No. 3. Read the following Proceedings of the Board of Revenue, dated 6th August 1873, No. 1,510 :—

Read again Board's Proceedings, dated 7th May 1873, No. 729.

Read also the following letter from W. McQUHAE, Esq., Collector of Madura, to J. GROSE, Esq., Secretary to the Board of Revenue, dated Shunbaganore, 27th May 1873, No. 158 :—

With reference to the last paragraph of the Board's Proceedings, dated 7th May, No. 729, I have the honour to state that the Assistant Shroff was convicted of criminal breach of trust and criminal misappropriation and the gollah of theft. The Head Shroff was acquitted and the conviction of the gollah was reversed on appeal.

2. It is doubtful whether the Head Shroff was actually privy to the frauds committed by his assistant, but his conduct was such as to encourage the commission of such frauds. He evidently cannot be trusted with the custody of money, and has been removed from his appointment of Head Shroff; but I see no objection to his employment in some other capacity when opportunity offers. The gollah has been re-employed.

With his letters, Nos. 43 and 67, dated 17th February and 8th March, respectively, the Collector of Madura forwarded, for the information and orders of the Board, copies of the reports of his Salt Deputy Collector on his examination of the Ramnad Branch Treasury in January 1873 in the course of which a deficiency as per margin was discovered. In their Proceedings read above the Board wished, before passing orders on the Deputy Collector's report, to have before them the result of the trial by the Magistracy of the Treasury servants concerned. The Collector now replies to this requisition and states that the Assistant Shroff has been convicted of criminal breach of trust and criminal misappropriation while the Head Shroff and gollah have been acquitted.

	Rs.	A.	P.
In cash	90	14	2
,, Service Labels	0	12	0
,, stamps	4	0	0

2. The Deputy Collector's report discloses the existence of certain irregularities in the working of the Branch Treasury at the time of examination and shows that an efficient control was not exercised over the Treasury servants. It is observed that it was not usual to indent for Service Labels for the use of the Treasury upon the general stock, but the Shroffs took such numbers as they wanted out of that stock as occasion arose; a post book, too, was not kept to show the number of letters on account of which Service Labels were used, but all deficiencies found at the end of the month, after deducting the amounts of the indents on which supplies were issued during the month, were debited to the Treasury. The Board cannot believe that this practice was of long standing, or permitted by the officers who periodically examined the Treasury. The Collector is requested to state how long the irregularity existed, and to order its

discontinuance if it has not been already discontinued. The keeping of a post book for the future should be insisted upon.

3. The Board notice that the sale account of stamps in the Treasury was found not written up to date when the Deputy Collector examined the accounts. The Stamp Rules* require that entries of sales should be made in the books as each sale is effected. The Collector should report whether the case under notice was exceptional or whether it was the usual practice; and, if the latter was the case, why no measures were taken to prevent the irregularity.

* Board's Proceedings, dated 8th October 1872, No. 1,984.

4. The stamp vendors apparently keep no stock account, as directed in the rules which accompanied the Board's Proceedings referred to in the above paragraph. This omission should be explained.

5. The Board will now proceed to discuss the respective responsibilities of the Treasury servants for the loss occasioned to Government by their negligence.

6. Regarding the deficiency in the stock on hand of Service Labels the Board are of opinion that but for the unsatisfactory state in which the accounts were kept, and for the absence of a post book, this deficiency would not have occurred. The Head Shroff alone is responsible for not having the accounts properly kept, and the Board, therefore, approve of the Deputy Collector's suggestion in paragraph 10 of his letter that the deficiency should be collected from him. Referring to the deficiency in the stock of General Stamps alluded to in paragraph 7, it is clear that both the Shroffs should have examined the denomination of the stamps when issued from the Treasury. The Deputy Collector recommends that the deficiency should be made good by the Shroffs in the proportion of their pay. This suggestion is also approved and should be carried out, the excess of stamps to the value of Rupees 2 being credited to the stock on hand.

7. As regards the deficiency in the general cash balance and Public Works Fund the Board consider that the Head Shroff being placed in charge of the whole money in which the deficiency was discovered, he alone should repay the loss sustained by his negligence. Even if the defalcation in the Treasury took place during the Head Shroff's absence on leave he would not be absolved from the responsibility as the Assistant Shroff was left in charge upon the sole responsibility of the Head Shroff, there having been no formal delivery by him, and assumption by the Assistant, of the charge of the Treasury when the Head Shroff left the place on leave. On the other two questions, viz., the non-payment of discount to the stamp vendor of Permagudy, and the loss of two counterfeit coins from the Head Shroff's desk, no orders are necessary.

8. The Collector is requested to take the necessary steps for the speedy recovery of the amounts above referred to.

9. The Board see no objection to the re-employment of the Head Shroff as suggested by the Collector.

10. A copy of these Proceedings will be submitted to Government with reference to paragraph 2 of G. O., dated 16th June 1873, No. 613.

Proceedings of the Madras Government, Revenue Department, 2nd September 1873.

No. 4. ORDER THEREON, 2nd September 1873, No. 934.

Miscellaneous.

APPROVED.

(True Extract.)

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

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

Encl. F. R. Bantleman.

No. 16 Jan. 1873 Nos 111-12.

Revd 1873 Sept
No 2506

1873.

Board of Revenue,

MADRAS.

PROCEEDINGS, 6TH AUGUST 1873, No. 1,510.

Dupt. 15 Aug 1873.

Encl.

Received. 18 August 73

AUGUST.

No. 1,510.

Ramnad Branch Treasury—in Madura District.—Orders passed regarding responsibilities of Treasury servants for loss occasioned to Government by defalcations in —, &c. Board's Proceedings, submitted to Government.

With Order.

No. 934

Approved

2 Sept

To Bd of Revenue
Asst Genl

C 22 Aug 1873 to 2 Sept