

Public (1896) Department.

ORDINARY MS.

G.O., No. 632

Dated 16th June 1896

INDEXED.

[Despatch Abstract.]

GENERAL HOSPITAL.

Sanctioning the request of the Surgeon-General that the deficiencies in the stores of the---in consequence of the late frauds committed by the storekeeper and a contractor be written off the accounts; and requesting him to report why the audit of the storekeeper's accounts could not be performed by his Secretary.

BACK PAPERS.

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

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
	2385		1896				
	8086	13-896					
	877, 1387, 4952 of 97						

Cost of Deficiencies

Items	Quantities	Rupias	Annas	Paisas
Ghee	1251 lbs	46	12	0
Rice	3642	762	13	2
Biscuits	854	427	4	0
Broken rice	1334	76	6	10
Linseed	1530	135	8	7
Lebeche's extract of meat	50 Pds	43	12	0
Brandy essence of Beef	141	264	6	0
Pepper	123 lbs	23	1	9
Arrow root	166	21	10	10
Whall	164	8	8	2
Chillies	91	14	4	9
Coffa	967	614	9	8 1/2
Tea	133	66	12	0
Sugar	5230	360	14	9
Teakwood	33 Tons	284	10	0
Lemonade	84 1/2 doz	70	0	2
Other aerated waters	7 1/2	7	5	4
Total Rupias		8229	12	6

Office of the Surgeon General
with Govt of Madras
Portacammund 23 May 1896

C. J. B. Thorne

Surgeon-
Surgeon-General
with the Govt. of Ma

Statement of probable wastage on stores received from
1893 to 31 December 1894 (Or 1 1/2 years)

Stores.	Quantity received		Probable wastage		Cost of wastage			Remarks
	lbs	oz	lbs	oz	Rs	As	P	
Ghee.	"	"	"	"	"	"	"	Experience has proved that no wastage has resulted during the past 18 months
Leiberg's Extract of meat.	"	"	"	"	"	"	"	
Brand's Essence of beef.	"	"	"	"	"	"	"	
Pepper	"	"	"	"	"	"	"	
Shall.	"	"	"	"	"	"	"	
Coffee seed.	"	"	"	"	"	"	"	
Guano.	"	"	"	"	"	"	"	
Other Crated water.	"	"	"	"	"	"	"	
Rice	77940	"	770	"	44	"	"	
Biscuits	1492	"	6	"	3	"	"	
Broken rice	1117	"	180	"	11	"	"	
Curry	4019	"	270	"	27	"	"	
Arrowroot.	Practically very small wastage.							
Chillies	753	"	10	"	1	4	"	
Sugar	17768	"	90	"	5	10	"	
Firewood. Tons.	196 1/2	"	1 1/2	Tons.	13	"	"	
					104	14	"	

Chromore

Secy of Surgeon General.
The Govt of Madras
Decided 23 May 96

Surgeon Major General
Surgeon General with the Govt of Madras

52]

SECRET No. 17

OFFICE OF SURGEON-GENERAL

WITH THE GOVERNMENT OF MADRAS,

Obtained
~~Madras, the~~ 23rd May 1896.

From

SURGEON-MAJOR-GENERAL C. SIBTHORPE, F.R.C.P.I.,

SURGEON-GENERAL WITH THE

GOVERNMENT OF MADRAS,

To

THE HON'BLE THE CHIEF SECRETARY TO GOVERNMENT,

Public DEPARTMENT

SIR,

From G.O. No: 1284 Judicial, dated the 28th November 1895, Government is already aware that the Storekeeper and one of the contractors of the General Hospital, Madras were prosecuted by the Hospital authorities and convicted and sentenced to long terms of imprisonment by the High Court for frauds in connection with the hospital store-room supplies and accounts. I have now the honor to place before Government a detailed account of the case showing the extent of losses and deficiencies with a view to sanction being accorded for their being written off.

2. In January 1895 during the absence of Brigade-Surgeon-Lieutenant Colonel Price on a few days leave, a bill for Linseed and Poppy heads was presented to Surgeon-Lieutenant-Colonel Browne who was then in charge. The large quantities billed for having roused his suspicion and the explanation of the Storekeeper being very unsatisfactory, Surgeon-Lieutenant-Colonel Browne suspended him and ordered an inventory of the articles then in the store room to be taken.

