M.R.O. 1—33,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 3213 Press Mis.

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Dated 20-12-1869 19 .

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No. 276. Read the following Proceedings of the Board of Revenue, dated 11th October 1869, No. 7,541 :—

Read the following letter from H. E. SULLIVAN, Esq., Collector of Bellary, to the Acting Secretary to the Board of Revenue, dated 27th August 1869, No. 227.

In continuation of my letter, dated 9th April last, No. 60, I have the honour to submit a further report on the defalcations in the Aloor talook therein brought to notice.

2. Subsequent inquiries have shown that the total amount embezzled between the years 1864 and 1868 was Rupees 3,036-2-0. In Mr. Kelsall's report, dated 27th ultimo, No. 416, it is stated to be Rupees 2,746-2-0, but this has reference only to the total of the different items which he had been able to trace out in the accounts. In the last entry in Statement No. 2, an enclosure to the letter above quoted, appears an item of Rupees 230, with the remark, "Similarly "embezzled, but the particulars cannot be given until the books are returned from "the Court of Session." This is an incorrect entry, as the talook accounts show that it should have been Rupees 240. The difference, Rupees 10, between these two amounts, added to the Rupees 280 referred to in paragraph 13 of Mr. Kelsall's report, makes up the exact difference between the total ascertained amount of the frauds and the loss stated to have been sustained in the opening part of Mr. Kelsall's letter. The Cash Chittas having been destroyed for December 1278 I do not expect to be able to trace out each item of fraud, as has been done under Mr. Kelsall's careful investigation in the other cases. That officer, in his letter, dated 27th ultimo, No. 416, gives a detailed account of the whole matter, and it would unnecessarily swell this report to recapitulate the particulars which find a place in his.

3. The actual peculators were a Nagady Goomastah named Sama Row and two Shroffs employed at different times in the talook named Vencannah and Seenappah. The manner in which the frauds were perpetrated was explained in my previous report, and their having escaped detection for so long was owing to the large amount of arrears which had been allowed to accumulate, and which were outstanding for five or six fuslies. When, after the favourable season of last year, I insisted on these being got in, detection followed as a matter of course. The Nagady Goomastah died suddenly as previously reported, and the two Shroffs have each been convicted by the Session Court of criminal breach of trust by a public servant and sentenced to four years' rigorous imprisonment. Rupees 1,400 of the money embezzled have been recovered from their sureties, leaving a balance of Rupees 1,636-2-0, which I see no chance of recovering, and, therefore, request permission to write it off the accounts, unless the Board see fit to hold the Tahsildars, during whose tenure of office the defalcations occurred, responsible. In my former report I stated my reasons for thinking that they ought not to be held personally liable. In the accompanying Statement M. will be found the names of the Tahsildars during whose incumbency the frauds were committed and the amounts embezzled whilst each presided over the talook. Two of these men have died; one is now the Tahsildar of the talook, one is Tahsildar of Anantapoor

in this district, and the third holds a similar post in the Kurnool district. In the same statement appear the names of the Sheristadars and Acting Sheristadars who are responsible undoubtedly for the defalcations which occurred during their tenure of office, although there is no evidence to show that they in any way connived at the frauds. Of these, Naropunt has been pensioned; Aswatha Row is dead; Venkat Row, who was Acting Sheristadar for a short time, is now Head Goomastah in the Kudlighi talook; H. Raghavendra Row holds the appointment of Sheristadar in the Kudlighi talook; Bhanappah is the present Sheristadar of Aloor; and K. Raghavendra Row, who was for a short time in charge of the office without extra pay, is the Head Goomastah in the same talook.

4. Naropunt is in the enjoyment of a pension of Rupees 24-4-0 per mensem, which, if the Board see fit, might be held liable for the amount, Rupees 631, embezzled during the time he was Sheristadar of the talook.

Aswatha Row has closed his account with the world, so that his liability, Rupees 30, must be written off.

The amount for which Venkat Row is responsible, Rupees 85, might be recovered by stoppages from his salary.

H. Raghavendra Row, during whose time the largest amount was embezzled, Rupees 1,811-2-0, I have suspended for a year. He could, and, I believe, would have paid up the money; but an example was wanted to open the eyes of other officials of the same grade to a sense of responsibility, and I, therefore, thought it advisable to adopt this mode of punishment. Bhanappah's case I am inclined to view favourably. He it was who first brought these frauds to notice and gave Mr. Kelsall much useful assistance in tracing them out item by item.

K. Raghavendra Row was only in charge for a short time. He got no extra pay, and had to discharge his own duties at the same time. I would exonerate him from all liability.

