

(1) Number of pages _____

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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue

DEPARTMENT

G.O. No.	3310	Press.
B.P. No.		Mis.
Dated	27.11.1877	197

Not to be folded or roughly handled

Archives I—5,806—24-2-78.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

27th November 1877, No. 3,310.

Read the following paper:—

No. 266. From L. C. PROBYN, Esq., Accountant-General, Madras, to C. G. MASTER, Esq., Secretary to Government, Revenue Department, dated Fort St. George, 16th November 1877, No. 967.

Revenue Department.

With reference to G.O., Revenue Department, No. 2,533, dated 18th August

* From the Bank of Madras, No. P.L.-539, dated 3rd October 1877.

From the Collector of Bellary, No. 3,629, dated 12th November 1877 (to be returned).

last, I have the honor to forward in original* the letters from the Bank of Madras and the Collector of Bellary, and to state that, so far as I can see, the Bank at Bellary has not been proved to blame.

If the deficiencies of Rs. 100 and Rs. 70 (after deducting Rs. 10 admitted by the Bank) which occurred on the 12th May and 19th July last had been reported as they should have been direct to this office by the Collector, I would have insisted on more complete information as to the circumstances under which the deficiencies were discovered than is contained in these papers.

2. Under the peculiar circumstances of the time, however, I apprehend it is useless to attempt further inquiry. It may perhaps be assumed that if Mr. Master had thought there was any chance of detecting the perpetrators of the defalcations, he would not have sent up the cases so incomplete.

3. It is for Government to determine whether any further inquiry should be

ENCLOSURE No. 1.

From T. E. FRANCK, Esq., Secretary and Treasurer, Bank of Madras, to L. C. PROBYN, Esq., Accountant-General, dated Madras, 3rd October 1877, No. P.L.-539.

I HAVE the honor, by desire of the Directors of the Bank, to acknowledge receipt of your letter, No. 6,174, dated 7th September, forwarding copy of G.O., Revenue Department, No. 2,533, dated 18th August last, with reference to certain alleged deficiencies in remittances sent by the Agent, Bellary Branch, to various Taluq Treasuries, and requesting that the amount may be made good and the Agent instructed to give credit for the same and any future deficiencies in the Government accounts at Bellary.

2. The papers received with your letter were forwarded to our Agent at Bellary for explanation and report, and I am desired by the Directors to inform you that, after a careful consideration of all the circumstances of the case, they are strongly impressed with the conviction that the deficiencies in question are not attributable to the Bank, but that they have arisen after the remittances have left the Bank.

3. The reasons which have led them to this conclusion are that in the case of the copper coins, in which the deficiencies have chiefly occurred, every bag is weighed before being packed and a deficiency of even 2 Annas per bag would at once be detected. Our Agent states that at first when trifling sums of 3 and 6 Pies per bag were reported short he made good the amounts, but latterly when the demands increased to the extent of 8 Annas to 5 Rs. per bag he resolved at once to examine his stock of copper in hand, and found that out of a sum of about Rs. 29,000 there were only two or three bags in which a deficiency of half an Anna occurred.

3. The Agent further states that he has packed and despatched various sums of silver and copper to local famine roads at the request of Famine Officers in charge, and no complaints of deficiencies have ever been made; and the Raidrug, Hindupur, Pennacondah, and Gooty Taluqs have never reported deficiencies, excesses, or bad coins, though the remittances to them have been as heavy as to the other taluqs, Raidrug alone having received Rs. 3,07,000 in silver and Rs. 49,700 in copper. With reference to the alleged deficiencies of Rs. 100 and Rs. 70 in the remittances of silver, the Agent states that every bag is counted as well as weighed, and as the remittances are packed direct from the safe under his own supervision, it is utterly impossible that so large a deficiency as Rs. 100 in a bag of Rs. 2,000 or of Rs. 70 in a bag of Rs. 500 small coin could have escaped detection. In consequence of the receipt of reports of base coin and trifling

deficiencies in silver, our Agent on the 13th and 14th September shroffed every thousand-rupee bag in his safe, amounting to Rs. 1,30,000, and examined a portion for base coin, but neither base coin nor deficiencies could be discovered.

