

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. <i>0 781</i>	Press <i>Nis.</i>
Dated <i>30 - 5 - 1870 N</i>	

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Government {1870} of Madras.
REVENUE.

Recd.

} 1870.

Enclosures

Regd.

Spare copies

G.O., No. 781, 30th May 1870.

MAY.

Defalcation in Madras Quit-rent Department.

Mr. Leman's report in connection with this subject received, and proposals of the Board of Revenue regarding the dismissal of the Tahsildar and Sampratti, approved.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

No. 324. Read the following Proceedings of the Board of Revenue, dated 15th March 1870, No. 1754 :—

Read the following letter from the Acting Collector of Madras, to the Acting Secretary to the Board of Revenue, dated Trivellore, 8th February 1870, No. 36 :—

I HAVE the honour to forward Mr. Leman's report on the Ground-rent and Warrant Departments of the Madras Deputy Collector's Office.

2. It is quite clear to me that collections on account of ground-rent on lands which, perhaps, were once Government lands, but which now under the Municipal Act form part of the streets of the town, are no longer legal, and should therefore be discontinued. This remark applies to the second and third classes of lands on which collections are made, referred to in paragraph 1 of Mr. Leman's report. The land bordering on Nyneappah Naicken Street I consider to be the private property of Government, and as such land on which the Government can claim ground-rent. Considering, however, the difficulty there is in legally collecting the ground-rent, and that the salesmen from whom it is levied are liable to be ousted by the Municipal Commissioners from the spots they occupy, I agree with Mr. Leman that it would be best to rent the land in question to the Municipal Commissioners even at a pecuniary loss to Government. This side of the road is now most unsightly being cumbered with the sheds, and six dozen chests placed there by Government tenants, while if the land were rented to the Municipal Commissioners they would doubtless make arrangements for the establishment of a more decent bazaar. With regard to the fourth class Government are clearly entitled to continue their demand for rent.

3. Whatever decision may be come to as to the future collection of ground-rent in class I., I am of opinion that the Account Currents should be closed up to 1st October 1869. If the Government are of opinion that the ground-rent on the Evening Bazaar has been rightly collected, and that the arrears now outstanding for the last two Fuslies should be recovered, those arrears, together with the current demand for Fusly 1279, will have to be deducted from the amount of Rs. 8,925-1-0, the remission of which Mr. Leman recommends. I have requested Mr. Leman to ascertain and inform me exactly what these two items amount to, but he tells me that the value of the bills issued in 1869 for ground-rent in the Evening Bazaar street only came to Rs. 376 odd.

4. I see nothing in Mr. Leman's observations on the Warrant Department requiring any notice from me, further than remarking that the Tahsildar Department have exercised no supervision over the department, and that all accounts connected with it are in a state of utter confusion. It is clear that the present Distraining Officer is not possessed of sufficient intelligence to enable him satisfactorily to discharge the duties of his office under the scheme for the future collection of quit-rent which Mr. Leman intends to propose.

5. With reference to the error pointed out by Mr. Leman in the Indentures issued for lands held on certificate in the town of Madras, I beg to recommend that in all future Indentures the actual boundary line, whatever it may be, should be entered.

ENCLOSURE No. 1.

From G. D. LEMAN, Esq., on Special Duty, to the Acting Collector of Madras, dated 4th February 1870.

In continuation of my report, dated 20th January 1870, I have the honour to forward a report on the Ground-rent and Warrant Departments—two branches of the Quit-rent Department that were under the charge of the Madras Deputy Collector, Rungasawmy Iyengar. The system of collection and accounts in the Ground-rent Department is the same as that in the Quit-rent, and Mr. Thornhill's order of the 19th June 1868, that I have already quoted, is applicable to the Ground-rent Department also, and was also neglected in this department. This ground-rent is collected month by month not year by year. It is rent charged by Government for the occupation of Government land, and it is charged—

(1) On the salesmen who occupy the road-side of Nyneappah Naicken Street and there hold the bazaar known as the Evening Bazaar.

(2) On persons who have constructed pyals or verandahs on pieces of land lying between that covered by their certificate and the drain of the street and on which they carry on any trade, or which is used for the purpose of stabling cattle, etc.

(3) On petty dealers who establish themselves on the roads or by the road-side on land which is not covered by a certificate, and which was therefore supposed to be Government land; and,

(4) On the occupants of vacant spots of Government land used for storing fire-wood, etc.

2. A Goomastah, called the "Ground-rent Goomastah," was charged with the duty of assessing this ground-rent and he used to go round with his book, noting in it whether or not the parties continued to occupy the spots they had been previously charged for, and taking down the names of new occupants or fresh bazaars opened. From the list of persons chargeable, which he monthly sent to the Tahsildar, the ground-rent bills were prepared. Of course it rested with this man who was charged ground-rent and who excused, and from what I have seen it appears that he used his discretion in not entering on his list those whom he supposed to be too poor to pay.

3. Every error that was allowed to exist in the Quit-rent Department attained a sort of tropical growth in this, and the books never appear to have been looked at at all. I found 2,000 payments, aggregating 800 rupees, not credited in the Insert Book; one man with 10,963 bills, value 3,165 rupees (this in addition to his quit-rent bills); one of them charged with the value of bills already embezzled; and all of them charged with the value of bills that had already been given up to the Tahsildar, many of which should have been destroyed by the Deputy Collector two years ago, when, with Government sanction, the demand they represented was written off in the accounts.

4. In this department also I have detected forgery by one of the Bill Collectors. Govindoo Naidoo, one of the men convicted in the Quit-rent Department, has returned to the Tahsildar's Office irrecoverable ground-rent bills of Fusly 1273, the figures of which are altered so as to increase the amount they really represent by Rs. 443, and bills of Fusly 1274 altered so as to increase their amount by Rs. 150. They have been received by the Tahsildar and his subordinates without a word of remark, and the Tahsildar's excuse is that, as detailed in paragraph 6 of my former report, it was not the custom to look at the bills till the writing off of the value of them had been sanctioned by Government. There is, however, still a difficulty in regard to the bills of Fusly 1273; the value of these bills was sanctioned and written off in Fusly 1277, two years ago, and they should have been then at least examined as it was necessary they should be destroyed, but no examination of them appears to have been held. This is another case in which, had the Tahsildar not neglected his duty, the embezzlements of Govindoo Naidoo at least would have been detected long before they had reached so large an amount as they have.

5. I have deemed it most expedient to follow the usual course of the Madras Collectors and to consider as recoverable the arrears of two Fuslies only, and as irrecoverable all demands now outstanding before the close of Fusly 1276. They would be very difficult, even if possible, of collection now.

6. The same difficulty exists in this department in distinguishing the various collections and defalcations of each Fusly, and I have preferred, therefore, to balance the accounts in a lump and not year by year.

7. The accounts of all Fuslies up to 1273 have been made up, and I have, therefore, compiled the Demand, Collection and Balance Statement (A) from that Fusly. There is a small balance due in that Fusly, and in all the succeeding Fuslies there are balances. The summary of Statement A is given in the margin. This balance should have been present with Bill-Collectors in the value of bills recoverable, and with the Tahsildar in bills irrecoverable.

	Rs.	A.	P.
Demand	64,543	2	9
Remitted and collected	51,399	7	0
Balance	13,163	11	9
Sawmy Naidoo	15	13	1
Govindoo Naidoo	179	5	1
C. Ramanjulu Naidoo	305	10	1
P. Ramanjulu Naidoo	83	12	3
Total	584	8	6

Statement B, however, shows that these two items only make up Rs. 11,917-12-5. To this is to be added money embezzled as in the margin. In this sum I have included that of Rs. 150, the amount of the forgeries of Govindoo Naidoo, in his returned bills of Fusly 1274, assuming that he has embezzled that amount at least in addition to the embezzle-

ments I have discovered, or the forgeries would have been unnecessary. Of his forgeries in the bills to Fusly 1273 no notice need now be taken, as the writing off of the entire sum he made the bills to represent was sanctioned by Government in Fusly 1277. Sums carelessly not brought to account by the Bill-Collectors amount to Rs. 15-3-0, which is now in deposit in the Treasury. The item charges on Dhobies at Vannarpet is irrecoverable; no bills used to be issued for this demand, but the Dhobies were charged a small sum monthly for their occupation of the Government land on which the stones used for their business were situated. The land was required for Lines in Fusly 1277, and as the arrears could only be recovered under the Act, and there was no property left on it for distraint but the washermen's stones, there was no possibility of collecting them. The subsequent collection of Rs. 91-2-2 is in deposit in the Treasury.

8. Instead of Rs. 13,163-11-9 I have accounted for Rs. 13,051-4-1. The difference, Rs. 112-7-8, I can only assume to be embezzled, but when or by whom is doubtful, and it would be even more difficult in this department than in the Quit-rent Department, and would take more time to go through the "Dobs."

9. The four persons whom I have written down as defaulters in this department are three of them now in jail, and the fourth man, P. Ramanjulu, is the man who paid Rs. 1,180 to make good his quit-rent defalcations.

10. I am of opinion that the whole of these collections, except those in the fourth class, have been wrongly made since the date of introduction of the Municipal Act of Madras, No. IX of 1867. Although ground-rent has never been charged for the occupation of what were formerly Government lands, unless the occupants used them for the purposes of bazaars, stables have found in the office that it was charged for the occupation of Government land and not for not kept under the control of Government "vest in, and belong to," the Municipal Commission. The word "street" in Section 1 is defined to include all land not being private property between the road-way and the main wall of the adjacent house or houses, whether covered or not by any pial, verandah, etc., and therefore from the date of the Act taking force all the lands named in Classes I., II., and III. ceased to be the property of Government, or to be chargeable with a Government rent for occupation.

11. It may, perhaps, be considered that the piece of land along the road-side of Nyneappah Naick Street on which the Evening Bazaar is held is the private property of Government. It was purchased by Government in 1825 (*vide* Proceedings of the Board of Revenue, dated 14th June 1866, No. 4080, and Government Order of the 18th August 1866, No. 2130), but even if it be so it would be best to make it over to the Municipal Commissioners, who would, perhaps, pay a rent; they could recoup themselves by levy of bazaar fees. By continuing the present system the Government really let to the salesmen in the bazaar the privilege of occupying certain spots of land from which the Commissioners, in the exercise of their general powers to control all bazaars, can turn them out.

12. The levy of ground-rent on Class IV, Government waste lands used as wood-yards, etc., and on spots of Government land not being part of the road-way, is unobjectionable, and may, in my opinion, be continued.

13. I would, therefore, recommend that the accounts of this department be closed up to date, and that the further collection of any but ground-rent on *bona fide* pieces of Government

14. The Municipal Act came into force in November 1867, or five months after the commencement of Fusly 1277. Some few of the arrear bills of that Fusly may have been properly issued, but it is not possible to say they were all presented before November. Ifancy it would be illegal now to attempt to recover them by distraint, and therefore it is hopeless to expect payment of any of them.

15. Remission of Rs. 4,132-5-7 was sanctioned by Government in May last. The sanction was not communicated to the Deputy Collector's Office, and it has not consequently been struck off in the accounts. Deducting it, it will be necessary to balance the accounts that you should recommend the Government to sanction a further remission of Rs. 8,925-1-0. The sum, of course, includes the value of the bills that would, under other circumstances, have been carried to credit in a new account.

16. There are no arrears due on the lands, the rents of which I have recommended should be retained by Government, and I have directed the Tahsildar to prepare a statement of them for you that the demand of the current Fusly may be at once made out.

17. In the course of this inquiry I had occasion to refer to one of the Indentures lately issued from the Deputy Collector's Office, confirming a man's title to hold his certificate land on payment of quit-rent to Government. The boundaries and measurements are both given, but the measurement includes only the area of the land up to the main wall of the building on the western side and excluding the pials and the verandah, while the street is given as the western boundary. As long as the definition of a "street" is held to be that in the Municipal Act this is all correct enough, but it would perhaps avoid prospective difficulties if the real boundary (the western main wall of the house) was entered. I am of opinion that the real boundary line should be entered in the Indenture always.

18. If Government decide that the piece of road-side in Nyneappah Naick Street is their private property, it is better that the Madras Town Survey be corrected; the whole plot is shown in it as road, and therefore as Municipal property.

19. In regard to the Warrant Department, I have not much to add. The Bill-Collectors having failed, after the issue of the first notice of the Government demand, to collect what was due for ground or quit-rent as the case might be applied to the Tahsildar to issue a second demand notice. This notice it was the Distraint Officer's duty to serve, and to recover from the person owing it the value of the bill and notice fees due. The Bill-Collectors when making their applications filed lists of notices they wanted. These lists have been very carelessly kept in the office, and some are not forthcoming. There is no reliable list of notices issued in the office. No returns of his proceedings were sent in by the Distraint Officer (till November 1868), so that it is not possible for me to tell whether all the notice fees collected were paid in or not. As far as I have been able to discover it seems correct, and fees have been credited to Government on all warrants that I can find returned and filed in the office.

20. I have already noticed the Tahsildar's carelessness in receiving and filing unnoticed the Distraint Officer's unintelligible returns. The form prescribed by himself was a bad one, inasmuch as to render it intelligible it was necessary to refer to that previously filed, but it clearly mattered very little what the form was, as it could never have been looked at. Several of these returns also were not to be found in the office.