5. I must here correct an error which found a place in my former report. I there stated that the majority of these frauds were committed during the incumbency of Rajahrutnum Moodelly, who is now employed in the Kurnool district. It will be seen from the enclosed Statement M. that the largest amount was embezzled during the time of the present Tahsildar, and, though I am still of opinion that Tahsildars cannot fairly be held responsible in these matters under ordinary circumstances, yet, when the continuance and non-detection of frauds such as these are owing to neglect of duty on their part, I am not disposed to exonerate them. Had not the revenue been allowed to fall into arrears and had not the positive orders to realize outstandings been disregarded, this system of fraud must have been earlier detected and a portion at least of the loss averted. Previous, however, to the time when the present Tahsildar assumed office, there was, owing to the unfavourable nature of the seasons, some ground for the non-collection of the revenue, but no such excuse can be urged in his favour. He has been especially remiss in this respect, and it was with the greatest difficulty that I got him to exert himself in reducing the balances. At the beginning of last year he reported a famine in his talook which on personal local inquiry I found to be wholly unfounded, and which was, I firmly believe, merely put forward to excuse himself for having neglected to realize the revenue, current and arrears. For

these reasons I would recommend Sama Row, the present Tahsildar of Aloor, during whose incumbency Rupees 1,400 have been embezzled, being reduced to a fifth class talook.

6. In conclusion, I would beg to offer a suggestion. It is laid down in the Talook Manual that the correctness of the entries in the daily Cash Chitta is to be attested by the signatures of the Tahsildar, Sheristadar, Treasury Goomastah, and Shroff. It is obvious that, so far as the Tahsildar is concerned, this check must be almost nominal. He could not day by day, without neglecting his other duties, go over the account and vouchers item by item even when at the Cusbah, and he is constantly on circuit in the talook, when, of course, he cannot sign it; nor has he, when he returns, an opportunity of testing the correctness of the entries with reference to the receipts of village collections, as the Irasulnamah is returned to the village as a receipt as soon as the remittance has been carried to account. I propose, therefore, that Irasulnamahs should be forwarded from the village in duplicate, one copy being returned to the village in acknowledgment of the remittance and the other deposited with the Tahsildar, who should be required once a month to go through the accounts with these vouchers, attaching his signature to the month's accounts when satisfied of the correctness of the entries. This would make his certificate less of a form than it is at present. But, considering the onerous nature of his other duties, even this would be a tax on his time, which should, in my opinion, be avoided if possible; and I would rather that the whole responsibility should be thrown on the Sheristadar, who should, I think, be called on to furnish security to the extent of Rupees 2,000. Under any circumstances, the duplicate Irasulnamahs should be with the Tahsildar, to whom it would be open at all times to overhand the accounts. Duplicate vouchers being filed at the Talook Cutcherry, Division Officers would also have an opportunity of testing the accuracy of the entries in the Cash Chitta whenever they visited a talook. If this system is adopted it would, I think, serve effectually to prevent a repetition of frauds such as have now come to light.

C.

From J. KELSALL, Esq., Acting Head Assistant Magistrate, to the Magistrate of Bellary, dated Gooty, 17th April 1869, No. 30.

In my demi-official letter from Aloor I submitted to you a statement of the recent frauds in that talook, pointing out how they took place. I have delayed my official report partly that I might inform you of the result of my preliminary inquiry into the case and partly that time might be given for a further scrutiny of the accounts.

2. I closed the preliminary inquiry two days ago, and, being of opinion that a *primâ facie* case had been made out, have committed Vencannah to stand his trial before the Court of Session on charges framed under Sections 408 and 109 of the Indian Penal Code. The Session Court will in two days adjourn, and the case cannot be heard till it re-opens on the 24th June. I propose then with your permission to go into Bellary that I may give the Government Prosecutor any assistance or information he may require.

3. The frauds have all been committed in the same way, and not one could have succeeded for a moment if the superior Talook authorities had done their duty. It is plain that both the Sheristadar and Tahsildar signed the Cash Chittas and Irasulnamahs just as a matter of form without comparing and checking the entries as they (especially the Sheristadar) were bound to do.

4. The late Sama Row was for some fifteen years Nagady Goomastah at Aloor, while Vencannah, his accomplice, has only been in the talook three years. The frauds were perpetrated in Fuslies 1276 and 1277.

