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MADRAS RECORD OFFICE
GOVERNMENT OF MADRAS
REVENUE DEPARTMENT

G.O. No.	1011	Press
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*Proceedings of the Madras Government, Revenue Department,
28th July 1876.*

No. 173. Read the following Proceedings of the Board of Revenue, dated 15th July 1876, No. 1,823:—

Read the following letter from G. D. LEMAN, Esq., Collector of the Kistna District, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Masulipatam, 4th July 1876, No. 1,110.

I HAVE the honor to report that defalcations have been detected in the accounts in the Gunttoor Taluq and in those of four villages—(1) Kornepad, (2) Choudavaram, (3) Nidamarra, and (4) Gorantla. These

Fasli.	RS.	A.	P.	
1281	797	6	8	defalcations range over a period of five
1283	550	9	6	years from Fasli 1281 (1871-72) to Fasli
1284	4,307	7	2	1285 (1875-76), and the amount of money
1285	3,720	0	0	of which Government has been defrauded
Total ...	9,375	7	4	amounts, as far as the present inquiry has

gone, to Rupees 9,375-7-4 as detailed in the margin.

2. The money seems to have been taken all of it by the Treasury or 9th Gumastah, Mudambi Rangachariu, in collusion with some of the village officers; and we have clear proof of four cases in which he received money aggregating Rupees 3,000 of Government collections from the Kornepad Curnam, and made false entries in the accounts in hopes of protecting himself.

3. It would seem that he has been for a long time in league with these village officers; but the four cases that are proved show that he obtained three sums of Rupees 1,100, Rupees 100, and Rupees 800 direct from the Curnam, who had usurped the Munsif's duty of taking charge of the village collections. That the Curnam went through the form of giving him the Irsalnamah that should have accompanied a remittance properly made. That the Gumastah made use of the money himself, making no payment to the Bank; and that when pressed by the Curnam to return the Irsalnamah, he wrote letters to him speaking of the money as Government money, and stating it had been credited in the Bank accounts on days when no such credit is to be found.

4. It is also proved that on one occasion when the Village Mohtad arrived at the Cutcherry with Rupees 1,000, village collections, and found he was late and the Bank was shut that he entrusted the money to the Gumastah whom he found alone in the Cutcherry, and that the man embezzled that amount.

5. The forgery in the accounts was made in the Bank daily statement.

6. The Board are aware that this statement is sent daily from the Bank for the Tahsildar's information, and shows the credits and debits of the previous day. This on receipt is examined by the Sheristadar, who also certifies to the correctness of the account and compares it with the vouchers. It is then given to the Treasury Gumastah that he may prepare the Avezah, and it was now that he took the opportunity of making false entries. He increased the apparent amount of the remittances from Kornepad by adding a figure, and by that means when the daily statement went to the 3rd Gumastah to prepare the Khata he entered the altered figures; for instance, in the daily statement of February 5th, 1876, a remittance of Rupees 299-15-4 is entered as received from Kornepad village; to this Rangachariu prefixed the figure 2, making the remittance appear as Rupees 2,299-15-4. Similarly in the daily statement of March 8th,

*Proceedings of the Madras Government, Revenue Department,
23th July 1876.*

1876, a remittance of Rupees 129-10-4 in the same village was altered by the prefix of 1 into Rupees 1,129-10-4.

7. Here are such alterations as increase the receipts of the village by Rupees 3,000, exactly the amount of the embezzlements this man had made, and he will be committed to the Court of Session on the charges that arise out of these facts, with the Village Curnam. Besides these alterations, however, it is found that he has made in this year a credit to the village of Chotram of Rupees 700 by altering Rs. 41-12-2 into Rupees 741-12-2. This credit was made in the month of March 20th, 1876, just before the affair was found out, and the Rupees 700 had then been collected in the village.

8. In Nidamaru village also a sum of Rupees 80 remitted has been altered to Rupees 800: in this case all the village officers have falsely, as I believe, said that Rupees 800 was the sum remitted. This will not be the subject of a charge against the Gumastah, but after further inquiry the Sub-Collector will decide what to do in the case of the village officers.

9. Further in this year this man made transfers in the accounts of various sums of money aggregating Rupees 6,000 from Village Service Fund to Ryotwar, and in Fasli 1284 he made similar transfers aggregating Rupees 4,307.

10. These were made in order to keep up the Ryotwar collections of these villages up to such a mark, that the Tahsildar's attention might not be called to the fact that the collections were slack.

11. For Ryotwar a Demand, Collection, and Balance Statement is made up monthly; but there is no such statement for Village Service Fund, and the whole fund is credited in a lump, so that short collections in that account are not easily discovered.