5. In cashing large local cheques to Range and Famine Officers for Rs. 20,000, Rs. 30,000, and Rs. 50,000 at a time, the bags are taken over as they stand, and in no instance has the Agent received any complaint of deficiencies or bad coins.

6. The excess of Rs 250 found in a remittance of copper coin to Anantapore is explained by the Agent as having arisen from some boxes received from Madras containing Rs. 200 each, in lieu of the usual quantity of Rs. 150 each, having become mixed up and despatched without being unpacked owing to his being pressed for time by the Deputy Collector. The error was immediately discovered by the Agent and reported to the Deputy Collector as well as to Head Office.

7. The remaining three small excesses of Rs. 2-1-0, Rs. 3-4-0, and 6 Pies were reported prior to alleged larger deficiencies being discovered, and not unnaturally give rise to the idea that they were intended to furnish a colorable pretext for the latter, especially when it is considered that the deficiencies have occurred at places at a considerable distance away from the Bank, after bags have passed through various hands, and probably beyond reach of the supervision of the Tahsildar himself.

8. Under the circumstances, the Directors feel that the Bank cannot fairly be held responsible for the deficiencies referred to, although they are advised by their Agent that all minor amounts have been made good up to 30th July last.

9. The only remedy the Directors can suggest for the future is that one of the Outcherry Officials should be directed to attend at the packing of remittances.

10. This course was suggested by the Bank's Agent at Bellary in his letter to the Deputy Collector, dated 31st July, but the latter declined to accede to his request. As further deficiencies have since been reported, the Directors would strongly urge upon Government the adoption of the precaution recommended by them, failing which they will be obliged to have recourse to the remedy provided for in the Bank's agreement with Government, paragraph 5, of sending an Agent in charge of each remittance at the expense of Government; but, as the cost of this procedure will probably exceed the amount of the deficiencies hitherto reported, they are desirous of avoiding the step if possible.

11. In conclusion, I am desired by the Directors to express their regret that, on what appears to them very insufficient grounds, the Board of Revenue should have applied the term "gross carelessness" to the arrangements in force at the Branch. Considering that for many months past the Agent and all his staff have been working at high pressure to meet the requirements of Government in connection with the famine relief works, the Directors are of opinion that they were deserving of some fitter acknowledgment of their services.

ENCLOSURE No. 2.

From J. H. MASTER, Esq., Collector of Bellary, to L. C. PROBYN, Esq., Accountant-General, Madras, dated Tekkalacotta, 12th November 1877, No. 3,629.

I HAVE the honor to acknowledge your docket, No. 7,448, dated the 15th ultimo, forwarding extract from the Bank of Madras on the subject of the alleged deficiencies in remittances made from the Branch Bank at Bellary to Taluq Treasuries.

2. I have not many remarks to make. I was absent on circuit during a great part of the time in which the petty deficiencies are reported to have occurred between January and June 1877.

3. If I had been at head-quarters and could have examined the several reports as they were received from the Tahsildars, I dare say I should not in all instances have thought it proper to call upon the Agent of the Bank to make the deficiency good.

4. I am aware that our own subordinates are often careless, but I believe the responsible officers—the Tahsildar or Taluq Sheristadar—have done their best; still, during the famine, such a number of new hands (Shroffs included) have been necessarily entertained that opportunity has been doubtless afforded for the abstraction of petty sums or substitution of false coins.

5. An enormous quantity of cash has been despatched to the taluqs, and I certainly think Mr. Breithaupt's remarks are deserving of every consideration. It is curious that from certain taluqs up to a certain date no complaints ever came.