5. When remittances are sent from villages the Village Officers send it in a bag sealed accompanied by the Irasulnamah, (Form No. 25 of the Village Manual.) On arriving at the Talook Cusbah the bag with the coins is given to the Shroff to count, and the Irasulnamah to the Nagady Goomastah. If it is found that the number of coins tallies with the Irasulnamah the Nagady Goomastah credits the amount in the Cash Chitta, and the Shroff enters the same in his book, (Form No. 2 of the Talook Manual.) The form given in the Manual only provides for the entry of the total of the receipts and disbursements each day, but in Aloor each separate item has been daily recorded. The book is, therefore, nearly a counterpart of the Cash Chitta, but contains more information, inasmuch as the number and description of coins in each transaction is set out at length. It is the business of the Sheristadar either immediately or at the close of the day to compare the Irasulnamah with the Cash Chitta and to satisfy himself that the entry is correct. He then signs his name in token of having examined and compared the two accounts and that they are correct. It is perfectly impossible that Sheristadar H. Raghavendra Row could have ever checked the entries in the Cash Chitta or compared them with the Irasulnamahs, though he daily signed his name to make it appear that he had done so.

6. Having explained the system of check in the talook sufficient, if properly carried out, to prevent all frauds, I proceed to show how the frauds were committed. On November 19th a sum of Rupees 278-4-0 was remitted from Wanduvagily village. The Shroff and Nagady Goomastah enter in their respective accounts Rupees 248-4-0, and presumably pocket the difference, Rupees 30. At all events it is never credited in the Sircar accounts. The Irasulnamah is signed by them in token that it is correct and that the money has been received. The Sheristadar countersigns the Irasulnamah and Cash Chitta in token of having compared them and found them correct, and yet the Irasulnamah purports to accompany Rupees 278-4-0 and the Cash Chitta credits only Rupees 248-4-0.

7. Five days after a sum of Rupees 120-2-0 is remitted from Hebetta. The Shroff and Nagady sign the Irasulnamah in token of having received the money, but only credit in their respective accounts Rupees 100-2-0. Again, Raghavendra Row certifies by his signature that the Cash Chitta entry and the Irasulnamah correspond.

8. The statement I submit speaks for itself, and I need not go into each case of fraud. I would, however, call your attention to the entries on March 28th in the cases of Chicka Hotoor and Siragapuram. You will see that in the former case the Nagady Goomastah has deducted 80 rupees while the Form No. 2 of the Shroff is the same as the Irasulnamah, while in the latter case it is the Shroff who deducts the Rupees 80 and the Nagady Goomastah who makes his Chitta to correspond with the Irasulnamah. The totals of Form No. 2 and the Cash Chitta will balance at the end of the day. You will also observe that the whole of the kist sent from Manikurly on May 1st has been embezzled.

9. The Nagady Goomastah died just before these frauds were found out under circumstances which left no doubt that he had taken poison. The Shroff has, as I have stated, been committed to the Session Court.

10. It now remains for me to express an opinion as to how the money should be made good. The Shroff has under the rules given security for Rupees 700, and his security is the Reddy of Pedda Hotoor. If Vencannah is convicted, the Session Judge has the power, in addition to imprisonment, to sentence him to fine. Such fine or part of it by the Court's order, under Section 44 of the Criminal Procedure Code, may with certain restrictions be paid over to the person suffering by the offence committed: in this case Government, and this provision of the law, will doubtless not be lost sight of by Mr. Irvine.

But my recommendation is that we should look neither to the security nor to any possible judgment of the Session Court to make good the loss; but that the party, through whose culpable negligence these frauds have been rendered possible, should make good the loss. That party is

H. Raghavendra Row, at present Sheristadar of Kudlighi. You will see that with three exceptions it is he who has certified to the examination of the Irasulnamahs and Cash Chittas, when it is plain he never did so but signed his name as a mere matter of routine. The exceptions are the two first cases, when Head Goomastah Raghavendra Row was for a few days doing the work of Sheristadar, and the case of Timmapoor in Fusly 1277, when the Tahsildar, P. Sama Row, is the countersigning and certifying officer. I recommend that each of these three be held responsible for the money lost by the fraud his negligence and (carelessness if nothing worse) has permitted. It is still a question for consideration whether these punishments will not be sufficient for the Tahsildar and for the Head Goomastah, of whose carelessness we have only isolated instances. But in the case of Raghavendra Row, the Sheristadar, who for month after month has let these frauds go on under his very eyes, and to whose culpable negligence and indolence it is due that they were not at once discovered, I recommend that, in addition to being held responsible for the money lost, he be dismissed with ignominy from the public service. I have considered whether there are sufficient grounds for charging him under the Penal Code, but see no chance of conviction.

11. I should have mentioned that the prisoner Vencannah has no defence except that he has correctly entered the amount sent from the villages and that the sums entered in the Irasulnamah must have been a mistake. It is, of course, impossible to believe that a mistake happened so often and in so many villages. He accounts for signing the Irasulnamahs by stating that he signed them all together at night and that he was not in the habit of comparing them with his Nagady Chitta, (Form No. 2.)

12. The preliminary inquiry was, as you are aware, commenced at Aloor. I have called in the Curnums and am comparing these Irasulnamahs and statement of outstanding balances with the talook accounts. Nothing further has as yet been discovered, and I believe that Rupees 1,533-2-0 is the full amount embezzled. If necessary I shall again go out to Aloor.