21. The mistakes which the Distraint Officer, Mr. Jelly, a pensioned European, made in his returns were due entirely, I think, to his ignorance. He had no chance whatever of taking any of the money, as what was collected in his department went through the Conicopillies, or was paid directly at the Tahsildar's Office; but, as in the scheme I propose for the future collection of quit-rent, he is to be solely entrusted with the collection of money due on bills, for the recovery of which second demand notices are issued, and he will have to keep and send in accounts and returns similar to those now kept by the Conicopillies; it will, perhaps, be best that you should satisfy yourself with his competence before continuing him in the office.

22. The future conduct of the business in this Quit-rent and Ground-rent Office will require the careful supervision of the officer who may have the direct superintendence of it. It must be borne in mind that, though only four of the Conicopillies have been convicted, there was nothing to prevent the others misapplying, though they did not actually misappropriate, their collections. Any future instance of a Conicopilly not paying in his full collections on the day or at least day after they are made should, I think, entail dismissal.

23. I do not recommend any of the Cutcherry servants for punishment besides the Tahsildar and the Sampratti, because with the first negligent and the second implicated it is difficult to know to what extent they are really responsible for the bad state of the office books. The custom of leaving the "Dobs" uncorrected, and the Insert Book not written up, appears to have existed for some time. I have, however, recommended the Deputy Collector not to re-employ the four Peons who assisted the convicted Conicopillies in making collections, because I have little doubt that they shared in the spoil.

ENCLOSURES Nos. 2 and 3—Statements.

WITH this letter the Acting Collector submits Mr. Leman's report on the ground-rents in the Madras Town, with some remarks on the Warrant and Dstraint Departments. Mr. Leman's subsequent letter has reference to the same subject.

2. Ground-rent is a monthly charge collected from the following classes of small dealers, who occupy temporarily what is deemed to be Government ground, not covered by Quit-rent Certificates, and squat for the purposes of trade on streets and certain roads:—

(1) Salesmen and petty basket-dealers in the Evening and China Bazaars and streets connecting them.

(2) Persons who sell goods or keep cattle on pyals projecting into any street beyond the ground covered by their Quit-rent Certificates throughout the town.

(3) Casual small dealers who squat on road-sides.

(4) Wood merchants and those who occupy vacant spots of Government land near the canal, etc.

Evening, etc., Bazaars	Rs. 749
Pyals and road-sides	8,225
Government land by Canal, etc. ..	3,289
Total ..	10,263

3. The average collections for the last five years under these heads are shown in the margin.

4. The method pursued in respect to the assessment and collection of this revenue appears to be as follows:—One Ground-rent Goomastah is attached to the office, whose duty it is to go round from month to month and notice any changes in the usual occupants of ground-rent localities, and any unassessed persons who may have become liable to this tax, using his discretion in omitting charges against persons supposed to be too poor to pay. The Goomastah then prepares and submits to the Tahsildar a detailed list of assessments and charges for the month, from which the Tahsildar prepares the monthly bill against each individual. The bills are then delivered for collection to the Bill Collector of the division, who obtains payment as best he can, and accounts for his collections in the office from time to time.

5. The recovery of these small monthly charges has been difficult. The monthly demand on each bill is very insignificant; and practically under the second and third heads has to be collected all over the town. The number of monthly bills is therefore very great. The law only empowers the dstraint of property found on the spot for which the charge is made; so that by merely shifting from the spot first charged for, the defaulter can at once evade compulsory payment. The practice of the office has been to treat as irrecoverable all bills which have not been collected within two Fuslies, and sanction is sought and given to write off the balance. These balances are necessarily large and quite incapable of verification, so that any effective check is almost impossible.

6. Mr. Leman's report shows that inextricable confusion has long pervaded the department. Such casual assessments are obviously very difficult to make, and a wide door for favour and fraud presents itself. It further appears that in the office the books and bills were never looked at; payments were not credited in their proper books, and no check was held on the number of bills in the hands of the Bill Collectors. One man held 10,963 unliquidated bills for ground-rent representing Rupees 3,165 at the time the inquiry commenced. Forgeries (by a person already convicted of embezzlement) and alterations of the authorized demand have been detected; and the bills for irrecoverable arrears, already ordered to be written off, have not yet been withdrawn and cancelled. Amounts collected in this department have been

7. According to the Demand, Collection and Balance Statement for five years

Fuslies.	Demand.	Collection and Remission.	Balance.
1273	11,769	11,769	10
1274	10,919	9,038	1,881
1275	10,641	8,550	2,091
1276	9,744	7,448	2,296
1277	9,749	7,491	2,258
1278	10,277	6,894	3,383
1279	1,484	225	1,259
Total ..	64,563	51,400	13,163

last past, prepared by Mr. Leman—an abstract of which is shown in the margin—the balance outstanding on the 1st October 1869 was Rs. 13,163; for which, however, there is credit—including amount already sanctioned to be written off, Rs. 4,132—of Rs. 4,239, leaving a balance of Rs. 8,925, which Mr. Leman recommends should be written off.

8. The Board would recommend, under any circumstances, that all arrears from Fuslies 1273 to 1277 inclusive, viz.,

Rs. 8,431-1-0, be written off. But they observe that Mr. Leman traverses entirely the legality of the demand under the three first heads of collection enumerated in paragraph 2 of these Proceedings. He considers that by the law the streets, where the petty dealers charged with ground-rent under classes 2 and 3 now ply their trades, have become under the Act the property of the Municipal Commission, and that the definition of the word "street" clearly includes the projections on which "Pyal" ground-rent (No. 2) is now charged. Mr. Leman therefore concludes that the demand made under these two classes have not the sanction of the law, and should be abandoned with all arrears up to date. Mr. Leman makes the same recommendation in respect to ground-rent charged on dealers occupying part of the Nyneappah Chetty Street—known as the Evening and China Bazaars—and certain other roads, for the repair of which Government now pays in part, on the general ground that the sides of those streets and roads are not *private property* which is alone excluded from the jurisdiction of the Municipal Commissioners by the terms of section 2 of Act IX of 1867; and he thinks that these collections cannot be enforced under the law as it now stands.

9. The Board are inclined to take the same view of the law, and would recommend, on legal as well as administrative grounds, that these petty demands, which experience has shown cannot be controlled effectively, possibly lead to oppression and fraud, and are at best difficult to enforce, be relinquished for the future with all arrears.

10. If the Government take the same view, the amount to be written off, as per Mr. Leman's recommendation, is Rs. 8,925, and the future loss of revenue will be about Rs. 7,000 a year.

11. However, the Board observe that this subject has already been partially before the Government, as shown in the Proceedings of the Board of Revenue, dated 14th June 1866, No. 4080. The Government then refused to cede the G.O., dated 18th August 1866, No. 2130. sites in question to the Commissioners.

But the Board are satisfied that the present condition of these bazaars and streets calls for measures of regulation, which they believe are within the powers of the Commissioners only. The Board would suggest that the land on which these bazaars are held, might be rented to the Commissioners at the average demand of the past five years, say, Rs. 1,000, should the Government adhere to their former resolution. But the opinion of the Law Officers should be taken before the offer is made to them.

12. In respect to the fourth class, the Board would recommend that the few spots of Government land, for which ground-rents are now collected monthly from petty dealers in wood near the canal, etc., be farmed out on yearly lease to the highest bidder, who should be at liberty to collect the small sums now paid on ground-rent bills. It is clearly expedient to simplify matters and secure a permanent revenue

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13. The Board reserve their remarks on the conduct of the Tahsildar and Sampratti for their Proceedings when disposing of the larger subject of quit-rent. And they likewise resolve, with reference to Mr. Leman's remarks on the conduct of the Distraining Officer, to take the subject under consideration when disposing of the matter of the future conduct of business in the office of the Deputy Collector of Madras.

No. 325. Proceedings of the Board of Revenue, dated 1st April 1870, No. 2180. Read—again letter from the Acting Collector of the Madras District, dated 24th January 1870, No. 17, recorded in Board's Proceedings, dated 1st February 1870, No. 712.

Read—also the following letter from G. D. LEMAN, Esq., on Special duty, to the Acting Secretary to the Board of Revenue, dated Madras, 21st February 1870, No. —:—

In accordance with the order of the Board of Revenue, dated 18th February 1870, I have the honour to inform you that on Saturday I sent for Sambaseva Moodelly and took down what he had to say in answer to the various charges of negligence I had made against him. I recorded an abstract of his verbal statement to me made simultaneously with his perusal of my report. This I have this day read over to him again, and he says it contains all he wishes to state in explanation.

2. His explanation is, that he had more than his proper work in the office to do, because the Deputy Collector left his own work to him to perform; that he was never ordered to carry out Mr. Thornhill's order of the 19th June 1868; and that, in reply to his reference, the Deputy Collector told him that it was not possible it could be carried out, and he would speak to the Collector on the subject, and that therefore he did not consider it necessary that he (the Tahsildar) should move further in the matter. That in deputing his subordinate Narsimacharry to make the quarterly examination ordered by Mr. Thornhill, he only followed the Deputy Collector's example, and that he had not time to conduct it himself from press of other business. That in his opinion, his superintendence and control of the office extended only to the correction of errors brought to his notice, and that each of his subordinates must be held alone responsible for the non-performance on their manifest duties. That in continuing the writing-off of the arrears as he did, he was only following the example of his predecessors, and that therefore he cannot be properly held responsible for errors that have occurred through the bad system that was in force. That his failure to detect the forgeries or alterations in the ground-rent bills in the office was due to the custom (however bad) which he was bound to follow, of not looking at the bills till sanction for their remission had arrived, and to the Sampratti's neglect of his order when sanction of remission came to prepare the necessary list of such bills. That whenever he was told of any error, he ordered its correction, and that, therefore, he cannot be held responsible for errors of which he was ignorant. That there is an error in the report, where it is reported that the bills of the four defaulters alone were not examined by him in July 1869, for that in fact Sawmy Naidu's bills were examined, and it was the three others only whose bills were not, and that it was press of other business and his being kept in ignorance of the fact that their bills had not been looked at, that caused this delay. That Narsimacharry made no remark in the Magistrate's office similar to what is recorded in paragraph 26 of my first or quit-rent report; that the "Distraining officer's" mistakes were such as should have come under the cognizance of his subordinates; and that his duty did not necessitate his overlooking these returns. That there was a correspondence with the Collector's office, in regard to the translations of the notices that were wanted before the sale of lands could be made under the Act, and that up to this time the Tamil one has not been received, and he was incapable of making an accurate translation himself, and that, therefore, the delay in the sale of lands attached is not due to his negligence.

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3. I fail to see that this is a satisfactory explanation at all; the gist of it is that he was not bound to know anything was going wrong, until he was told so; that as long as he believed it was not going wrong, he was justified in leaving everything to his subordinate, the Sampratti to manage; and that he was so hardworked having the Deputy Collector's duties thrust on him, that, believing otherwise, he had no time to do his own duty.

4. I have shown him how he might, with the best possible trouble to himself, have made the counting of bills, a true test, by retaining a few himself and then taking down from each man the number of bills in the bundles given him to count, and making his own addition of them; but he says the Deputy Collector did not do so, and so he did not. He, however, admits that the Deputy Collector did count some of the bundles himself, which is a thing he never did.

5. At the same time I have the honour to enclose a statement showing the average of the yearly demand of ground-rent and how it is distributed in the town.

ENCLOSURE No. 1.

STATEMENT showing approximately the average yearly demand during five years of ground-rent and the mode in which it is distributed in the town of Madras.

	Fusly 1274.	Fusly 1275.	Fusly 1276.	Fusly 1277.	Fusly 1278.	Total.	Average for 5 years.
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
On road sides and pials not situated in Naineappa Naick Street ..	7,373 7 6	6,832 5 3	6,846 11 11	5,438 8 4	5,681 18 8	31,122 14 8	6,224 9
On road sides in Naineappa Naick Street (the "Evening Bazaar") ..	793 7 2	822 15 0	781 1 5	684 3 8	663 3 8	3,744 12 6	748 15
On bona fide Government land ..	2,752 5 3	2,985 14 10	3,096 5 9	3,626 8 1	3,981 13 11	16,442 15 10	3,288 9
Total ..	10,919 3 11	10,641 8 1	9,724 3 1	9,747 3 1	10,276 13 5	51,310 10 7	10,262 2

(Signed) G. D. LEMAN,
On Special Duty.

With this letter, the Acting Collector of Madras submits Mr. Leman's report of inquiry held by him, in pursuance of Government Order, dated 5th October 1869, No. 2732, into the conduct of business in the Quit-rent Department of the office of the Deputy Collector of Madras Town, with reference to recent defalcations. Mr. Blair concurs generally with Mr. Leman's views and recommendations.

2. Quit-rent is assessed on all land, not Government property, within the limits of Madras and its suburbs, and within the precincts of the town, the buildings thereon are included in the valuation. Each piece of land has been measured and has a number assigned to it, and the quit-rent demand is adjusted according to circumstances.

3. From Mr. Leman's report it appears that, at the beginning of each year, the annual English Register is prepared in the Deputy Collector's office from the registers of the preceding year, with such alterations of assessment and names of parties against whom the demand stands for the year, as may have been duly registered in the Registration office since the register of the previous year was written up.