3. On going fully into the matter and examining carefully the bills paid, articles received into stores and those actually supplied to patients it was found that the cheating had been going on systematically since the appointment of the storekeeper in May 1893. A statement of the

in final

deficiencies in each article during the 20 months he held appointment, together with their cost is enclosed for information.

4. It will be seen from this statement that the----- total loss to Government amounts to Rs 3229-12-6½. From this should however be deduced.

(a) The Storekeeper's pay for 3 months-Rs 129-9-7	} confiscated. X
(b) The contractor's bill-----Rs 59-10-2	
(c) Probable wastage-----Rs 104-14-0 - vide statement attached	

Total Rs 289-1--9 X

leaving a balance of Rs 2940-10-9½ which represents the actual loss. Rs 294-1-9

5. The Senior Medical Officer, General Hospital, states that in his opinion the deficiencies are due to the following reasons.

(a) Difficulty in getting a good storekeeper, the pay (Rs 45 per mensem) not being sufficient to attract a really efficient and capable man.

(b) Excessive work on the part of the senior medical officer which did not permit him to pay as much attention to the stores as they required under such a storekeeper.

(c) Want of practical experience in storekeeping.

I generally concur in these and consider that the employment at that time of a new Head Steward who was in poor health and lacked experience facilitated the frauds. A new and more energetic steward has since been appointed and the Senior Medical Officer reports that the Storekeeper's accounts are now regularly checked in the Stewards Department by a comparative statement, and a quarterly verification of the whole stock is now made by the Head Steward. These regular and desirable checks will in my opinion guard against the possibility of any frauds in future.

6. Under these circumstances I request Government will be pleased to sanction the deficiencies being ---

written off the books.

I have the honor to be,

Sir,

Your most obedient servant,

C. J. S. S. S.

Surgeon-Major-General

Surgeon General with the

Government of Madras.

written

CS
5.6 96

Tudal Ref - Please put up
app to go. N: 1284 Just d/28.11.96
cov. 1/6/96

No reply to him - go

to traceable in just

ALL

2/6

C.A. I have not said anything
further about the irregularities
brought to the P.G.'s notice in
go. 1284 Just d/28.11.96 as the
Just Ref says no reply is
traceable. - the newspaper had
been for many years.
2/6/96

FOR ORDERS.

* vide Madras Mail

4/13.8.95 }
14.8.95 }
15.8.95 }

I agree with the C. that Dr. Price must have been slack. He is really the person responsible. However, he has retired & we can't now recover from him the amt. of the defalcation.

To set the Steward to check the Storekeeper doesn't seem a desirable arrangement. The audit should be performed by an outsider. I don't see why the Sec. of the S. S. should do the work & to ask the S. S. what he has to say to this suggestion.

RS
8/6/96

Vasudara Naidu (Contractor) & Nathamuni Naidu (Storekeeper, Genl. Hosp.) were in August last convicted at the High Court Sessions of forgery, abetment of forgery & criminal breach of trust in respect of various articles of value, the property of Govt. belonging to the Genl. Hosp. They were both sentenced to two years' rigorous imprisonment.

The Senior Surgeon, Surgl. Col. Brown (Brig. Surgl. Col. Price being on a few days' leave) had his suspicions aroused on receiving a bill for 450 lbs of lard oil & 35 lbs of poppy seed. On enquiring it was found that the supply of the former was far in excess of the needs of the Hosp., and that there had been no consumption of the latter for months. The cause was that the ~~my~~ Steward "who"

initialled by the storekeeper
in paid. Stock was then
seen of the stores when it was
found that no such supplies
had been made by the
contractor or received by the
storekeeper.

The above is what the trial
elicited along with the statements
of Mr. Trevelyan, Asst. Steward,
that he had no recollection of
any stock being taken since 1892
21 of Mr. J. G. Smith, ^{Comptroller for 2nd District,} that orders were
sometimes made by indent &
sometimes verbally.

The Surgeon General has stated
that a careful enquiry into
the matter showed that the check
had been going on systematically
since the appt of the storekeeper
in May 1893. He submitted a detailed
account of the deficiencies in each
article during the 20 months the
storekeeper held his office, together
with the cost of each item. This
statement shows a gross loss

It is observed

FOR ORDERS.