13. The present case shows the advisability of not allowing arrears to accumulate. When I joined this division I found there were arrears dating as far back as Fusly 1268. It was the pressure put on the Tahsildar either to get in the arrears or to give reasons for writing them off as irrecoverable that led to the detection of these frauds. Had the kists been punctually collected the frauds must have been found out almost directly, at all events within a few months.

ENCLOSURE No. 1.—Statement.

D.

From J. KELSALL, Esq., Acting Head Assistant Magistrate, to the Magistrate of Bellary, dated Gooty, 1st May 1869, No. 34.

IT is with much regret that I have to inform you that further scrutiny into the Aloor talook books has brought to light fresh frauds. In my letter, No. 30, dated 17th April, I forwarded a statement showing that Rupees 1,533-2-0 had been embezzled. The frauds now discovered amount to a further sum of Rupees 1,223,* in all Rupees 2,756-2-0.

* Rupees 1,213, (*vide* letter, No. 40, of the 21st May.)

2. A statement is in course of preparation in my office, which will be forwarded to you in a few days. Some of the frauds now found out were perpetrated by the deceased Sama Row and the Shroff Vencannah, but a good many by one Seenappah, formerly Shroff of Aloor but now Shroff of Madony talook. He is at present under trial before me, and will in due course be committed to the Session Court. His frauds were committed in Fuslies 1274 and 1275, in which years Mayandy Pillay and Ragaviah were Tahsildars and Aswatha Row was Sheristadar. These three officers are now dead.

3. The work of searching back through the account for ten years and checking the various items has been a laborious one, or a statement would have been submitted to you before this. A Villagewar Bakiputti had also to be prepared. The brief statement I attach shows that all the

frauds have now been found out. The talook statement of demand and the total of the statements of arrears given in by the Curnums are within Rupees 3 of one another, and, considering that some of the arrears go back to Fusly 1268, this slight discrepancy is hardly to be wondered at.

4. The Tahsildar has been directed at once to take prompt measures for the collection of the sum of Rupees 1,136 and to issue attachment notices. I hope in the course of a month to be able to report that all arrears down those to Fusly 1277 inclusive have been wiped off.

5. I may add that similar measures are being taken by me in other talooks. After Aloor the arrears are heaviest in the Gooty talook, and I am preparing an individual Bakiputti, when the arrears will be collected under Act II. of 1864.

ENCLOSURE No. 1.—Statement.

E.

From J. KELSALL, Esq., Acting Head Assistant Magistrate, to the Magistrate of Bellary, dated Gooty, 21st May 1869, No. 40.

IN continuation of my letter of the 1st instant I have the honour to forward two statements showing how Rupees 983 have been embezzled. A further report will in a day or two be submitted on the frauds committed in Fusly 1277, amounting to Rupees 230. These two sums represent a total of Rupees 1,213, and not Rupees 1,223 as stated in my last letter.

2. Two days ago I concluded the preliminary inquiry in the case of Seenappah, the late Shroff, and have committed him to stand his trial at the ensuing sessions.

3. Statement No. 1 accounts for Rupees 723, and these frauds have been committed in the same way as those previously explained. The then Tahsildar is dead, but Sheristadar Naropunt is pensioned and resides at Aloor. Seenappah has caused him to be summoned as a witness for the defence.

4. A sum of Rupees 260 was embezzled in Fuslies 1275 and 1276 in a different way. Statement No. 2 represents these frauds, which have been perpetrated by false entries on the debit side of the Cash Chitta.

5. These have been found by checking the Cash Chitta with the two Averjas, Forms 3 and 4, pages 80 and 83 of the Talook Manual. These forms are made out from the Cash Chitta, and are, in fact, abstracts of it, showing the Cash Chitta entries arranged under their proper heads. Being merely a different arrangement of the same items it is evident that the totals should agree, and I would call your attention to the care with which the Nagady Goomastah has ensured this taking place.

6. The false disbursements though debited in the Cash Chitta are never brought over into the Averja, and it is evident that, unless a similar deduction is made from the credit side, the totals as shown by the Cash Chitta and the Averjas will not agree.