4. A Vernacular translation of the above register is likewise made each year, with space to admit of entering the payments of the year when made. It is termed the Insert book; and it is the duty of one of the clerks (Insert clerk) to write up against each number the payment of the quit-rent demand, when the bill collector remits the money to the treasury.

5. From the Insert book, quit-rent bills are prepared in the form of a printed receipt for the demand. These bills are prepared for each number in the register indiscriminately, whether the lot is actually occupied or has been given up by the occupant, and, in certain cases although the land to which the entry and demand belong, cannot be traced. The Tahsildar or Head clerk signs all the bills.

6. For purposes of collection, the town is divided into fifteen divisions, to each of which a bill collector is appointed. To him all the bills of the year are delivered for collection, as they are got ready. The number of bills so delivered is entered in the aggregate, with the amount which they represent, in a memorandum book which the bill collector signs, as well as the Vernacular register (Insert book) from which the bills have been prepared. The bills so issued remain in the bill collector's hands until the amount is recovered, or until the arrear becomes irrecoverable under the law (Act XII of 1851), after six years. The bill is given up to the party as a voucher for payment when the demand is liquidated.

7. Under the rules, the collections of each day should be paid into the treasury on the day following. With this remittance the bill collector brings a list (*Dabah*) of the payments received, corresponding with the entries in the Vernacular register. The list is first presented to the shroff, who examines the total and gives credit for the aggregate amount. The list is then transferred to the Insert clerk for entry of each time of payment in the Vernacular register (Insert book) against the number or block of land to which it pertains.

8. At the end of each year the bill collector has to prepare a list of all the bills remaining in his hands which are no longer recoverable under the law, and to return the irrecoverable bills therewith into the office. The amount which they represent is then recommended, by the Tahsildar through the Deputy Collector and Collector, to be written off; and the sanction of the Government is obtained by the Board.

9. Thus the system, though cumbersome, appears to provide for precision and check. But in practice, utter confusion has prevailed. The rescript English register is inaccurate as respects the demand of the year to which it applies, for alterations in respect to actual occupancy and demand are not uniformly or readily registered by the parties concerned, and the business of the Registration department, in regard to applications for transfer of holdings, is much in arrears—in some cases, the Board were given to understand, as much as nine years. The demand, therefore, stands in many cases against a person who is not the actual occupant of the land. Inaccuracies of the original recur in the Vernacular translation (Insert book), and many bills are consequently incorrectly drawn. Further, bills are issued indiscriminately, although, as above noticed, the lot to which the demand pertains is unoccupied or has been relinquished, and even when the land to which it applies can no longer be traced, so that many bills are issued although there is no one to pay them.

10. The bills of the year have been issued to the bill collector as fast as they could be prepared, no matter what number he already held, or over how many fusties his arrears might extend. Mr. Thornhill endeavoured to limit this practice, but his orders were disobeyed. No time was laid down, within which any bill should be accounted for, short of the six years to which the law limits its validity; and no method was adopted for verifying from time to time the number of bills which remained in the bill collector's hands and the number on which collections had been made, for the accumulation of bills in the hands of each man had become so unmanageable as to defy check or verification. And when Mr. Leman took up the inquiry (and stopped the issue of bills for the current year, the average number of bills (per *Dabah*) which were presented by the bill collectors at the time of making a payment into the treasury were so incorrect in respect to the names of parties, the numbers of lots of land, and the fusties for which the amount was due, that payments could not, in many cases, be transferred from the list into the appropriate columns of the Insert book by the Insert clerk. His work, too, was much neglected and in arrears. And finally, when irrecoverable bills were returned into the office for cancellation, they were neither compared with the list (*Dabah*) submitted therewith by the bill collector,

nor with the Vernacular registers of the years for which they were due. The Tahsildar merely reported the total arrear, and obtained sanction to write it off. Many bills, which had become irrecoverable two or three years previously, were found by Mr. Leman in the hands of the Collectors, and the unadjusted balances extend back over ten years.

11. Mr. Leman remarks "there was not even a pretence of a check on the doings of a bill collector, but from the time he received a particular bill, till the seventh year when he should have been called on to produce it uncollected, or account for it by showing that he had paid the amount into the treasury, he could collect the value of it and make whatever use of it he pleased without a chance of being found out. Throughout my inquiry, my great wonder has been that more money has not been lost to Government. The method adopted by the four bill collectors who have come under my immediate notice was a very simple one. They collected what money was due, giving away the bill to the payee, and made use of the amount. Whether other Conicopolies made use of Government money before payment into the treasury or not, I cannot say. There was nothing on earth to prevent it."

12. Recent defalcations, for which four persons have been brought to justice, amount to Rs. 10,699-3-6, and in two previous cases Rs. 1,647-11-4 were embezzled. It appears, further, that the sum annually written off as irrecoverable under the head *Quit-rent Balance*, has averaged from Rs. 5,000 to Rs. 5,500 in round numbers every year. With the evidence of dishonesty and incapacity now before the Board, they are constrained to admit that possibly these sums included amounts which had been embezzled by the bill collectors of former years. There can be little doubt, that had proper control been exercised, the really irrecoverable balances would probably have been less.

13. The points for consideration of the Board are—

(1) Mr. Leman's recommendation in respect to monies which must now be written off.

(2) The conduct of the public servants implicated.

(3) The future conduct of business in the Madras Deputy Collector's office.

14. The accounts show arrears of quit-rent extending back to 1270, and Mr. Leman has prepared a demand, collection and balance statement for ten years, closing on the 1st October 1869, with a balance of Rs. 94,026-6-10, as per margin. *Bills recoverable* have been put in course of collection and subsequent collections will be carried to account. Sanction has already been obtained to write off Rs. 11,223-5-8 of the balance under *Irrecoverable Bills*; but the permission of Government must now be obtained to write off the remainder, viz., Rupees 4,218-12-6; together with the amount

which Mr. Leman reports cannot be accounted for, Rs. 515-5-4; making in all Rs. 4,764-1-10.

15. The Board agree with Mr. Leman that it will not be possible to recover against the persons recently convicted of embezzlement, to the amount of Rupees 10,699-3-6. But their deposits, viz., Rs. 500 each, making a total of Rs. 2,000, will be carried to account, leaving Rs. 8,699-3-6 to be written off on this account. Of the defalcation proved against Amurthachari and another in 1868, viz., Rs. 1,647-11-4, Rs. 1,180 have been recovered, leaving a balance of Rs. 467-11-4 to be written off on this account. The Board agree with Mr. Leman that any further recovery against these parties is impossible. The total amount to be written off, for which the sanction of Government is now required, is, therefore, Rs. 13,941-0-8, as per margin.

	RS.	A.	P.
Balance on irrecoverable bills...	4,774	1	10
Do. of embezzlement ...	9,166	14	10
Total...	13,941	0	8

	RS.	A.	P.
Bills recoverable ...	65,278	6	1
Do. irrecoverable ...	15,452	2	2
Embezzlement, etc., traced ...	12,346	14	10
Subsequent collection in deposit ...	403	10	5
Unaccounted for ...	515	5	4
Total...	94,026	6	10

16. As regards the second point — the conduct of the public servant — the Deputy-Collector V. Rungasawmy is dead, no further notice need, therefore, be taken of his conduct.

The facts elicited in this inquiry and the report of Mr. Leman establish beyond question the untrustworthiness of the Tahsildar, Sambaseva Moodelly. He is an able and clever public servant, and ruled his elderly superior. The Board are, therefore, constrained to record their conviction that it was impossible that large misappropriations of money could have been continuously made by several, if not all his subordinates, without the Tahsildar's knowledge and connivance. But taking the most favourable view of his conduct, incapacity and proved neglect of duty and of the interests of the State preclude his further employment. He must be removed from the public service and declared ineligible for further public employment. The Board concur, with regret, in the opinion of Mr. Leman that it would be futile to prosecute this official either criminally or civilly. Sambaseva Moodelly's disingenuous defence is a confession of incapacity.

17. The participation of Sambrati Narsimacharry in the embezzlements and dishonesty of the persons convicted does not admit of a doubt. But, unfortunately, there is no prospect of successful prosecution. His dismissal from the service, and the declaration of his ineligibility for further public employment, follow as a matter of course.

18. With reference to the third point, the future conduct of business in the Madras Town Deputy Collector's office, the Board have before them draft rules for the conduct of business prepared by Mr. Leman, and have had a conference with the Collector and Deputy Collector on the subject. But they resolve to reserve further discussion until they receive the orders of Government on the amalgamation of the Sea Custom Collectorate with that of the land revenue in the town of Madras which the facts elicited in this inquiry show to be very desirable.

ORDER—No. 781, Revenue, dated 30th May 1870.

Miscellaneous.

In their Proceedings, under date 27th September 1869, No. 7169, the Board of Revenue brought to the notice of Government certain serious irregularities of procedure in the quit-rent department of the office of the Deputy Collector in charge of the town of Madras; reported that a defalcation, to the amount of Rs. 4,200, had been discovered in the accounts of one bill collector; and recommended that a general examination of the accounts of the quit-rent department should be undertaken by Mr. Crole, the Acting Sub-Collector of the district.

2. The Government were not of opinion that an inquiry of this character should be undertaken by any officer below the grade of Collector, and directed that it should be conducted by Mr. Thornhill himself, who was then the Acting Collector of the district. On a further representation by the Board, however, pointing out the intricate and onerous nature of the examination required, the Government sanctioned the employment of a special officer on the duty, and nominated Mr. G. D. Leman for the purpose.

3. In the meantime, defalcations had been discovered in the accounts of three other bill collectors, and these with the previous defaulter were committed to the High Court, tried at the November Sessions, and all found guilty of criminal breach of trust, and sentenced to various terms of rigorous imprisonment.

4. The papers recorded above are Mr. Leman's reports upon the results of his investigation, with the Board's remarks thereon. It appears that quit-rent bills are made out for all land held within the limits of the town, even though many of the blocks may be unoccupied and cannot be traced. The practice has been too, to issue a very large number of bills to the bill collectors, and not to make any regular check

upon their receipts though, the procedure of the department, if it had properly been carried out, provides for this, and though special orders on the subject had been issued to the Deputy Collector so lately as June 1868.

5. Mr. Leman has made a careful investigation of the accounts of the quit-rent department for the last ten years, closing them up to the 1st October 1869. It appears that on that date there was a balance of Rs. 94,026-6-10 uncollected. Of this sum Rs. 12,862-4-2 was unaccounted for or embezzled, the balance being made up of recoverable and irrecoverable bills and a small subsequent collection. The irrecoverable bills amounted to Rupees

* Not Rs. 15,452-2-2 and Rs. 11,223-5-8 as erroneously entered in Board's Proceedings.

15,482-2-2,* of which the writing off of Rs. 11,233-5-8* had been already sanctioned, leaving a further sum of Rs. 4,764-1-10† to be written off. Of the sum embezzled and unaccounted for,

† Not Rs. 4,774-1-10 as erroneously entered in Board's Proceedings.

some portion has been recovered from the securities of the defaulters, leaving a balance of Rs. 9,166-14-10 to be written off.

6. Mr. Leman's inquiries have also been extended to the ground-rent and warrant and distraint departments of the Deputy Collector's office. The ground-rent is a monthly charge upon the occupants of Government ground not covered by quit-rent certificates. It is collected (1) from the petty salesmen whose stalls are situated in the China and evening bazaars; (2) from similar small dealers who squat on the road-sides, or sell goods or keep cattle on pyals or sheds projecting into the streets; and (3) on wood-yards, &c., in the vicinity of the canal. Mr. Leman and the Board are of opinion that only the last item can be legally collected by Government, as the Municipal Act vests in the Commissioners all public streets not kept under the control of Government, and describes "a street" to include all land, not being private property, between the roadway and the adjacent houses.

7. The Board recommend that all the arrears of ground-rent, as reported by Mr. Leman, amounting to Rs. 8,925, be written off. They also recommend, if the Government are of opinion that the lands on which the China and evening bazaars are held are Government property, and therefore not included in the streets, that they be rented to the Municipal Commissioners on an average of the yearly collections, the Law officer's opinion being, in the first instance, taken on the question. The Board also propose that the collection of ground-rent on the woodyards, &c., be farmed out to the highest bidder, in order to save the time and trouble of Government servants in collecting such petty items.

8. Mr. Leman is of opinion that no further recoveries can be made from any of the six defaulters, of whom four have been convicted and punished, one is dead, and one, P. Ramanjulu Naidoo, has made good Rs. 1,180 out of Rs. 1,452-2-1 embezzled by him, and the Board of Revenue concur in this view. The Board also agree with Mr. Leman in considering that the late Deputy Collector Rungasawmy Ayengar, the Tahsildar Sambaseva Moodelly, and the Sampratti Narsimah Charry are chiefly responsible for the heavy loss which Government have sustained. They view the Tahsildar's defence as a confession of incapacity, and even taking the most favourable view of his conduct, they are of opinion that his proved neglect of duty precludes his further employment, and renders it necessary that he should be declared ineligible to be entertained in any other office. They think a similar course should be adopted in regard to the Sampratti, but they concur with Mr. Leman in considering that there is no prospect of a successful issue in a prosecution of these two officials, though they have little doubt that they participated in the frauds of their subordinates.