12. To make out quite clearly what has been taken, it is necessary that the past years' accounts be scrutinized carefully, and for that duty I have deputed my Treasury Deputy Collector giving Mr. Fawcett charge of the Treasury here.

13. The amounts I have put down as taken in Faslis 1281 and 1283 cannot at present be taken to be correct.

14. I shall write later in regard to the amount of culpability that rests on the higher taluq officials in not detecting these frauds sooner. It can hardly be that the Sheristadar is not grossly to blame; for, had he compared the Bank daily sheet properly with the Khata after it was prepared on any day when there was any one of these forgeries made, he must have discovered it.

15. There has been an unavoidable delay in this report, because the transfers from Village Service Fund to Ryotwar were not detected till quite the close of the preliminary inquiry; and while the amount said to be missing in Fasli 1284 was Rupees 4,307, the Demand, Collection, and Balance Statement showed only Rupees 2,218-1-10, and until I could show the cause for that difference, I could not explain the matter clearly to the Board.

16. I have arranged with the Joint Magistrate that Rangacharlu is to be prosecuted only on the four cases reported in my paragraphs 2, 3, and 4. The sums taken are sufficiently large, and the forgeries can be so clearly established that exemplary punishment will be secured.

17. I may add that the case was found out in consequence of information given by this man's own brother, because they quarrelled about a house Rangacharlu was building in Guntur with the money he was taking.

*Proceedings of the Madras Government, Revenue Department,
23th July 1876.*

SUBMITTED for the information of Government.

2. The Board await the Collector's further report when the result of the Treasury Deputy Collector's investigation is known. It seems hardly possible that the alterations made in the accounts from time to time should have escaped detection had proper scrutiny been made.

(A true Copy and Extract.)

(Signed) C. A. GALTON,
Acting Secretary.

No. 174. ORDER THEREON, 23th July 1876, No. 1,011.

Miscellaneous.

THE Government gather from the report of the Collector that the real remittances to the Bank were far less than the collections in the villages, the difference being appropriated by the village officers and the taluq officials; and that the accounts submitted to the Collector by the Tahsildar were somewhat in accordance with the actual collections in the villages, and intended to obviate inquiry and avoid scrutiny, the Tahsildar and the Sheristadar having never taken the trouble to compare the Bank account with the monthly statements, leaving the preparation of the accounts entirely to the subordinate officials.

2. The Board will particularly ascertain and report what checks exist at present to reduce frauds like these to a minimum. The Government consider that the periodical examinations of taluq accounts, carried out under existing orders, should extend invariably to a comparison of the Bank account with the Cutcherry accounts. They await the further report of the Collector, which, they trust, will clearly show how the fraud has been possible, and in what respects the standing orders have been disregarded.

3. The Government observe that, had a Bank Pass Book been kept instead of "Bank daily sheets," such frauds and forgeries would have been more difficult to perpetrate and more easy of detection; and they desire to know what objection exists to the substitution of the one for the other.

4. The Board of Revenue have omitted to notice the use of numerous unexplained vernacular terms by the Collector in his report which, it is observed, is contrary to the ruling contained in Extract Minutes of Consultation, 25th June 1850, No. 618.

(True Extract.)

(Signed) D. F. CARMICHAEL,
Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

PROCEEDINGS OF THE BOARD OF REVENUE.

Dated 15 July 1876.

Read the following

No. 1110

From

G. D. Leman Esquire
Collector, Ristua.

To

L. A. Galton Esquire
Ag. Secretary to the Board of Revenue
Madras

a mee
dated
Aug 1876

I have the honor to report that defalcations have been detected in the accounts in the Guntoor Taluk and in those of four villages—(1) Hornepad, (2) Choudavaram, (3) Adamarru, and (4) Gorantla. These defalcations range over a period of five years from $\frac{\text{Rs. } 1281}{1871-72}$ to $\frac{\text{Rs. } 1285}{1875-76}$; and the amount of money of which Government has been defrauded amounts, as far as the present enquiry has

Year	Rs.	As.	P.
1281	797	6	8
1283	550	9	6
1284	4307	7	2
1285	3720	0	0
	9375	7	4

Cont. of 1876

REVENUE

THE BOARD OF REVENUE.

Dated July, 23rd.

Recd.

G.O., 28th July 1876, No. 1011.

Encl.

Nos. 178-174.

Defalcations in the Accounts of the Guntoor Taluk and four other Villages, Ristua District. — Dissolving the Board, with reference to the — particularly to ascertain and report what checks exist at present to prevent the further report of dishonesty; and advising the further report of the collector regarding what objection exists to the substitution of a Book Pass Book for the "Bank daily sheets;" and remarking on the fees of numerous verminous forms in the Collector's report contrary to the ruling of Government.

has gone, to Rs 9375-7-4 as detailed in the margin.