7. The detailed explanation I give of the first of these cases of fraud will, I trust, sufficiently explain my meaning. On the 6th of September the Nagady Goomastah has entered that Rupees 30 was paid to the Ramandroog Taliaries. The total receipts on that day were Rupees 642, and the disbursements, including this Rupees 30, were Rupees 30-5-0. In entering these sums in the Averjas in Form No. 3, the sum of Rupees 642 has been correctly brought over; but in Form No. 4 all that is brought over is Annas 5, no entry being made under its proper head of the Rupees 30 said to have been paid to the Ramandroog Taliaries. So the accounts remained at the end of the day, but it seems to have struck the Nagady Goomastah that these accounts would not tally with each other. The necessary adjustment is made next day in this way:—a kist of Rupees 247 was received from Hattibelgal. This is correctly entered in the Cash Chitta, but is brought over into the Averja as Rupees 217. A simpler way of explaining this fraud, though it reverses the process, would be to say that the Goomastah took Rupees 30 from the Hattibelgal kist, and, to cover the fraud, entered that he had paid that sum away to the Ramandroog Taliaries.

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The Cash Chitta and Averja are in the Nagady Goomastah's handwriting, but I may just note the entries in the Shroff's book because they show that he too was cognizant of the fraud. On the 6th he makes no mention of the Rupees 30 paid to Ramandroog, and his total for that day is consequently greater by Rupees 30 than that of the Nagady Cash Chitta. This is adjusted next day by entering the Hattibelgal kist as Rupees 217 instead of Rupees 247.

8. The second fraud was committed about a month later, on October 21st. In this case a further sum of Rupees 15 is debited as paid to the Ramandroog Taliaries. This being false is not brought over into the Averja; but, to make the accounts tally, a similar deduction had to be made on the credit side. Rupees 59-0-5 was received on that day from various villages as quit-rent. This sum appears in the Averja as Rupees 44-0-5.

9. On March 21st again the receipts and disbursements are respectively Rupees 3,975-10-7 and Rupees 69-1-11. These sums on being abstracted in the Averjas appear as Rupees 3,955-10-7 and Rupees 49-1-11. In this case an entry in the Cash Chitta of Rupees 20 paid to the Hattibelgal Taliaries does not appear in the Averja, and a corresponding deduction is made under the head "Land Revenue" on the credit side. With these remarks the Statement No. 2 will explain itself.

10. The report on the Rupees 260 embezzled in Fusly 1277 will be sent early next week, but I have not quite finished checking the Averjas and the Cash Chittas. The frauds seem simple and clumsy enough when explained, but it is by no means so easy to trace them out. Contrary to orders, alterations and corrections appear in all the books, and sometimes three or four readings are possible of a single item. Even when the items are right the totals have been falsified, apparently with intent to baffle any one attempting to check the accounts. Nothing has been taken for granted. Whenever there was ground for suspicion the Cash Chitta was added up and each item checked. The condition of the books was enough to excite suspicion, and, whenever in turning over the leaves of the Cash Chitta or Averja I came on a series of corrections and blots, I knew at once that a fraud lay buried beneath. The false debits are not always Taliaries. One of Rupees 30 is for Saderwarid, another of Rupees 30 for Treasure boxes, and another of the same amount for Prisoners' batta. This alone shows the Cash Chitta was never examined. Items such as these, especially when unauthorized, would at once have attracted attention.

ENCLOSURE No. 1.—Statement.

K.

From J. KELSALL, Esq., Acting Sub-Collector and Joint Magistrate, to the Collector and Magistrate of Bellary, dated Anantapoor, 27th July 1869, No. 416.

I HAVE from time to time reported to you on the recent defalcations in the Aloor talook, and, now that the accounts have been thoroughly scrutinized and the offending parties convicted and sentenced, I have the honour to submit a full account of the whole matter.

2. The frauds were committed in Fuslies 1274, 1275, 1276, and 1277, and the total amount embezzled amounts to Rupees 2,746-2-0. In the majority of cases the frauds have been committed in the most clumsy and barefaced way, and would not have succeeded for an instant if the superior Talook authorities had done their duty.

3. The late Nagady Goomastah, Sama Row, has been in the talook for ten years. He died shortly before these defalcations were discovered under circumstances which left little doubt that he had taken poison. Seenappah was Shroff in Fusly 1274, after which he was transferred to another talook and was succeeded by Vencannah.

4. I now proceed to explain how the frauds, or, at all events, the greater number, have been accomplished. When remittances are sent in from villages the Village Officers send it in a bag sealed, accompanied by the Irasulnamahs, (Form No. 25 of the Village Manual.) On arriving at the Talook Cusbah the bag with the coins is given to the Shroff to count, and the Irasulnamah to the

