M. H. D. Phillips } desps 25th

5 Copies 0 -

W. L. Department 186/.

No. 522

Proceedings of the Madras

Government.

Dated, 25th Nov^r 1861.

Regarding the
Govt. to be in to place
himself in presence of
Comm. in celebration with
Miss D. Phillips on the
purchase of the first
Abolition Tractor Boy
and then there and