

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	956	Press Mis.
²²⁶⁻²⁷ Dated	18-4-	18 68.

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Revenue Department,
8th April 1868.*

No. 226. Read the following letter from the Accountant General to the Government of Madras, to the Secretary to Government, Revenue Department, Fort St. George, dated Madras, 4th April 1868, No. 2:—

1. With reference to the 5th paragraph of the Order of Government in the Revenue Department, No. 686, dated 16th ultimo, in which I am desired to explain how "the most clumsy alteration in words and figures in Voucher N. which was part of the Cuddapah frauds," came to be passed unnoticed in my Department, I have the honor to state, that it has never been the practice in this office to audit the Deposit Vouchers, as it is a duty which, from its imperfect information, the Central Office of Account is incompetent to perform.

2. The audit of the Deposit Vouchers to be really effective must of necessity be made by an Officer possessing a full knowledge of the circumstances connected with the payment or receipt of the money, and who is acquainted also with the signature of the party making or receiving the payment, of both of which alike this Department is necessarily altogether ignorant. For the genuineness of the signature attached to the Deposit Vouchers, and for the correctness of the amount entered therein, the two essentials in the audit of the Voucher, the Central Office is compelled to rely upon the Collector and his Treasury Officer, and in order to ensure that proper attention is paid to the examination of these important accounts, the former Officer is required to append a certificate to the effect that he has by personal examination found that they have been kept with the utmost care and regularity.

3. To require the Central Office to audit the Deposit Vouchers, therefore, would simply be to shift the responsibility from a Department which is really competent to make the audit, and to throw it upon one which has not the means of undertaking that duty. All that this office can effectively do in the matter of deposits is to see that the amounts alleged to have been received or paid away are duly entered in the Registers, and that no account is ever overdrawn, and this duty is most carefully performed, our Deposit Registers showing with the greatest accuracy the exact state of every Deposit account in the Presidency.

4. Since the discovery of these Cuddapah frauds, I have indeed required the Auditors of my office carefully to examine each Deposit Voucher and to reject all those which may appear to have been in any way tampered with. But it must be obvious that a superficial examination such as this will be no real check upon fraud, for it will be quite as easy to support the entry in the accounts by a wholly fictitious document which would pass unchallenged, as it would be to alter the original voucher—a circumstance of which the Treasury Department in the Collector's office must be as well aware as I am.

No. 227. ORDER THEREON, 8th April 1868, No. 956.

Miscellaneous.

1. Communicated to the Board of Revenue and to Mr. Lilly.

2. The Government consider that the certificate referred to in paragraph 2 of the above letter should be signed by the Treasury Deputy, and countersigned by the Collector, instead of being signed by the latter Officer only as would seem to be the case.

*of the signature attached to the Deposit Vouchers
and for the correctness of the amount entered therein.*

Proceedings of the Madras Government, Revenue Department,
8th April 1868.

3. It would be well for the Board and the Accountant General to cause a special examination of all Deposit Accounts in the districts to be made at once.

(True Extract.)

(Signed) W. HUDLESTON,

Secretary to Government.

To the Board of Revenue.
To W. S. Lilly Esq.
To the Accountant General.

Exd. T. O'Connor.

Department

No 2

Fort Saint George
Accountant General's Office
4th April 1868

From

The Accountant General
to the Government of Madras

To

The Secretary to Government
Revenue Department.

Sir,

With reference to the 5th para of the order of Government in the Revenue Department No 686 dated 16th Ultimo, in which I am desired to explain, how "the most clumsy alteration in words and figures in Voucher N which was part of the Cuddalore fraud," came to be passed unnoticed in my department. Have the honor to state, that it has never been the practice in this Office to audit the Deposit Vouchers, as it is a duty which from its imperfect information the Central Office of Accounts is incompetent to perform.

2 The audit of the Deposit Vouchers to be really effective must of necessity be made by an Officer possessing a full knowledge of the circumstances connected with the payment or receipt of the money, and who is acquainted also with the signature of the party making or receiving the payment, of both of which alike this Department is necessarily altogether ignorant. For the genuineness of the signature attached to the Deposit Vouchers and for the correctness of the amount entered therein,

Since the discovery of these Cuddalore
frauds, I have indeed required the Auditor of
my Office carefully to Examine each Deposit
Voucher and to reject all those which may appear
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for it will be quite as easy to support the entry in
the Accounts by a wholly fictitious document

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cannot be helped. Is it not
 the best remedy that we can find
 to cure it? Is it not the best
 to the many suffering from the
 cold, in case of being in the
 air as it is said to be
 that the winter is the best
 time. Is it not a good remedy
 to use in the winter? Is it not

Dates 4th } April 1868
 Rec 4th }
 Frank B. of Rev
 23 Sept 1890 Chs. 3338-
 No 2

Explains how the alterations in
Vouchers & which was part of
the Cuddalore frauds came
before the Committee in this Dept
and states that as no Audit of
Deposited Vouchers could be carried
here the accuracy of Deposits
Accounts must rest with the Comptroller
and his Treasury Officer
24th 955. 8th Apr