9. Mr. Leman has submitted a draft set of rules for the future conduct of business in the Deputy Collector's office, but the Board have deferred expressing their opinion on them until the orders of Government are received upon the proposal to place the town charge under the Collector of Sea Customs.

10. The Right Honourable the Governor in Council is of opinion that Mr. Leman is entitled to the acknowledgments of Government, for conducting and bringing to a satisfactory conclusion the somewhat intricate inquiry upon which he has been

engaged. Under the circumstances represented by the Board, sanction is granted for writing off the accounts in the Quit-rent department the sums of Rs. 4,764-1-10 and Rs. 9,166-14-10, referred to in paragraph 5 above.

11. As to the arrears of ground-rent, those up to fusly 1277, viz., Rupees 8,431-1-0, may be written off as proposed by the Board, and the future collection of the petty items may be transferred to the Municipality, as a proper branch of municipal revenue. The uncollected bills of the present year may be transferred to the Municipal Commissioners when the accounts are closed up to 30th proximo, and the whole of demand for fusly 1280 (July 1870 to June 30th, 1871) will be collected by them. The Board's proposal to farm out the collection of ground-rent from the wood-dealers, recommended in paragraph 12 of their Proceedings, dated 15th March 1870, is also sanctioned.

12. The Government concur with the Board in considering that the late Deputy Collector, the Tahsildar, and the Sampratti Narsimha Charry are chiefly responsible for the heavy loss that has been incurred by Government. There is no evidence of connivance or complicity in fraud against the Tahsildar, but he is evidently unfit for his post, and his incapacity and negligence have entailed serious loss on the State. His dismissal is accordingly approved, but he need not be declared ineligible for future employment. The case against the Sampratti is stronger, and the Board's proposal that he be dismissed and declared ineligible for further service under Government, is approved and sanctioned.

(True Extract.)

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

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

Read the following letters:—

From G. D. LEMAN, Esq., on Special duty, to the Acting Secretary to the Board of Revenue, dated Madras, 10th January 1870.

WITH reference to the Proceedings of the Board of Revenue, of the 6th instant, I have the honour to inform you that my report on my investigation into the Quit-rent accounts is almost ready, and I hope to submit it early next week, if not sooner. It is only delayed now, pending the receipt of some information I hope to get from the Police, and the final scrutiny of some accounts that had been given to me by the Tahsildar, but in which I have detected an error, and have returned them to him for correction.

2. The points referred to by the Advocate-General, in his letter to Government, contained in the Proceedings of Government, dated 11th December 1869, will all be noticed in my report. In regard to paragraph 11, however, I was not at the time in the High Court, but none of the prisoners have told me that the Tahsildar had any thing to do with the alleged promise to fabricate bills. I have always understood it to have been the idea of Narasimha Charry alone. The Advocate-General is in error in saying that the Shroff entered in his Cash-book the money he received in the form corresponding with the Remittance Roll or Dob (mis-called by the Advocate-General, Doti.) He simply entered in his accounts the total amount of the Dob.

From W. T. BLAIR, Esq., Acting Collector of the Madras District, to the Acting Secretary to the Board of Revenue, dated Saidapet, 24th January 1870, No. 17.

WITH reference to the Order of Government, dated 5th October 1869, No. 2,732, I have the honour to forward Mr. Leman's report on the defalcations in the Quit-rent Department of the Madras Deputy Collector's Office.

2. I have carefully perused the report, and have also conferred with Mr. Leman, and I am of opinion that the only method by which the accounts can be extricated from the confusion in which they are now involved, is by adopting the proposal made in paragraph 31 of the Report, i. e. to close the accounts of the Quit-rent Department up to the 9th December 1869, by writing off the sum of Rupees 13,931-0-8, which appears to be irrecoverable, and to open fresh accounts from that date.

3. I concur in Mr. Leman's opinion that the defalcations that have occurred since Mr. Thornhill's order of the 19th June 1868, have been entirely due to the neglect of its observance by the late Deputy Collector and the Tahsildar. I also agree with Mr. Leman in considering that neither the Tahsildar nor the Samprathi, Narasimha Charry, should be continued in the Government service, and, therefore, should the Government decide to hold the Tahsildar pecuniarily liable for the amount of money lost through his negligence, the only mode of recovering it will be by a Civil action. It appears to be very uncertain whether a Criminal prosecution could be sustained against Narasimha Charry, though there can be no reasonable doubt that he was cognizant of, and a participator in, the embezzlements carried on by the four Conicopolies who have been convicted in the High Court.

4. I am unable to state why the Proceedings of the Board of Revenue, dated 8th January 1866, were not communicated to the Deputy Collector, but a copy of the order of Government, dated 6th February 1866, passed upon the above Proceedings, was sent to his Office on 6th August 1866. It does not appear that any further correspondence took place on the subject.

5. With regard to the future working of the Department, I will forward the Draft rules promised by Mr. Leman, as soon as they are received, accompanied by such observations as they seem to me to call for.

6. With these remarks, I beg to submit the report, for the consideration of the Board.

From G. D. LEMAN, Esq., on Special Duty, to the Acting Collector of the Madras District,
dated 20th January 1870.

ENCLOSURE No. 1.

13

I HAVE the honour to inform you that I have completed the examination of the Quit-rent Accounts as far as the Bill Collectors themselves are concerned. The accounts were, as Mr. Thornhill has already reported to the Board, in very great confusion, and kept so very badly, that even now I have been unable quite to make them come right. The system of collection as at present carried out, is a bad one, while in the Account Department of the Office, some of the books kept, I found to be ~~very~~ useless, and in the only important books, the entries have been most carelessly written up. I found the Bill Collectors in possession of a great number of bills, which in few cases tallied exactly with the Office account, of what they should have had. I found them charged in the books with the value of the bills they had returned into the Tahsildar's Office, while some of them had been compelled to give their receipts for bills which were never delivered to them, and the amounts of some of which had been already embezzled by their predecessors.

2. The quit-rent for each fusly is due, as you are aware, at the commencement of the succeeding one, and, therefore, towards the close of each fusly, it was the custom to prepare an English Register of all plots of land on which quit-rent was due. This Register contained the survey number, number of the plot of land, name of the person supposed to be the occupant, and the amount of quit-rent due by him. It was a copy of the preceding fusly's one including any changes which had occurred and been registered during that time. These were never very many, and in fact the preparation of this Register, year after year, was a mere waste of time, as it was never made any use of. This registry of the name of the supposed occupant, though it might be very useful, is actually no good at all. The registry of a change in occupancy is not compulsory, and a fee is charged when a change in the Register is made, so that in a few cases only do the people take the trouble to come forward, and many quit-rent bills that are now issued, bear the names as occupants of persons long since dead.

3. From the "English Register" the "Insert Book" was prepared. It was a tamil copy of the English Register, with a marginal space left opposite each name for the entry of the date of payment, by the Bill Collector, of the sum due, into the Treasury. For the purposes of collection, the Madras town is divided into fifteen divisions, to each of which is appointed a Bill Collector or Conicopoli with a peon to assist him in his collections. The bills having been drawn up from the latter of these two books, were delivered to the Bill Collectors or Conicopolies for collection. On receipt of them, the Bill Collector signed in a book called the "Memorandum Book," an acknowledgment that he had received so many bills, value so much, and every subsequent receipt of bills or payment into the Treasury of collections, was entered in this book in the aggregate. The number of bills each man had being very large, any scrutiny of those in hand was impossible, without great waste of time, and this book was under the circumstances nearly useless. He also signed in the "Insert Book" that he had received the bills therein entered, but in the case of a man who was newly appointed or transferred in the middle of a fusly, and to whom a great mass of bills was given over, it does not appear that he ever had a chance of knowing when he signed the "Insert Book," whether he really had the bills he was signing for or not, and in more than one case, the in-coming man was induced, as I have already said, to acknowledge the receipt of certain Quit-rent bills, which by the Tahsildar's own accounts I find had been already collected, and the amounts embezzled.

4. It is said to have been an Office rule that, on the day after making a collection, the Bill Collector was bound to pay the amount of it into the Treasury. There was much difficulty of course in compelling a strict observance of this rule, but it would appear that not even an attempt was made to do so, and the Bill Collectors paid their collections whenever it was most convenient to them. On making a payment, it was the Bill Collector's duty to file a paper called a "Dob" containing the information to be found in the "Insert Book" in regard to the plots of land for which the collections had been made. This "Dob" he took to the Treasury, and the sum total of collections having been found correct, the amount was received and credited in the Treasury Accounts. The "Dob," initialed by the Shroff, was taken by the Bill Collector to the Insert writer.

5. It was this writer's duty, from the information contained in the "Dob" to fill in the marginal column in the "Insert Book," and it is these very entries that have been so carelessly kept. From forgetfulness or carelessness, due perhaps to the non-observance of the rule of immediate payment after collection, the Bill Collectors at times wrote wrong numbers, names or fuslies in their "Dobs;" when the Insert writer compared the "Insert Book" with the "Dob," such error was for the first time detected (the Shroff's business was merely to receive the money) and then if there was any difficulty in at once discovering how it had arisen, it was just left alone. No entry of any kind was made in the "Insert Book" and it remained uncorrected in the "Dob." Not only this, but many correct entries in the "Dobs" have from carelessness, I suppose, been left unentered, and upwards of a thousand rupees paid by the Conicopolies into the Treasury had not, till I took it in hand, been written off in the "Insert Book."

6. By the old law not altered by Act VI. of 1867, the value of a Quit-rent bill that has remained uncollected for six years is irrecoverable. Consequently, at the end of each fusly, the Bill Collectors should have returned to the Tahsildar's office such bills as had become uncurrent from lapse of time. This rule was not observed, and I found some of the Bill Collectors with bills uncurrent for two or three years in their possession, thus adding to the already confused state of the accounts. The custom of the office, however, as reported to me by the Tahsildar Sambasiva Mudali, in regard to these bills, was most strange, and shows how easy it was to cook the accounts of former years. He told me that when the Bill Collectors returned their uncurrent bills, they gave in also lists of them; these lists were not then compared with the bills, but taking the aggregate value as shown by the lists, the Tahsildar said he made his recommendation for writing off to the Collector, and so of course it went on to Government. After sanction for writing off was obtained, the bills were for the first time compared with the lists, and if found correct, were destroyed; if not, I suppose a further recommendation was made in the next Jummahbundy Report, and the matter squared.

7. The Quit-rent bill itself was of a most absurd description, being merely a printed receipt on a slip of paper. The average number of these bits of paper that I found in the possession of each man was 2,400, and had all the bills for the last fusly been given out, this average would have been doubled. The bill has no counterfoil, and the only method of detecting whether the amount of any particular one had been collected and paid into the Treasury or not, was first by an examination of all the bills in the Bill Collector's hands to make sure of its absence; that being certain, the "Insert Book" was to be scrutinized to see whether payment had been entered or not. The "Insert Book" however, was, as I have shown, so carelessly kept, that the fact that it contained no entry of payment was not conclusive evidence; that no payment had been made into the Treasury, and, therefore, the only way in which the matter could be finally set at rest was by the examination of the Bill Collectors' "Dobs," which examination, as they might be the "Dobs" of six years, would occupy a fortnight at the least.

8. Unless fraud on the part of a Bill Collector was suspected, no examination was ever made of the bills in his possession (until a recent order of the Collector in 1868, to which I shall refer again presently): and thus you will see there was not even the pretence of a check on the doings of a Bill Collector; but from the time he received any particular bill, till the seventh year, when he should have been called on to produce it uncollected, or account for it by showing he had paid the amount due on it into the Treasury, he could collect the value of it, and make whatever use of it he pleased, without a chance of being found out.

9. Throughout my inquiry my great wonder has been that more money has not been lost to Government. The method adopted by the four Bill Collectors who have come under my immediate notice as dishonest was a very simple one. They collected what money was due giving away the bill to the payer and made use of the amount, but had they collected a large bill, and out of the amount thus collected, made a fictitious payment into the Treasury on a small bill, retaining the small bill to take the place of the large bill, they might have gone on deceiving even the Office people for a very considerable time.

10. Whether the other Conicopolies made use of Government collections before the payment into the Treasury or not, I cannot say. There was nothing on earth to prevent it, but

as I have no evidence that they did so, I assume them to be honest. Luckily, with the exception of one man, they kept their private accounts (they were not bound to keep any) very carefully, by which means alone I have been enabled partially to correct the errors in the Office Accounts. As an instance, I found in one man's case, that he had to account for 137 bills, value 434 rupees, not credited in the "Insert Book," but which, by the assistance of his own accounts, I discovered in the various "Dobs" filed by him, and I found similar omissions in the "Insert Book," in the case of most of the other Bill Collectors. The exception is a man named Virasami Naidu, who is unable to account for bills to the value of Rupees 153-7-11. His own accounts are in as great confusion as the Government Accounts, and though it is clear that the greater part of this sum is due by him, and has not been paid into the Government Treasury, I cannot be certain that part of it has not been carried to account. He admits his liability, however, to make it good, and as I do not suspect him of fraudulent misappropriation, I have permitted him to pay up the deficiency. He was a servant of a gentleman, now dead, before he got this appointment, and when I took him in hand, I found him abominably stupid and perfectly ignorant of his work.