Nagady Goomastah. If it is found that the number of coins tallies with the Irasulnamah the Nagady Goomastah credits the amount in the Cash Chitta and the Shroff enters the same in his book, (Form No. 2 of the Talook Manual.) The form given in the Manual only provides for the entry of the totals of the receipts and disbursements each day, but in Aloor each separate item has been daily recorded. The book is, therefore, nearly counterpart of the Cash Chitta but contains more information, inasmuch as the number and description of coins in each transaction is set out at length. It is the business of the Sheristadar either immediately or at the close of the day to compare the Irasulnamah with the Cash Chitta and to satisfy himself that the entry is correct. He then signs his name in token of having examined and compared the two accounts and that they are correct. It is perfectly clear that the Sheristadar for the time being can never really have compared the two accounts, though in every case both books have been signed in token that the entries tally. Statement No. 1 that I attach explains how Rupees 2,256-2-0 have been made away with. On a certain amount being received from a village the Shroff and Nagady Goomastah sign the Irasulnamah in token of the correct amount having been received, but give credit in their respective Chittas for a sum less by 20, 30, 50, and even 100 rupees. The statement explains itself, but I have also added columns which show in each case the countersigning officer's name, who certifies that he has checked each entry when it is plain that his name could only have been signed as a mere matter of routine.

5. Of the Tahsildars who have held office while these frauds were being perpetrated, Mayandy Pillay is dead; Rajahrutnum Moodelly has been transferred to the Kurnool district; Nursimma Charry is Tahsildar of Anantapoor; while Sama Row is now in charge of the talook. Of the Sheristadars whom I consider far more culpably negligent, Naropunt has retired on pension and is still living, and Raghavendra Row is at present Sheristadar of the Kudlighi talook. The present Sheristadar is Bhanappah, who, however, only joined at the end of last year and is responsible for none of these things.

6. A sum of Rupees 490 has been embezzled in a more skilful way; but these, too, ought at once to have attracted attention. Statement No. 2 represents these frauds which have been perpetrated by false entries on the debit side of the Cash Chitta. These frauds have been found by checking the Cash Chitta with the two Averjas, Forms 3 and 4 of the Talook Manual. These forms are made out from the Cash Chitta, and are, in fact, abstracts of it, showing the Cash Chitta entries arranged under their proper heads. Being merely a different arrangement of the same items it is evident that the totals should agree, and I would call your attention to the skill with which the Nagady Goomastah has ensured this taking place.

7. The false disbursements though debited in the Cash Chitta are never brought over into the Averja, and it is evident that, unless a similar deduction is made from the credit side, the totals as shown by the Cash Chitta and the Averjas will not agree.

8. The detailed explanation I give of the first three cases of fraud will, I trust, sufficiently explain my meaning. On the 6th of September the Nagady Goomastah has entered that Rupees 30 was paid to the Ramandroog Taliaries. The total receipts on that day were Rupees 642, and the disbursements, including this Rupees 30, were Rupees 30-5-0. In entering these sums in the Averjas in Form No. 3, the sum of Rupees 642 has been correctly brought over; but in Form No. 4 all that is brought over is Annas 5, no entry being made under its proper head of the Rupees 30 said to have been paid to the Ramandroog Taliaries. So the accounts remained at the end of the day, but it seems to have struck the Nagady Goomastah that these accounts would not tally with each other. The necessary adjustment is made next day in this way:—a kist of Rupees 247 was received from Hattibelgal. This is correctly entered in the Cash Chitta but is brought over into the Averja as Rupees 217. A simpler way of explaining this fraud, though it reverses the process, would be to say that the Goomastah took Rupees 30 from the Hattibelgal kist, and, to cover the fraud, entered that he had paid that sum away to the Ramandroog Taliaries. The Cash Chitta and Averjas are in the Nagady Goomastah's handwriting, but I may just note the entries in the Shroff's book because they show that he too was cognizant of the fraud. On the 6th he makes no mention of Rupees 30 paid to Ramandroog, and his total for that day is consequently greater by 30

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than that of the Nagady Cash Chitta. This is adjusted next day by entering the Hattibelgal kist as Rupees 217 instead of Rupees 247.

9. The second fraud was committed about a month later, on October 21st. In this case a further sum of Rupees 15 is debited as paid to Ramandroog Taliaries. This being false is not brought over into the Averja; but, to make the accounts tally, a similar deduction had to be made on the credit side. Rupees 59-0-5 was received on that day from various villages as quit-rent. This sum appears in the Averja as Rupees 44-0-5.

10. On March 21st again the receipts and disbursements are respectively Rupees 3,975-10-7 and Rupees 69-1-11. These sums on being abstracted in the Averjas appear as Rupees 3,955-10-7 and Rupees 49-1-11. In this case an entry in the Cash Chitta of Rupees 20 paid to the Hattibelgal Taliaries does not appear in the Averja, and a corresponding deduction is made under the head "Land Revenue" on the credit side. The false debits are not always to Taliaries. One of Rupees 30 is for Saderwarid, and another of the same amount for Prisoners' batta. This alone shows that the Cash Chitta was never examined. Items such as these, especially when unauthorized and fictitious, would at once have attracted attention.