H. E. THE GOVERNOR.

THE HON'BLE MR. H. W. BLISS, C.I.E.

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

Appendix

A

their "poppy heads" into
particulars obtained during
20 months in question
From this gross loss of Rs 32
is subtracted Rs 294.1.1

1. The storekeeper's pay for 3 months Rs 135 (Compensation)
1. The Contractor's bill Rs 5 (Compensation)
2. The probable wastage Rs 100 (Compensation)

giving a net loss of
Rs 2,935.10.9½.

The Surgeon General's figures
are wrong & vide para 4 of report.

In the opinion of the Secy. the
Officer, Genl. Hosp., these deficiencies
are due to

- (a) difficulty in getting a good
storekeeper, the pay, Rs 45 p.m.
not being sufficient to attract a
really efficient & capable man.
- (b) Excessive work on the part of
the Secy. Medl Officer which
prevented him paying sufficient
attention to the stores.
- (c) want of practical experience
in storekeeping.

In concurring in this
opinion the Surgeon Genl. said
that the employment at
the time of a new Head Steward
who was in poor health.

lacked experience for
 led the formation of the
 and. Arise energetic
 ward has since been
 ppter and the Stockkeeping
 accounts are now regularly
 checked by a comparative
 statement, while a quarterly
 verification of the whole stock
 is now made by the Head
 Steward.

"These regular 'stock
 checks' will, the Surgeon
 thinks, prevent the re-
 -currence of such frauds.
 He requests sanction
 to the deficiencies being
 written off the books.

Relating
 General to the
 Hospital

H. W. H. W. Bliss C.R.

26.96
 The Surg. General apparently
 replied to G.O. R.
 No. 1284 Jul. 28. 11. 95
 in his letter recorded in G.O. R. No. 80 Jul 27
 22. 1. 96. He now reports
 that the accounts are now
 regularly checked by a
 comparative statement
 and a quarterly verification
 of the whole stock is
 now made by the Head
 Steward.

that arrangements have now
 been made for a quarterly verification
 of stock by the Head Steward. As
 the Stewards and the Stockkeepers
 work must bring them into
 subordination into contact a great
 deal, the proposed measure is
 somewhat very much like a person
 auditing his own accounts. It is
 submitted that the Comm. Med.
 staff at the General Hospital
 should be held responsible for
 the ~~verification~~ of stock ~~there~~
~~as before~~. In other institutions
 where a large stock of articles
 is maintained - e.g. the
 Stationary Office - a regular annual
 verification of stock is made by
 a Gt official outside the Dept
 or a non-official.
 It is submitted for consideration
 whether a similar plan should
 not be adopted in regard to all
 the large hospitals at Madras
 and the Lunatic Asylum. The
 opportunities for fraud must be
 very great at these institutions
 and periodical verification by
 an outside

FOR ORDERS.

THE HON'BLE MR. H. W. BLISS, C.I.E.

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

Chas.

C. N. 1768

Order No. ⁶³²~~623~~ of 16 June 96
mis

The Surgeons request
in para 6 of ^{the} ~~his~~ letter read
above is, under the circum-
stances, sanctioned.

2. In regard to para 5(c) it is observed that the arrangement, whereby the Head

Steward ~~is set to~~ checks the
Storekeeper's accounts and
to makes a quarterly veri-
-fication of ~~the~~ ^{the} ~~stock~~ ^{stock},
is ~~rather~~ ^{very} desirable.

The Surge General will be requested
to report ^{why} ~~as to the advisability~~
of this audit ^{could not be} ~~being~~ performed
by his Secretary.

1 from Orders,

CS
12-6-96

1576196

9.6.96

1911 (9) a 80
 1912 (10) a 80

*Frauds at the General
Hospital*

from Orders

C.S.

When given for copying _____
When copied _____
When examined _____
When signed _____

189

When AGAIN G.O., No.
189

DATED

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When NO LONGER TO G. No.

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When WITH DITTO

When FILED UP, BEING MEANT FOR DISPATCH
ORIGINAL

N.B.-

- A = Copy in full.
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