6. The emergency may now be said to be over. Money instead of being sent from the Bank will flow into the Bank, so that the course proposed by the Secretary in his letter as the only remedy will not be necessary.

7. Individual cases of complaint of short remittances are now being inquired into strictly, and a set of rules has been framed by the Treasury Deputy Collector for the guidance of the Taluq Treasury Officers, which will, I hope, obviate all possibility of fraud in future.

No. 267.

ORDER THEREON, 27th November 1877, No. 3,310.

Miscellaneous.

THE Governor in Council does not think that further inquiry would be of any avail. The amounts deficient must be written off.

(True Extract.)

(Signed)

C. G. MASTER,
Secretary to Government.

To the Accountant-General,
Board of Revenue.

Erd. T. D. Ryan.

Revenue DEPARTMENT.

No. 967

Fort Saint George,
Accountant General's Office,
16 November 1877.

FROM THE ACCOUNTANT GENERAL

TO THE GOVERNMENT OF MADRAS,

TO THE

Secretary to Government
Revenue Department
Fort St. George—

SIR,

With reference to G. O. Revenue Depart.
No 2533 dated 18th August last I have the honor
to forward in original the letter from the Bank
of Madras and the Collector of Bellary and to state
that so far as I can see the Bank at Bellary
has not been proved to be true. If the deficiencies
of Rs 100 & 70 (after deducting Rs 10 advanced by the
Bank) which occurred on the 12 May & 19 July
last, had been reported as they should have been
direct to this office by the Collector, I would have
insisted on more complete information as to the
circumstances under which all the deficiencies
were discovered than is contained in these papers.

Under the peculiar circumstances
of the time however, I apprehend it is useless
to attempt further enquiry. It may perhaps
be assumed that if Mr. Maister had thought
there was any chance of detecting the perpetra-
tors of the defalcations he would not have sent
up the cases so incomplete—

Yr

Cost of (1877) 230000.

REVENUE.

THE ACCOUNTANT GENERAL.

Dated November, 21st.

Received

Ind.

G. O. 270 November 1877, No. 3310.

NOVEMBER.

Nos. 206-267.

Remittance sent by the Bellary Bank to the
Bank of Madras, covering, with reference
to the report of the Accountant-General on the
defalcations found in the 12 May & 19 July
last, of no avail, and indicating the amount
deficient to be repaid of the amount.

It is for Government to determine
whether any further enquiry should be
made or whether the amount should be
written off.

I have the honor to be

Sir,

Your obedient servant

W. Volyn

Accountant General

Comptroller

Revenue 1877 Department
From Comptroller
The Accountant General
To The Secretary
to Government
Revenue Department

Dated 16th November 1877
Recd 16th
Enclosure 2nd 2nd

Reporting on the deficiency
found in the remittance
sent by the Bellary
Bank with reference
to G.O. No. 9583 dated
18th August last

For orders

With an order

No 3310

The G. in C. does not think that
further enquiry would be of any
avail. The amounts deficient
must be written off

List from orders

27-11-77

W

16 August 77 No 265-266

Recd

REVENUE DEPARTMENT.

No. 4821.

33/2

From Accountant General

Dated 16 November 1877

FOR ORDERS.

Not with of to print
close. I confess that
I suspect the Rev.
Specials more than
the Bank Agency
W/A M

Write P. I don't
think the Bank
HK

26/11/77 No 266-267

It is for Government to determine
whether any further enquiry should be
made or whether the amount should be
written off.

No 4821

FOR ORDERS.

Deficiencies found on the
statements sent by the
Bullay Bank.

Comp

Revenue 1877 Department
From No 4821
The accountant General

C. 20th Nov 77 R. 26/10/77

... does not think the
further enquiry would be of
avail. The amounts deficient
must be written off.

List from orders

27-11-77
16 To Asst Comptroller
14 a 42/75 Revenue

16 August 77 No 265-266