11. The totals of these two statements represent a sum of Rupees 2,746-2-0. Statement No. 3, which I attach, shows that all the frauds committed in these four fuslies have now been exposed. The Talook Statement of Demand and the Statement of Arrears given in by the Curnums are within Rupees 7 of one another, and, considering that some of the arrears date back as far as Fusly 1268, this slight discrepancy is hardly to be wondered at.

12. The Nagady Goomastah is, as I have mentioned, dead. As soon as I heard of these frauds I went to Aloor, and, after going through the books, commenced the preliminary inquiry in the case of Vencannah, and eventually committed him to the Court of Session. Seenappah was subsequently committed. After a delay of two months, in consequence of the adjournment of the Session Court, they were put on their trial. Each has been convicted and sentenced to rigorous imprisonment for four years. The Acting Session Judge has not thought proper to inflict a fine, so that the deficiency cannot be made good in this way. Each of the Shroffs has given security for Rupees 700; but, supposing this to be exacted in full, only a small portion of the defalcations will have been covered. The sanction of the Board will have to be obtained for writing off the balance.

13. The conduct of the Tahsildars and Sheristadars who have permitted these clumsy frauds to go on for years should not pass unnoticed. I consider that the Sheristadars are more to be blamed than the Tahsildars. The latter have work of all kinds to do, and are often away in the talook. The Sheristadar has nothing to do but to attend to the accounts, and I would make him strictly responsible for their correctness. I understand that Raghavendra Row and the late Tahsildar have submitted explanations to you. These I have not had the advantage of seeing, but I cannot conceive how any defence can be made for such gross apathy and indolence. I will not attempt, therefore, to suggest the punishments that should be inflicted, but I think that suspension even for a long period will not be sufficient punishment for the neglect and culpable indolence displayed by H. Raghavendra Row.

14. The Tahsildar, Sama Row, is also much to blame. He has been in the talook for eighteen months, and, had he endeavoured to collect the large outstanding balances, these frauds would have been found out at once. In one case also (Timmapuram, Fusly 1277) it is he who, in the absence of the Sheristadar, has countersigned the Irasulnamah and Cash Chitta in token of having compared them. I regret that I cannot speak very highly of his ability and industry, and am afraid he has been promoted too rapidly. He has had plenty of time given him to collect the outstanding arrears, but is still far from having done so. I think that, at all events, for a time he should be put in charge of a lower grade talook.

15. This completes the history of the frauds from Fusly 1274 to Fusly 1277. A further report has to be submitted on a sum of Rupees 280 embezzled in Fusly 1278. How this was done has only recently been discovered, for the Nagady Goomastah, shortly before his death, must have destroyed the Cash Chitta for December, the month in which the frauds were perpetrated. But in his house were discovered some papers which appear to be rough drafts of the entries in the

Averjas. On December 3rd a sum of Rupees 1,711 was remitted from Pedda Hotoor. It is unknown what was entered in the Cash Chitta, but it was brought over into the Averja as Rupees 1,511. The Shroff has made his Chitta correspond with this but he does not give details, only entering the particulars of the coins making up the total for that day. On December 9th a sum of Rupees 780-6-0 was sent from Asperi. In the rough draft of the Averja the Asperi kist is entered as Rupees 700-6-0. The day's total is in draft Rupees 2,600-7-2, and this is the sum that appears in the Averja and in the Shroff's Chitta. These are the only two frauds that have as yet been discovered, and I believe they are all that will be discovered. The Cash Chittas for other months have been checked and found to correspond with the Irasulnamahs. Steps are being taken to discover how the Talook Statement of demand tallies with the totals of the arrear list for Fusly 1278 given in by the Curnums. This report should have been submitted earlier; but the work of going through the accounts of four years, item by item, has been a laborious one, and, in addition, several of the important Chittas had to be forwarded to the Session Court in the cases of Vencannah and Seenappah.

Enclosures Nos. 1 to 3.—Statements.

L.

From J. KELSALL, Esq., Acting Sub-Collector, to the Collector of Bellary, dated Anantapoor, 28th July 1869, No. 417.

I have the honour, as desired by you, to submit a report on the defalcations in the Aloor talook.

2. I have kept it back for a time hoping to give full particulars of the loss of Rupees 230 mentioned as a lump sum in Statement No. 2. This sum represents four separate cases of embezzlement in the villages of Joharapuram (Rupees 100), Agasanoor (Rupees 50), Bundrakall (Rupees 30), Gazzahully (Rupees 50); but the note I made of these false entries has been mislaid and the original Chittas and Averjas were forwarded to the Court of Session with the record of the two cases.

3. I have applied to Mr. Irvine for their return; but he has replied that the prisoners have appealed to the High Court, and that till the appeal is decided the Chittas cannot be returned.

4. Rather than delay the report indefinitely I forward the statement in its present form. On receipt of the Chittas I will give a detailed account of these four frauds.