11. From the confusion in the accounts, I have found it more convenient to give the result of my examination of them for the whole ten fuslies, commencing with Fusly 1269, and up to the 1st of October 1869. The accounts of Fusly 1269 are closed, but balances are due in all the succeeding fuslies. On the 29th September 1869, Mr. Thornhill took all the accounts of the department out of the hands of the Deputy Collector and his subordinates. The appended Statement (marked A.) shows the Demand, Collection, and Balance for the above period, which may be summarized as in the margin. This balance

Demand ...	Rs. 7,30,068	A. 15	P. 7
Collections ...	6,20,383	2	6
Remissions ...	15,669	8	8
Total Collections and Remissions...	6,36,053	8	9
Balance ...	91,026	8	10

should (if the accounts had been right) have been made up by the bills recoverable, found with the Bill Collectors and the irrecoverable bills in the Tahsildar's Office.

12. These two items, however, aggregate only Rupees 80,869-10-1, as per margin. To this must be added Rupees 12,516-2-7, money that has been embezzled or by carelessness not brought to account, and, therefore, I can only satisfactorily account for Rupees 93,385-12-8, leaving a balance of Rupees 640-10-2.

13. Of these items, the first requires little explanation, and as soon as I had completed my examination of them, I delivered all the bills on which Government demand was due, to the Acting Deputy Collector, that he might continue his collections.

14. The second item is the aggregate of arrears that are not now possible of collection under the Madras Act XII. of 1851. At first sight they appear very large, averaging Rupees 5,160-11-4 a year for Fuslies 71-72 and 73, but from a perusal of the previous Jummalbundy Reports, it appears that this is less than the yearly average for the 5 years to Fusly 1273, which is Rupees 5,455-5-11. There have always been large arrears in this Quit-rent Department. First, because when Mr. Stokes was the Collector of Madras, it was deemed expedient to issue Quit-rent bills for all lands surveyed whether occupied or not, and as a consequence, many bills are now year by year issued, claiming quit-rent on lands that actually cannot be identified or that never were occupied, or on lands, the occupants of which have left them. Secondly, because prior to the Madras Act from the defective state of the law, the movable property on the land being alone liable to seizure for Quit-rent dues, it was extremely difficult to realize arrears, and lastly, because there has been much carelessness and inattention on the part of the Deputy Collector's Office in realizing arrears since the introduction of that Act.

15. These arrears are not legally recoverable now. I find, however, that in the Proceedings of the Board of Revenue, dated 8th January 1866, (Vide Proceedings of Government of the 6th February 1866) the Collector of Madras was directed to issue orders to the Deputy Collector to take certain steps in regard to unclaimed waste lands, which would, in the Board's opinion, do away with the necessity of issuing bills year by year which could never be collected. This order does

not appear to have been communicated to the Deputy Collector, but as it appears to me, and I write with all deference, that the course proposed by the Board of taking possession of waste lands on behalf of Government on the failure of claimants after notice to come forward would hardly be one giving the Government any real title to hold the land against any subsequent claimant, I presume that possibly there has been some further correspondence on the matter with which I am not acquainted.

16. The last item to be explained is that of money embezzled or that has not been brought to account. The embezzlements that have come under my more immediate notice, are those of the four Conicopolies marginally noted, who are now in Jail, having been convicted, in the November Sessions of the High Court, of the offence of Criminal Breach of Trust. Two other embezzlements were made prior to these, aggregating according to the accounts then made out in the office, Rupees 1,647-11-4, as marginally noted, while the amounts through mistake or carelessness that have not been brought to account amount to Rupees 169-3-9, making a total of Rupees 12,516-2-7. The aggregate value of bills for which I am able to account, therefore, amounting to Rupees 93,385-12-8, there

Govindu Naidu.....	Rs. 5,813	A. 2	P. 7
C. Ramanjulu Naidoo ...	3,189	9	3
Ponnusamy Muduly.....	983	5	4
Sany Naidoo.....	703	2	4
Total...	10,699	3	6

Amurthacharry.....	Rs. 195	A. 9	P. 3
P. Ramanjulu Naidoo ...	1,452	2	1
Total ...	1,647	11	4

Not brought to account by Virasami Naidoo	Rs. 153	A. 7	P. 11
Do. do by the other Conicopolies.....	15	11	10
	169	3	9

is a difference of Rupees 640-10-2. This difference is further reduced by Rupees 125-4-10, which has been collected subsequent to the last recommendation for remission, leaving a balance of Rupees 515-5-4. This sum I cannot doubt has been embezzled, but by which of the men I cannot say. To go further into the accounts than I have to discover this could not possibly lead to any good, as I have little doubt that one or other of the dishonest men whom I have noticed, are the culprits, and it would, as I have already shown in paragraph 7, entail a great waste of time, and I am not at all sure that I could then clear up the difficulty. I have found three men charged with bills in the Tahsildar's accounts, which aggregate Rupees 449-6-5, which they have convinced me they never received amongst their bills and which presumably are a part of this balance, but even then, there is a small amount, for which I am unable to account at all.

17. Out of these sums embezzled, the amount recoverable by Government from the Conicopolies without having recourse to the Civil Courts on the first four embezzlements noted, is Rupees 2,000, being the value of the security of 500 rupees each, deposited by these men on appointment. That recoverable on the next two is Rupees 1,180, being Rupees 680 paid on account of his defalcations by P. Ramanjulu Naidoo himself, and Rupees 500 the value of his security still in deposit in your Treasury. Certain land the property of Amurtha Charry's surety, was in 1868, with the sanction of Mr. Fane, the Collector and by the order of Rungasami Aiyengar the Deputy Collector, attached by the Chingleput Tahsildar, for the purposes of sale in satisfaction of Amurtha Charry's defalcation. The attachment was reported to the Deputy Collector, who, with the carelessness that characterized his official proceedings, took no notice of the report, and nothing further has been done towards the recovery of this sum of Rupees 195-9-3. The circumstances of the case were that Amurtha Charry, being sick, obtained leave, his peon acting for him, he died after the peon had been acting for a short time, and on the appointment of a new man, the deficiency in his accounts was discovered. There was no evidence to show whether he or the peon was in fault, for no examination of the bills was made when the latter took charge. I cannot, therefore, see that Amurtha Charry's surety has been rightly held responsible for this amount, and I think it must now be written off as irrecoverable. I have directed the Madras Tahsildar to receive into his Treasury Rupees 169-3-9, which, I have already noted, has not been brought to account by the Conicopolies. The Government, therefore, remain losers by the defalcations I have proved of these six men of Rupees 9,166-14-10.

18. In the matter of P. Ramanjulu Naidu's embezzlement, Mr. Fane ordered the Deputy Collector that if he or his surety did not pay the full amount of his embezzlement, he was to be criminally prosecuted. The matter was put into the hands of the Government Solicitor in order that the surety might be sued, but he was of opinion that the Security bond would not bind the surety to a greater extent than the sum of 500 rupees which was already in deposit in the

Treasury, and that, therefore, it was no use bringing a suit against him, and on this, all proceedings against P. Ramanjulu Naidoo ceased, and he is still a debtor to Government to the amount of Rupees 272-2-1. The discovery of this embezzlement was made upwards of 14 months ago, and the man having been permitted to be at large so long and to repay so much of his defalcation, it did not appear to me necessary to take steps for prosecuting him, having in consideration further the great difficulty there will now be in proving a case against him.

19. The old system of collection was bad, only because there was no check whatever on the Bill Collectors, and, ~~therefore~~, the extent to which these misappropriations have reached, is due first of all to the disobedience of the Collector's Orders of June 1868, by the Deputy Collector and the Tahsildar; secondly, to the Tahsildar's negligence of his duty in over-looking the working of the office under him; he has himself told me that he considered the Samprathy or Head Quit-rent Goomastah to be the head of the department, and alone responsible for the working of it; that he trusted him implicitly, and took no trouble to examine or correct his work, or even to see that it was done properly, and thirdly, and this could not have existed without further negligence on the part of the Tahsildar to the fact that this Samprathy, Narasimha Charry by name, was an accomplice of at least the four Conicopolies whom I have prosecuted, received from them part of the embezzled money and did what he could to conceal their offences.

20. Mr. Thornhill's Order of June 1868 was dated the 19th, only a few days before the commencement of Fusly 1278, and was as follows:—

"Care should be taken not to entrust the Conicopolies at a time with bills amounting to more than 2,000 rupees, and such of the bills as remain with them uncollected at the end of the month, should be examined and new ones supplied to them to make up the said amount." "The Tahsildar should be made primarily responsible for the due observance of this rule, and he should be directed to furnish the Deputy Collector once a quarter with a detailed Statement showing the results of his examination."

This order was more immediately in reply to a letter of the Deputy Collector of the 13th December 1867, in which he had brought to the notice of the Collector all the objections he had to urge and the difficulties that would, in his opinion, arise from limiting the value of the bills in the hands of the Bill Collectors. It was, therefore, a final order, but it was utterly disregarded by the Deputy Collector. There was no examination of bills, and no attempt to reduce those in the Bill Collector's hands to the prescribed limit, though no better time could have been chosen than the commencement of a fusly.

21. The Government are in possession of the Deputy Collector's letter to Mr. Thornhill, in which he makes such excuses as he can for not carrying out these orders. Had he carried them out, any embezzlements that had occurred up to that date, must have been detected, while future ones to any large extent would have been impossible.

22. The order in regard to the detailed quarterly Statement was also disregarded. No statement of any kind is to be found in the office. The first examination of bills was by the Deputy Collector five months after the order in November 1868. It was one that he must have known to be almost useless. He ordered the Goomastahs to count the bundles of bills brought by each man, and when they reported to him that they were numerically correct, he assumed them to be actually so. Following this example, the Tahsildar made two similar as he calls them examinations, one in March, ~~the other which he commenced in July, and which he never completed~~, because in the course of it, Govindu Naidu's defalcation was brought to light. But they were even of less value than Rungasawmy Iyengar's, for Sumprathy Narasimha Charry, the accomplice of the dishonest Bill Collectors, was the person whom the Tahsildar chose to perform his own duty of supervising the counting of the bills.

23. The Tahsildar says the method of conducting the examination was to divide the bills of each man into smaller bundles which were given to different people to count; their numbers were taken down by Narasimha Charry on a piece of paper, and when all the bundles were counted, the result was brought to the Tahsildar who totalled them. Of course, none of these pieces of paper are now forthcoming, and it is clear to me that even these examinations must have been conducted with the greatest carelessness. In but two out of the fifteen divisions have I found in my examination, that the bills a man had in his hands corresponded exactly with the number it was shown

he should have by the Tahsildar's accounts. Taking into consideration the large number of their bills, and the carelessness with which the Government accounts were kept, it is almost impossible that there should not have been numerical discrepancies; but yet, in all the examinations that were held, except in the last case of Govindu Naidu, both the Deputy Collector and the Tahsildar have certified in the "Memorandum Book" that they found the number of bills correct.

24. It is also noteworthy, that though the last examination of the bills of all the Conicopolies who were not defaulters was completed by the Tahsildar by the 19th August 1869, he did not compel the attendance of Govindu Naidoo with his bills until the 11th September, three weeks afterwards, while he would seem to have entirely overlooked the necessity of examining the bills of the other three Conicopolies which were not looked at till Mr. Thornhill came down on the office in October, and my suspicion is, that it was intended to give them all time to make good their deficiencies and so hush up the matter.

25. The Deputy Collector was entirely in the hands of the Tahsildar, who did most of his work, and conducted his English correspondence for him; but as he signed them, I presume he read the letters that were written for him, which clearly show he was aware how faulty was the system of collection, and being in the same office with the Tahsildar, he must have known what was going on.

26. The Tahsildar was accused by all the four convicts of having taken part of the money they paid to Narasimha Charry from him, and also by two of them of receiving sums of money and materials for building his house from themselves, which from their circumstances he must have known could only have been procured by them by misapplication of their collections. I have been unable to get any corroboration of the statements of the convicts, except a remark made by Narasimha Charry, when he was prisoner in the Police Court, and when, in reply to the Tahsildar, he is reported to have said "you ought to know best what became of the money as you had half," there are contradictions, however, in the Convict's statements that make me doubt whether he did share in the plunder, beyond taking as he might, without knowing it was Government money, the douceurs which it is no uncommon practice for Tahsildars to receive from their subordinates; I quite believe, however, that the convicts themselves thought that the money was going to the Tahsildar.

27. I have no doubt in my own mind that Narasimha Charry is rightly accused of having received these embezzled monies or parts of them from themselves by the convicts; when Govindu Naidoo was first apprehended, he, on Govindu Naidoo's statement was also made a prisoner by the Government Solicitor, who conducted the case in the Magistrate's Court but did not consider the evidence against him sufficient to warrant his detention in custody, and he was accordingly released. I much regret that I have been unable to obtain any better evidence than was at hand then, and that I am, therefore, unable to charge him criminally. The only offence in connection with this money, of which he could be charged, is that of the abetment of Criminal Breach of Trust, and it is utterly impossible for me to prove satisfactorily that he received from any of the Conicopolies any of the small sums of money they have been convicted of embezzling, while his negligence in the office, even if capable of proof, could not be receivable as evidence, that by them he endeavoured to assist the convicts in their peculations. He is accused by all the four convicts, and it is certain that at least at the last examination, but one of their bills, there must have been a most marked deficiency in those of two of them, viz., Govindu Naidoo and C. Ramanjulu Naidoo, of this he must have been aware, as he was the man who conducted the examination, and yet he reported the number of the bills to be correct to the Tahsildar. His speech in the Police Office, already quoted, tells much against him. I have not been able to obtain evidence of his receipt of any of this money except on two occasions, and that evidence I do not think very trustworthy, but an Account Book of his, found in his house, shows that he had far larger pecuniary transactions, and was dealing in larger sums of money than would usually fall to the lot of a Goomastah on 20 rupees pay; besides which, amongst Govindu Naidoo's papers was found a book which could hardly have been fabricated for the occasion, in which were entered the several sums of money given to Narasimha Charry at various times by him.

28. The Government, in their Proceedings of the 21st December 1869, wish to know whether there was any system of collection and check, prescribed when the Deputy Collector was first appointed; as far as the records show, the Deputy Collector simply carried the work in the same

29. The custom of delivering so large a number of bills to the Conicopolies that any scrutiny of them was impossible (without a great expenditure of time and trouble) existed since the department did; at least I find it was the custom in 1826, (when one man had 11,000 rupees worth of bills entrusted to him) and in the subsequent years, and it does not appear that the Tahsildar or the Deputy Collector are to blame in this matter, further than that having an easy remedy in their hands, they continued a system which left them powerless to control their subordinates. But I cannot acquit them of the greatest blame for their disobedience of such plain orders as Mr. Thornhill's were, and if Government choose to do so, they might, I think, be held pecuniarily responsible for all sums that have been lost by Government since the commencement of Fusly 1278. It is impossible for me to say what is the exact amount so lost, because I cannot tell the dates of each particular embezzlement, but I hold them clearly liable for all the bills of Fuslies 1277 and 1278 embezzled, amounting to Rupees 6,717-13-4, which were issued after the order.

30. Rungasawmy Iyengar is dead, and it appears to me that neither the Tahsildar Sambasiva Moodelly nor Narasimha Charry who are both under suspension now by Mr. Thornhill's order, should be again employed. The negligence and inattention to his duty that marked the Tahsildar in this part of the Quit-rent Department was continued in Ground Rent Department, while in the Warrant Department of the Quit-rent Office he has permitted the "Distraining Officer" to file monthly reports of his proceedings, showing the warrants he executed and had left in hand that are utterly unintelligible, and are in fact nonsense.

31. As the result of my inquiry, I would recommend that the accounts of the Quit-rent Department be closed up to 9th December 1869, the date of my re-delivery of the bills now current to the Deputy Collector; that the value of these, together with that of the bills of last fusly that are still undistributed from the demand for the present fusly being divided as usual into "current and arrears" and that fresh accounts be opened from the above date. The difference in the accounts for which I

	Rs.	A.	P.
Difference.....	615	5	4
Embezzlements irrecoverable.....	9,166	14	10
Arrear bills irrecoverable.....	15,482	2	2
	25,164	8	4
Deduct already sanctioned.....	11,223	5	8
	13,931	0	8

Wide Statement B.

security of the defaulting Conicopolies and the various sums of money paid into the Treasury, that I have alluded to as paid by the Bill Collectors to make up their defalcations or errors, be carried to the credit of Government in the Quit-rent Department.

32. The changes necessary to incur

32. The changes necessary to insure the good working of this department are merely the ordinary supervision of the Head of the office over his subordinates, a careful observation of Mr. Thornhill's order of June 1868 and more energy in the recovery of the arrears. Now that Act VI. of 1867, is in force, there is no need whatever that any arrears but those on unoccupied lands should remain outstanding for more than two years at the outside. To do away with the necessity of bills being issued on such lands in future, I would recommend that they be at once attached and sold for the arrears due on them, if no purchasers appear, they can be bought in on behalf of Government, and once registered as Government land, the issue of the Quit-rent Bills is unnecessary. Of course more care is needed in keeping the books of the department, and the form of the Quit-rent Bill would be vastly improved if each one had a counterfoil properly numbered on which the Conicopoly when receiving a payment should be bound to enter the date.

33. I have still to submit a report on the w

33. I have still to submit a report on the Warrant Department of the Quit-rent Office and on the Ground Rent Department; when I propose sending you a draft of rules for observance of the Officers of the Quit-rent Department.

(Signed) W. T. BLAIR,
Acting Collector.

ENCLOSURE No. 2.—A.

Statement of Demand, Collection, and Balance of Quit-rent bills from Fusly 1269 to Fusly 1279 (30th September 1869).

[illegible]

(Signed) G. D. LEMAN,
On Special duty.

Statement of the Accounts of the Quit-rent Department on the 9th December 1869.

RS.	A.	P.	Monies accounted for.	RS.	A.	P.
94,026	6	10	By bills current and arrear recoverable	65,278	6	1
			" arrear irrecoverable	15,482	2	2
			Embezzled amounts	12,346	14	10
			Monies not brought to account by various Conicopolies ...	169	3	9
			Collected since 29th September 1869, now in deposit ...	109	1	10
			Add old arrears collected, <i>Vide</i> Statement A, now in deposit...	125	4	10
			Total...	93,511	1	6
			Add difference supposed to be embezzled	515	5	4
94,026	3	10	Total...	94,026	6	10

Of this Amount.

RS.	A.	P.	Money Recoverable.	RS.	A.	P.
65,278	6	1	By bills re-issued for collection	515	5	4
3,180	0	0	Recoverable from 5 defaulters and now in deposit in cash or jewels in the Treasury	9,166	14	10
169	3	9	Paid in by Conicopolies	15,482	2	2
109	1	10	In deposit collected since September 29th	25,164	6	4
125	4	10	Old arrears collected and in deposit	11,233	5	8
			Total...	13,931	0	8
65,862	0	6	Amount now recommended to be written off...			

(Signed) G. D. LEMAN,
On Special duty.

ORDERED to lie over, pending the receipt of report on the ground rents, which the Board
understand will be sent in the course of a few days.

(True Copies and Extract.)

(Signed) A. MACGREGOR,
Acting Secretary.

To the Acting Collector of the Madras District.

Exd. G. A. Turton.

14x
No. 91.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 6th January 1870.

Read the following Proceedings of the Madras Government, dated 21st December 1869, No. 80,
Revenue Department:—

ABSTRACT.—Communicating Proceedings Judicial Department, passing orders on the Advocate-General's report of the cases prosecuted by him at the recent session of the High Court.

COMMUNICATED to Mr. Leman, who is requested to state what light has been thrown on the points referred to in the Advocate-General's letter by the inquiry.

2. The Board wish also to learn when a report may be expected on the result of the investigations now being conducted by Mr. Leman.

(A true Extract.)

(Signed) J. GROSE,
for Acting Secretary.

To G. D. Leman, Esq., on special duty.

Copy to the Acting Collector of the Madras District.

Exd. G. A. Turton.

*Enclosure in the Proceedings
of the Board of Revenue, & the
Executive & Government, & the
Suits, & Proceedings, & 2180.
1870.*

Board of Revenue,
MADRAS.

PROCEEDINGS, 1ST FEBRUARY 1870, No. 712.

Dec. 10/27/70. Encl.

Received

FEBRUARY.

No. 712.

*Quit-rent Accounts—in Madras town Deputy
Collector's Office.—Mr. Leman's report of result
of his examination of—, with reference to defal-
cations lately discovered in Quit-rent Depart-
ment of that Office, ordered to lie over.*

PROCEEDINGS OF THE BOARD OF REVENUE, dated 1st April 1870.

Read again letter from the Acting Collector of the Madras District, dated 24th January 1870, No. 17, recorded in Board's Proceedings, dated 1st February 1870, No. 712.

Read also the following letter from G. D. LEMAN, Esq., on Special duty, to the Acting Secretary to the Board of Revenue, dated Madras, 21st February 1870, No. —:—

IN accordance with the Order of the Board of Revenue, dated 18th February 1870, I have the honour to inform you, that on Saturday I sent for Sambaseva Moodelly, and took down what he had to say in answer to the various charges of negligence I had made against him. I recorded an abstract of his verbal statement to me, made simultaneously with his perusal of my report. This I have this day read over to him again, and he says it contains all he wishes to state in explanation.

2. His explanation is, that he had more than his proper work in the office to do, because the Deputy-Collector left his own work to him to perform, that he was never ordered to carry out Mr. Thornhill's order of the 19th June 1868, and that in reply to his reference, the Deputy-Collector told him that it was not possible it could be carried out, and he would speak to the Collector on the subject, and that, therefore, he did not consider it necessary that he (the Tahsildar) should move further in the matter. That in deputing his subordinate Narsimachary to make the quarterly examination ordered by Mr. Thornhill, he only followed the Deputy Collector's example, and that he had not time to conduct it himself from press of other business. That in his opinion, his superintendence and control of the office extended only to the correction of errors brought to his notice, and that each of his subordinates must be held alone responsible for the non-performance on their manifest duties. That in continuing the writing off of the arrears as he did, he was only following the example of his predecessors, and that, therefore, he cannot be properly held responsible for errors that have occurred through the bad system that was in force. That his failure to detect the forgeries or alterations in the Ground-rent bills in the office, was due to the custom (however bad) which he was bound to follow, of not looking at the bills till sanction for their remission had arrived and to the Samprathy's neglect of his order when sanction of remission came, to prepare the necessary list of such bills. That whenever he was told of any error, he ordered its correction, and that, therefore, he cannot be held responsible for errors of which he was ignorant. That there is an error in the report, where it is reported that the bills of the four defaulters alone were not examined by him in July 1869, for that in fact Sawmy Naidu's bills were examined, and it was the three others only whose bills were not, and that it was press of other business, and his being kept in ignorance of the fact that their bills had not been looked at, that caused this delay. That Narsimachary made no remark in the Magistrate's Office similar to what is recorded in paragraph 26 of my first or Quit-rent report, that the "Distraining Officer's" mistakes were such as should have come under the cognizance of his subordinates, and that his duty did not necessitate his overlooking these returns. That there was a correspondence with the Collector's Office, in regard to the translations of the notices that were wanted before the sale of lands could be made under the Act, and that up to this time the Tamil one has not been received, and he was incapable of making an accurate translation himself, and that, therefore, the delay in the sale of lands attached is not due to his negligence.

3. I fail to see that this is a satisfactory explanation at all; the gist of it is that, he was not bound to know any thing was going wrong, until he was told so; that as long as he believed it was not going wrong, he was justified in leaving everything to his subordinate, the Samprathy to manage; and that he was so hardworked, having the Deputy Collector's duties thrust on him, that believing otherwise, he had not time to do his own duty.

4. I have shown him how he might, with the best possible trouble to himself, have made the counting of bills, a true test, by retaining a few himself and then taking down from each man the number of bills in the bundles given him to count and making his own addition of them, but he says the Deputy Collector did not do so, and so he did not. He, however, admits that the Deputy Collector did count some of the bundles himself, which is a thing he never did.

Enclosure in the preceding letter from the Acting Collector of the Madras District, dated 24th January 1870, No. 17, recorded in Board's Proceedings, dated 1st February 1870, No. 712.

1870.

BOARD OF REVENUE.

MADRAS.

PROCEEDINGS, 6TH JANUARY 1870, No. 91.

Rev: 10/2/70

Encl

Encl

JANUARY.

No. 91.

Defalcations—recently discovered in Quit-rent Department of Madras Town Deputy Collector's Office.—Proceedings of Government requesting to know, with reference to, whether any system of collecting quit-rent and checking Accounts, was prescribed when a Deputy Collector was first appointed to charge of town, and if so, who is to blame for having allowed deviations from it, communicated to Mr. Leman.

5. At the same time, I have the honour to enclose a Statement, showing the average of the yearly demand of ground-rent and how it is distributed in the town.

ENCLOSURE No. 1.

Statement showing approximately the average yearly demand during five years of Ground-rent, and the mode in which it is distributed in the Town of Madras.

	Fusly 1274.	Fusly 1275.	Fusly 1276.	Fusly 1277.	Fusly 1278.	Total.	Average for 5 years.
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
On road sides and pials not situated in Nainappa Naick Street.	7,373 7 6	6,832 5 3	5,846 11 11	5,438 8 4	5,631 13 3	31,122 14 3	6,224 9 3
On do do., in Nainappa Naick Street (the „Evening Bazaar“).	793 7 2	822 15 0	781 1 5	684 2 8	663 2 3	3,744 13 6	748 15 4
On bond file Government land	2,752 5 3	2,985 14 10	3,006 5 9	3,626 8 1	3,991 13 11	16,412 15 10	3,283 9 6
Total...	10,919 3 11	10,641 8 1	9,724 8 1	9,749 8 1	10,276 13 5	51,310 19 7	10,263 2 1

(Signed) G. D. LEMAN,
On special duty.