5. For the same reason I am unable in every instance to fill in the names of the Tahsildars and Sheristadars responsible. They will be found in the statement which accompanied my letter, No. 30, which contained the first account of the fraud.

In this case, as in two others which have lately been brought to the notice of the Board, defalcations have taken place in Talook Treasuries which have not been immediately detected because the Irasulnamahs are returned to the Village Officers as soon as the remittances have been received and entered. A Circular Order will at once be issued which will put an end to this facility for fraud. The special circumstance in this case which made the defalcations larger and the detection slower than in the others is that the Nagady Goomastah and the two delinquent Shroffs were in collusion.

2. The whole sum embezzled was Rupees 3,036-2-0, and Rupees 1,400 have been recovered from securities, leaving a balance of Rupees 1,636-2-0.

Proceedings of the Madras Government, Revenue Department,
20th December 1869.

3. The Nagady Goomastah is dead, and the Shroffs have been convicted and sentenced to four years' imprisonment by the Session Court. The Board have now to deal with the case of the Tahsildars and Sheristadars who were in office when the defalcations occurred. Both the Tahsildar and the Sheristadar are responsible when business is improperly conducted in their offices, but in the case of defalcations the Sheristadar is more immediately concerned.

4. The Tahsildars now living who are thus responsible are—

Nursimma Charry, for Rupees 50. He held office for four months, and is now Tahsildar of Anantapoor.

Rajahrutnum Moodelly, for Rupees 955. He held office for four months, and is now a Tahsildar in Kurnool.

P. Sama Row, for Rupees 1,400. He is now Tahsildar of Aloor, and the defalcations were going on for fourteen months during his incumbency.

5. These men are primarily responsible for the sums lost. The extent to which they are liable in proportion to the unrecovered amount is as follows:—

	Rs.
Nursimma Charry.....	35
Rajahrutnum Moodelly.....	649
P. Sama Row.....	952

6. There are aggravating circumstances in the case of P. Sama Row, and the Board resolve to reduce him to the charge of a talook of the lowest class as recommended by the Collector. His pay will thus be reduced from Rupees 175 to Rupees 150. He as well as the other two will further be required to pay quarter of the sum opposite their names in such instalments as the Collector may direct. Rupees 409 will thus be re-paid. Government will be requested to allow the remainder of the unrecovered amount, namely, Rupees 1,227, to be written off the accounts.

7. The Sheristadars who are responsible and are still in the service are—

Vencat Row, for Rupees 85. He was acting for a short time only, and is now Head Goomastah in the Kudlighi talook.

H. Raghavendra Row, for Rupees 1,811. He is now Sheristadar of Kudlighi, and has been suspended by the Collector for a year.

Bhanappah, for Rupees 280. He is now Sheristadar of Aloor. The Collector views his case favourably, and states that he brought the frauds to notice and gave great assistance in the subsequent inquiry.

K. Raghavendra Row, for Rupees 199. He was in charge for a short time only without extra pay, and the Collector thinks he should be absolved from liability.

8. The Board have given their best consideration to the Collector's recommendations; but, taking the view they do of the importance and responsibility of the Sheristadar's office, they cannot consent to exempt any of these men from punishment. They approve of the Collector's order suspending H. Raghavendra Row for a year. Vencat Row will be suspended for three months, and Bhanappah and K. Raghavendra Row for one month each.

9. The Board deem it right to express their appreciation of the careful manner in which the inquiry was conducted by Mr. Kelsall, and of the complete way in which the case has been laid before them by Mr. Sullivan.

Proceedings of the Madras Government, Revenue Department, 20th December 1869.

No. 277. ORDER THEREON, 20th December 1869, No. 3,213.

Land Revenue.

THE Government approve of the orders issued in the foregoing Proceedings and concur in the Board's commendation of the manner in which the inquiry was conducted and the case submitted by the Acting Sub-Collector, Mr. J. Kelsall.

2. Sanction is granted for writing off the accounts the sum of Rupees 1,227.

(True Extract.)

(Signed) R. A. DALYELL,
Acting Secretary to Government.

To the Board of Revenue.
,, the Accountant-General.

Exd. A. S. Rodgers.

Govt. of {1869} Madras.

REVENUE.

To

THE BOARD OF REVENUE,

&c., &c., &c.

Dated December, 20th.

Read. Encl.

G. O., 20th December 1869, No. 3,213.

DECEMBER

Nos. 276-277.

Defalcations in Aloor Talook Treasury in Bellary.—Sanction granted for writing off the accounts the unrecovered portion of the amount embezzled, viz., Rupees 1,227.

The accounts the sum
of Rs 1,227.

14. Lottie B. J. Rev. Dec. pp 21
6 Accts Sent