With this letter, the Acting Collector of Madras submits Mr. Leman's report of inquiry held by him in pursuance of Government Order, dated 5th October 1869, No. 2,732, into the conduct of business in the Quit-rent Department of the Office of the Deputy Collector of Madras Town, with reference to recent defalcations. Mr. Blair concurs generally with Mr. Leman's views and recommendations.

2. Quit-rent is assessed on all land, not Government property, within the limits of Madras and its suburbs, and within the precincts of the town, the buildings thereon are included in the valuation. Each piece of land has been measured and has a number assigned to it, and the Quit-rent demand is adjusted according to circumstances.

3. From Mr. Leman's report it appears that at the beginning of each year the annual English Register is prepared in the Deputy Collector's office from the Register of the preceding year, with such alterations of assessment and names of parties against whom the demand stands for the year, as may have been duly registered in the Registration Office since the Register of the previous year was written up.

4. A Vernacular translation of the above Register is likewise made each year, with space to admit of entering the payments of the year when made. It is termed the Insert Book; and it is the duty of one of the clerks (Insert clerk) to write up against each number the payment of the Quit-rent demand, when the Bill Collector remits the money to the Treasury.

5. From the Insert Book, Quit-rent Bills are prepared in the form of a printed receipt for the demand. These bills are prepared for each number in the register indiscriminately, whether the lot is actually occupied or has been given up by the occupant, and in certain cases although the land to which the entry and demand belong, cannot be traced. The Tahsildar or Head Clerk signs all the bills.

6. For purposes of collection, the town is divided into 15 Divisions, to each of which a Bill Collector is appointed. To him all the bills of the year are delivered for collection, as they are got ready. The number of bills so delivered, is entered in the aggregate, with the amount which they represent, in a Memorandum Book which the Bill Collector signs, as well as the Vernacular Register (Insert Book) from which the bills have been prepared. The bills so issued remain in the Bill Collector's hands until the amount is recovered, or until the arrear becomes irrecoverable under the Law (Act XII. of 1851), after six years. The bill is given up to the party as a voucher for payment when the demand is liquidated.

7. Under the Rules, the collections of each day should be paid into the Treasury on the day following. With this remittance the Bill Collector brings a list (*Dabak*) of the payments received, corresponding with the entries in the Vernacular Register. The list is first presented to the Shroff, who examines the total and gives credit for the aggregate amount. The list is then transferred to the Insert Clerk for entry of each item of payment in the Vernacular Register (Insert Book) against the Number or block of land to which it pertains.

8. At the end of each year the Bill Collector has to prepare a list of all the bills remaining in his hands which are no longer recoverable under the Law, and to return the irrecoverable Bills therewith into the office. The amount which they represent is then recommended by the Tahsildar through the Deputy Collector and Collector, to be written off; and the sanction of the Government is obtained by the Board.

9. Thus the system, though cumbersome, appears to provide for precision and check. But in practice, utter confusion has prevailed. The rescript English Register is inaccurate as respects the demand of the year to which it applies, for alterations in respect to actual occupancy and demand are not uniformly or readily registered by the parties concerned, and the business of the Registration Department in regard to applications for transfer of holdings, is much in arrears—in some cases, the Board were given to understand, as much as nine years. The demand, therefore, stands in many cases against a person who is not the actual occupant of the land. Inaccuracies of the original, recur in the Vernacular translation (Insert Book) and many bills are consequently incorrectly drawn. Further, bills are issued indiscriminately, although, as above noticed, the lot to which the demand pertains is unoccupied or has been relinquished, and even when the land to which it applies can no longer be traced, so that many bills are issued although there is no one to pay them.

10. The bills of the year have been issued to the Bill Collector as fast as they could be prepared; no matter what number he already held, or over how many Fuslies his arrears might extend. Mr. Thornhill endeavoured to limit this practice, but his orders were disobeyed. No time was laid down, within which any bill should be accounted for, short of the six years to which the Law limits its validity; and no method was adopted for verifying from time to time the number of bills which remained in the Bill-Collector's hands and the number on which collections had been made, for the accumulation of bills in the hands of each man had become so unmanageable as to defy check or verification. And when Mr. Leman took up the inquiry and stopped the issue of bills for the current year, the average number of bills (pertaining chiefly to previous years) in the hands of each Collector, was 2,400. The lists (*Dabak*) which were presented by the Bill Collectors at the time of making a payment into the Treasury were so incorrect in respect to the names of parties, the numbers of lots of land and the Fuslies for which the amount was due, that payments could not in many cases be transferred from the list into the appropriate columns of the Insert Book by the Insert Clerk. His work too was much neglected and in arrears. And finally, when irrecoverable bills were returned into the office for cancelment, they were neither compared with the list (*Dabak*) submitted therewith by the Bill Collector, nor with the Vernacular Registers of the years for which they were due. The Tahsildar merely reported the total arrear and obtained sanction to write it off. Many bills which had become irrecoverable two or three years previously were found by Mr. Leman in the hands of the Collectors, and the unadjusted balances extend back over ten years.

11. Mr. Leman remarks “there was not even a pretence of a check on the doings of a Bill Collector, but from the time he received a particular bill, till the seventh year when he should have been called on to produce it uncollected, or account for it by showing that he had paid the amount into the Treasury, he could collect the value of it and make whatever use of it he pleased without a chance of being found out. Throughout my inquiry, my great wonder has been that more money has not been lost to Government. The method adopted by the four Bill Collectors who have come under my immediate notice was a very simple one. They collected what money was due, giving away the bill to the payee, and made use of the amount. Whether other Conicopolies made use of Government money before payment into the Treasury or not, I cannot say. There was nothing on earth to prevent it.”

12. Recent defalcations for which four persons have been brought to justice, amount to Rs. 10,699-3-6, and in two previous cases Rupees 1,647-11-4 were embezzled. It appears, further, that the sum annually written off as irrecoverable under the head *Quit-rent Balance*, has averaged from Rupees 5,000 to 5,500 in round numbers every year. With the evidence of dishonesty and incapacity now before the Board, they are constrained to admit that possibly these sums included amounts which had been embezzled by the Bill Collectors of former years. There can be little doubt, that had proper control been exercised, the really irrecoverable balances would probably have been less.

13. The points for consideration of the Board are:—

- (1.) Mr. Leman's recommendation in respect to monies which must now be written off.
- (2.) The conduct of the public servants implicated.
- (3.) The future conduct of business in the Madras Deputy Collector's office.

14. The accounts show arrears of *Quit-rent* extending back to 1270, and Mr. Leman has prepared a Demand, Collection and Balance Statement for ten years, closing on the 1st October

	Rs.	A.	P.
Bills recoverable...	65,278	6	1
Do. irrecoverable ...	15,452	2	2
Embezzlement, etc., traced ...	12,346	14	10
Subsequent collection in deposit ...	403	10	5
Unaccounted for ...	515	5	4
	91,026	6	10

1869, with a balance of Rupees 94,026-6-10, as per margin. *Bills recoverable* have been put in course of collection, and subsequent collections will be carried to account. Sanction has already been obtained to write off Rupees 11,223-5-8 of the balance under *Irrecoverable*

Bills; but the permission of Government must now be obtained to write off the remainder, viz., Rupees 4,248-12-6; together with the amount which Mr. Leman reports, cannot be accounted for, Rupees 515-5-4; making in all Rupees 4,764-1-10.

15. The Board agree with Mr. Leman that it will not be possible to recover against the persons recently convicted of embezzlement, to the amount of Rs. 10,699-3-6. But their deposits, viz. Rupees 560 each, making a total of Rupees 2,000, will be carried to account, leaving Rupees 8,699-3-6 to be written off on this account. Of the defalcation proved against Amurthachari and another in 1863, viz., Rupees 1,647-11-4, Rupees 1,180 have been recovered, leaving a balance of Rs. 467-11-4 to be written off on this account. The Board agree with Mr. Leman that any further recovery against these parties is impossible.

	Rs.	A.	P.
Balance on irrecoverable bill ...	4,774	1	10
Do. of embezzlement ...	9,166	14	10
	13,941	0	8

The total amount to be written off, for which the sanction of Government is now required, is, therefore, Rupees 13,941-0-8, as per margin.

16. As regards the second point—the conduct of the public servant—The Deputy Collector V. Rungasawmy is dead, no further notice need, therefore, be taken of his conduct.

The facts elicited in this inquiry, and the report of Mr. Leman, establish beyond question the untrustworthiness of the Tahsildar, Sambaseva Moodelly. He is an able and clever public servant, and ruled his elderly superior. The Board are, therefore, constrained to record their conviction that it was impossible that large misappropriations of money could have been continuously made by several, if not all his subordinates, without the Tahsildar's knowledge and connivance. But taking the most favourable view of his conduct, incapacity and proved neglect of duty and of the interests of the State, preclude his further employment. He must be removed from the public service and declared ineligible for further public employment. The Board concur, with regret, in the opinion of Mr. Leman that it would be futile to prosecute this official either criminally or civilly. Sambaseva Moodelly's disingenuous defence is a confession of incapacity.

17. The participation of Samprati Narsimachari in the embezzlements and dishonesty of the persons convicted, does not admit of a doubt. But, unfortunately, there is no prospect of successful prosecution. His dismissal from the service, and the declaration of his ineligibility for further public employment, follow as a matter of course.

18. With reference to the third point, the future conduct of business in the Madras Town Deputy Collector's Office, the Board have before them Draft Rules for the conduct of business prepared by Mr. Leman, and have had a conference with the Collector and Deputy Collector on

the subject. But they resolve to reserve further discussion until they receive the orders of Government on the amalgamation of the Sea-Custom Collectorate with that of the Land Revenue in the town of Madras which the facts elicited in this inquiry show to be very desirable.

(True Copies and Extract.)

J. G. Gole
Acting Secretary.

To the Acting Secretary to Government, Revenue Department,
with copy of Board's Proceedings, Nos. 91 and 712 of 1870.

Copy to the Acting Collector of the Madras District.

Exd. G. A. Turton.

Rev. Dypt.

Memo. for orders on 10th 1042

In their Pro. under date 27th Sept 1869 the Board of Revenue brought to the notice of Govt. certain serious irregularities of procedure in the Dist. rent Dept. of the office of the Dy. Collr. in charge of the Town of Madras, reported that a defalcation to the amount of Rs. 4,200 had been discovered in the accounts of one Bill Collector, and recommended that a general examination of the accounts of the Dist. rent Dept. should be undertaken by Mr. Fris. the Dy. Sub. Collr.

R

12/

Revenue 1870. Oct 15th

Board of Revenue,

MADRAS.

PROCEEDINGS, 1ST APRIL 1870, No. 2,180.

Dep. Dy. Sub. Collr. 1870 Encl 2
Recd. 6th

1st 10th 1868 No 81-82
29th 1868 262/82
4th 1869 38/19
5th 1869 62/64
8th 1869 98-99
12th 1869 162-163
25th 1869 279-280
29th 1869 393/94
29th 1869 1280 0/2
12th 1870 34

Med. 1871-30 May 1870

APRIL.
No. 2,180.

Defalcations—lately discovered in Deputy Collector's Office, Madras.—Report of Mr. Lemna showing result of his enquiries regarding, submitted to Government, with remarks.

325

1870/1871 12/14/1870

of the District.

2. The fort were not of opinion that an inquiry of this character should be undertaken by any officer below the grade of collector, and directed that it should be conducted by Mr. Thornhill himself, who was then the A. C. of the District. On a further representation by the Board, however, pointing out the intricate and curious nature of the examination required, the Govt. sanctioned the employment of a special officer on the duty, and nominated Mr. G. D. Lemare for the purpose.

3. In the meantime defalcations had been discovered in the accounts of three other Bill Collectors and these with

194
previous defalcations were committed to the High Court, tried at the November Session, and all found guilty of criminal breach of trust & sentenced to various terms of rigorous imprisonment.

4. The papers now under consideration are Mr. Lemare's reports upon the results of his investigation, with the Board's remarks thereon. It appears that quit rent bills are made out for all land held within the limits of the towns, even though many of the blocks may be unoccupied and cannot be traced. The practice has been to issue a very large number of bills to the Bill Collectors and not to make any regular check upon their

their receipts though the
proceeds of the Dept. if
it had properly been carried
out, provides for this, and
though special orders on
the subject had been
issued to the Dy Collector
so lately as June 1860.

5. Mr. Leman has
made a careful investiga-
tion of the accounts of the
Dist. rent left for the
last few years, closing them
up to the 1st Decr 1869. It
appears that on that
date there was a balance
of Rs. 94,026.6.10 un-
collected. Of this sum
Rs. 12,062.4.2 was un-
accounted for or imbezled,
the balance being made up
of Recoverable & Unrecoverable
bills & a small subsequent
collection. The unrecoverable
bills

Imbezled bills
Rs. 15,452.12
+ 11,223.5.8
on account of
in Rs. 26,676

Rs. 10,000.1.10
on account of
in Rs. 10,000

bills amounted to Rs. 15,482.
2.2 of which the writing
off of Rs. 11,233.5.8 had
been already sanctioned
leaving a further sum
of Rs. 4,764.1.10 to be
written off. Of the sum
imbezled and unac-
counted for some portion
has been recovered from
the pecuniaries of the
defaulters leaving a
balance of Rs. 9,666.14.10
to be written off.

6. Mr. Leman's en-
quiries have also been
extended to the ground
Rent & Warrant & Distraint
Dpts. of the Dy Collector's
Office. The ground rent
is a monthly charge upon
the occupants of Govt.
ground

ground not covered by
quit-rent certificates.

It is collected (1) from the
petty salesmen whose stalls
are situated on the China
& Evening Bazaars (2)
from similar small
dealers who squat on
the road sides, or sell
goods or keep cattle
on ⁱⁿ ~~by~~ ^{ways} projecting
into the streets,
and (3) on wood-
yards &c in the
vicinity of the fairs.

Mr. Lewin and
the Board are
of opinion that
only

only the last item can be legally
collected by Govt, as the Muni-
cipal Act vests in the Com-
missioners all public streets
not kept under the control
of Govt, and describes "a
Street" to include all land
not being private property
between the roadway and the
adjacent houses.

The Board recommend
that all the arrears of ground
rent as reported by Mr.
Lewin amounting to Rs. 8925
be written off. If however
the Govt are of opinion that

The land on which the Fair
and Evening Bazaars are held
are Govt property and there-
fore not included in the
Streets, the Board recommend
that they be rented to the
Municipal Commissioners
on an average of the yearly
collections, the Law Officers
opinion being in the first
instance taken on the ques-
tion. The Board also pro-
pose that the collection of
ground rent on the wood-
yards, can be farmed out
to the highest bidder in
order to save the time and

trouble of Govt servants in
collecting such petty items.
Mr. Leman is of opinion
that no further recoveries can
be made from any of the six
defaulters of whom four
have been convicted and
punished, one is dead
and one P. Ramanujulu
Naidoo has made good
Rs. 1100 out of Rs. 1452-2-1
embezzled by him; and
the Board of Revenue con-
cur in this view. The
Board also agree with
Mr. Leman in considering
that the late Deputy
Collector

trouble of Govt servants in
collecting such petty items.
Mr. Leman is of opinion
that no further recoveries can
be made from any of the six
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cur in this view. The
Board also agree with
Mr. Leman in considering
that the late Deputy
Collector

Collector Rungasammy
Aiyangar, the Tahsildar
Sambeswara Moodetty and
the Samprathi Narasimha
Chari, are chiefly respon-
sible for the heavy loss
which Government has
sustained. They view
the Tahsildar's defence
as a confession of in-
capacity, and even taking
the most favorable view
of his conduct they are
of opinion that his proved
neglect of duty precludes
his further employment,

and renders it neces-
sary that he should
be declared ineligible
to be entertained in any
other office. They think
a similar course should
be adopted in regard
to the Samprathi, but
they concur with Mr.
Leman in considering
that there is no pros-
pect of a successful
issue in a prosecution
of

of these two officials.

Though they have little doubt that they participated in the frauds of their subordinates.

9. Mr. Leman

has submitted a draft set of rules for the future conduct of business in the Deputy Collector's Office, but the Board have deferred expressing their opinion on them until the orders of

Govt. are received upon the proposal to place the Town charge under the Coll. of Ch. Customs. 10. It is submitted that acknowledgment of Govt. may be conveyed to Mr. Leman for conducting and bringing to a satisfactory conclusion the somewhat intricate enquiry upon which he has been engaged, and that the Govt. view in regard to dealing with the officials concerned may be adopted, but that information may be called for as to why the defaulter P. Ramangopal Naidoo was not criminally proceeded.

proceeded against
when the embezzle-
ment was discovered
in 1868. It is also
submitted that the
sums of Rs 4,764-10
and Rs 9,166-14-10
alluded to in para-
5 may be written
off in the Quit Rent
Dept., but orders
are requested in regard
to the sum of Rs
8925 in the Ground
Rent Dept. as re-
ferred to in para-
y above. On a former
occasion when this
question of ground
rent was raised, the
Coll^r maintained
the right of Govt.
to these collections
on the ground that
Act

Act XII of 1857 declared
the ground rent to be
part of the Land
Revenue, that the
sides of the streets¹⁰
were under Govt¹⁰
control, and there-
fore not under the
Municipal Commis-
sioners, and that the
side of the Evening
Bazaar was pur-
chased by Govt¹⁰ at
a high price in 1825
(see G.O. 18 Aug. 1866
No. 2130) - Perhaps
before coming to a
decision upon the
point, it will be
well to refer the
question to the Law
officers, and after
the receipt of their
opinion, the P.B.
proposals in regard
to

to sending to the
Municipal Council
and leasing the wood
yards to a farmer
may be considered.

I do not think that
the Municipality can
legally claim the rent
for the Housing Program.
It can't during the
war and during the
peace and must of
been a great deal of
long business which has
of late been thrown on
the Municipality. The
difficulty of making
the collection for
houses on the 1st. The
people have been
to the Council then sent to
also the council on

[Signature]

[Signature]

[Signature]
I hope this
will be in the
interest of the
country.

[Signature]

"Land Sales & Sales". During
only the firewood sales. The
transfer should be the subject
from the 30th and I do
not know the date. The
unpaid bills of the year
ending on that date. The
He can ascertain from the
p. 10. He has any deed
of conveyance is necessary
to make the case. He has the
rents as p. 10 have done.

The La Roche should
in my opinion be discharged.
He should not be charged
with anything for the
payment. His discharge
by p. 10. He has his
ment without their permission &
this is I think sufficient to show
is no evidence of conspiracy or
complicity in fraud. He is evidently
unfit for the post & his conduct
and negligence have entailed serious
loss on the State.

Against the Government the
case is very much stronger & I should
therefore declare him ineligible.
J. P. S.

12/ *Revenue*
Department
in Madras
Office

Revenue Department.

W-781-

PROCEEDINGS of the MADRAS GOVERNMENT.

Under date the 30th May 1940

Read the following Proceedings of the Board of Revenue.

Submitting with remarks
 letter from Col. forwarding Mr.
 Lankin's report on Ground-rent and
 Murrant's report of Madras Town
 by Col. to Office

W. 15th March 1940 & 1954

Submitting with remarks report
 of Mr. Lankin showing result of his
 inquiries regarding defalcations
 lately discovered in by Col. to Office
 Mr. Lankin.

1st April 1940

In day
1940

J. D. S.

In their Pro. under
 date 27th Sep. 1969 & 7/169
 the Board of Rev. brought to
 the notice of Govt. certain
 serious irregularities of
 procedure in the Quit-rent
 Dept. of the Office of the
 by Col. in charge of the
 Town of Madras, reported
 that a defalcation to the
 amount of Rs. 4,200 had
 been

been discovered in the accounts
of one Bill-collector, and
recommended that a general
examination of the accounts
of the Quit-rent ^{Office} should
be undertaken by Mr. Crook
the Ag Sub Collr of the Dist.

2. The Court were not
of opinion that an enquiry
of this character should be
undertaken by any officer
below the grade of Collector,
and directed that it should
be conducted by Mr. Thornhill
himself, who was then the
Ag Collr of the Dist. On a further
representation by the Board,
however, pointing out the
intricate and merous nature
of the examination required,
the Court sanctioned the
employment of a special
officer on the duty, and
nominated Mr. G. D. Leman
for the purpose.

3. In the meantime
defalcations had been
discovered

28.
discovered in the accounts of
three other Bill-collectors, and
these with the previous de-
faulter were committed
to the High Court; tried at
the Nov. Sessions, and all
found guilty of criminal
breach of trust and sentenced
to various terms of rigorous
imprisonment.

4. The papers needed
above are Mr. Leman's
reports upon the results
of his investigation, with
the Board's remarks thereon.
It appears that quit-rent
bills are made out for all
land held within the
limits of the town, even
though many of the blocks
may be unoccupied and
cannot be traced. The
practice has been to
issue a very large number
of bills to the Bill Collector,
and not to make any
regular check upon
their

their receipts through the procedure of the Dept. if it had properly been carried out, provides for this, and though special orders on the subject had been issued to the Dy. Colls. so lately as June 1868.

5. Mr. Lemaw has made a careful investigation of the Account of the Quit-rent Dept. for the last ten years, closing them up to the 1st Dec. 1869. It appears that on that date there was a balance of Rs 94,026.6.10 uncollected. Of this sum Rs 12,062.4.2 was unaccounted for or embezzled, the balance being made up of Recoverable and Irrecoverable bills and a small subsequent collection. The irrecoverable bills amounted to

* Not 15,452.2.2 &
11,233.5.8 as erroneously
entered in Board's Pro.

* Not 4774.1.10 as erroneously
entered in Board's Pro.

to Rs 15,402.2.2 of which the writing off of Rupees 11,233.5.8 had been already sanctioned, leaving a further sum of Rs 4764.1.10 to be written off of the sum embezzled and unaccounted for some portion has been recovered from the pecuniaries of the defaulters leaving a balance of Rs 9,166.14.10 to be written off.

6. Mr. Lemaw's enquiries have also been extended to the ground Rent & Warrant & Distraint Dept. of the Dy. Collectors office. The ground rent is a monthly charge upon the occupants of Govt. ground not covered by quit-rent certificates. It

It is collected (1) from the
petty salesmen whose stalls
are situated in the Chinese
Evening Bazaars, (2) from
similar small dealers who
squat on the road sides,
or sell goods or keep cattle
on pyals or sheds projecting
into the streets, and (3) on
wood-yards, &c. in the vicinity
of the Canal. Mr. Leuman
and the Board are of
opinion that only the last
item can be legally collected
by Govt, as the Municipal
Act vests in the Commis-
sioners all public streets
not kept under the control
of Govt. and describes a street
to include all land not being
private property between the
roadway and the adjacent
houses.

The Board recommend
that

Box
that all the arrears of ground
rent as reported by Mr.
Leuman amounting to Rs.
1925 be written off. They
also recommend, if the Govt
are of opinion that the lands
on which the Chinese and
Evening Bazaars are held
are Govt property and there-
fore not included in the
streets, that they be rented
to the Municipal Commis-
sioners on an average of the yearly
collections, the Law Officer's
opinion being in the first
instance taken on the
question. The Board
also propose that the
collection of ground rent
on the wood-yards, &c.,
be farmed out to the
highest bidder in order
to save the time and
trouble of Govt servants
in

in collecting such petty
items.

Mr. Lemaire is of
opinion that no further
recoveries can be made
from any of the six de-
fauiters of whom four
have been convicted &
punished, one is dead,
and one P. Ramangullee
Naidoo has made
good Rs 1100 out of Rs
1452. 2. 1 embezzled by
him, and the Board
of Rs. concur in this
view. The Board
also agree with Mr.
Lemaire in considering
that the late Mr. Col.
Rangasammy Aiyangar,
the Tahsildar Sambasiva
Mooz and the Simpratti
Narsimha Chetty are
chiefly responsible for
the heavy loss which
took

31
Govt. has sustained. They
view the Tahsildar's defence
as a confession of incapacity,
and even taking
the most favorable view
of his conduct, they are
of opinion that his
proved neglect of duty
precludes his further
employment and renders
it necessary that he should
be declared ineligible to
be entertained in any
other office. They think
a similar course should
be adopted in regard
to the Simpratti, but
they concur with Mr.
Lemaire in considering
that there is no prospect
of a successful issue in
a prosecution of these
two officials though
they have little doubt
that

that they participated
in the frauds of their
subordinates.

Mr. Leuau has
submitted a draft
of rules for the future
conduct of business in
the Collis office, but
the Board have deferred
expressing their opinion
on them until the orders
of report are received upon
the proposal to place
the Town charge under
the Collis of Sea Customs.

The Hon. Mr. Noble
informed me in council is of
the opinion that Mr. Leuau
submitted to the acknow-
ledgments of Govt for con-
ducting & bringing to a
satisfactory conclusion
a somewhat intricate
query upon which
has been engaged.
Under

Under the circumstances
represented by the Board,
sanction is granted for
writing off the Accounts
in the Dist Rent Bkts,
the sums of Rs 4764-1-10
& Rs 9166-14-10 referred
to in para 5 above.

11. As to the arrears
of ground rent those up
to July 1277, viz Rs 2431-7-0
may be written off as pro-
posed by the Board, and
the future collection of
the petty taxes may be
transferred to the Muni-
cipality as a proper branch
of Municipal Revenue.
The uncollected bills
of the present year may
be transferred to the Muni-
cipal Commⁿ when the ac-
counts are closed up to
30th prox and the whole
of demand for July 1280
(July 1070 to June 30 1071) will
be

be collected by them. The Board's proposal to pay out the collection of ground rent from the wood-dealers recommended in para. 12 of their Order dated 15th March 1900 is also sanctioned.

12 The Govt concur with the Board in considering that the late Dy. Colr, the Tahsildar and the Sampratti Naisunka Charry are chiefly responsible for the heavy loss that has been incurred by Govt. There is no evidence of connivance or complicity in fraud against the Tahsildar, but he is evidently unfit for his post, and his incapacity & negligence have entailed serious loss on the State.

His

33x
His dismissal is accordingly approved, but he need not be declared ineligible for future employment. The case against the Sampratti is stronger, and the Board's proposal that he be dismissed and declared ineligible for further service under Govt. is approved and sanctioned.

114 For the O. Board of Revenue with the enclosure of 31 May
1. The Secretary General

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for the O. Board