2. The money seems to have been taken all of it by the Treasury or ninth & Gumastah, & Mudambi Rangachari, in collusion with some of the village officers; and we have clear proof of four cases in which he received money aggregating Rs 3000 of Government collections from the Kornepad Curnam and made false entries in the accounts in hopes of protecting himself.

3. It would seem that he has been for a long time in league with these village officers; but the four cases that are proved show that he obtained 3 sums of Rs 1100, Rs 100, and Rs 800 direct from

+ account
particulars
remitted

from the Curnam, who had usurped the Munsiff's duty of taking charge of the village collections. That the Curnam went through the form of giving him the Irsalnamah that should have accompanied a remittance properly made. That the Gumastah made use of the money himself, making no payment to the bank, and that when pressed by the Curnam to return the Irsalnamah he wrote letters to him speaking of the money as Government money and stating it had been credited in the Bank accounts on days when no such credit is to be found.

4. It is also proved that on one occasion when the village Mohbad arrived at the Lutcherry with Rs 1000 village collections and found he was late and the

the Bank was shut that he entrusted the money to the Gumatsh whom he found alone in the Cutcherry and that the man embezzled that amount.

5. The forgery in the Accounts was made in the Bank daily statement.

6. The Board are aware that this statement is sent daily from the bank for the Dahildars' information and shows the credits and debits of the previous day.

This receipt is examined by the Sheristadar, who also certifies to the correctness of the account and compares it with the vouchers. It is then given to the Treasury Gumatsh that he may prepare the Avezah and it was now that he took the opportunity of making false

false entries. He increased the apparent amount of the remittances from Kornepad by adding a figure, and by that means when the daily statement went to the 3rd Gumatsh to prepare the Khata he entered the altered figures. For instance, in the daily statement of February 1876, a remittance of Rs 299-15-4 is entered as received from Kornepad village; to this Rangafharu prefixed the figure 2 making the remittance appear as Rs 2299-15-4. Similarly in the daily statement of March 8. 1876 a remittance of Rs 129-10-4 from the same village was altered by the prefix of 1 into Rs 1129-10-4.

7. There are such alterations as increase the receipts of the village by Rs 3000, exactly the amount of the embezzlements

embezzlements this man had made, and he will be committed to the Court of Session on the charges that arise out of these facts, with the village Kurram. Besides these alterations, however, it is found that he has made in this year a credit to the village of Chowstavarum of Rs 700 by altering Rs 41-12-2 into Rs 741-12-2.

This credit was made March 20. 1876, just before the affair was found out, and the Rs 700 had not then been collected in the village.

8. In Nalamaru village also a sum of Rs 800 remitted has been altered to Rs 800; in this case all the village officers have falsely, as I believe, said that Rs 800 was the sum remitted. This

It is shown in his account kept by his bank not his copy sent to his creditors

This will not be the subject of a charge against the Gumnastah; but after further inquiries the Subcollector will decide what to do in the case of the village officers.

9. Further in this year this man has made transfers in the accounts of various sums of money aggregating Rs 6000 from village service fund to Ryotwar, and in Fashi 1284 he made similar transfers aggregating Rs 4307.

10. These were made in order to keep the Ryotwar collections of these villages up to such a mark that the Tahsildar's attention might not be called to the fact that collections were slack.

11. For Ryotwar a Demand Collection is made up monthly Balance Statement; but there is no such

There has been a necessary owing to the actual remittance to the bank having been much less than the actual sum collected in the villages

such statement for ^{Village} Service Fund, and the whole fund is credited in a lump so that short collections in that account are not easily discovered.

12. To make out quite clearly what has been taken it is necessary that the past years' accounts be scrutinized carefully, and for that duty I have deputed my Treasury Deputy Collector giving Mr. Pawcett charge of the Treasury here.

13. The amounts I have put down as taken in Hashis 1281 and 1283 cannot at present be taken to be correct.

14. I shall write later in regard to the amount of culpability that rests on the higher Taluk officials in not detecting these frauds sooner. It can hardly be that the Sheristadar is not greatly to blame

blame; for, had he compared the Bank's daily sheet properly with the Khata after it was prepared on any day when there was any one of those forgeries made he must have discovered it.

14. There has been an unavoidable delay in this report, because the transfers from Village Service Fund to Ryotwar were not detected till quite the close of the preliminary enquiry; and while the amount said to be missing in Hashi 1284 was Rs 4307, the Demand Collection Balance Statement showed only Rs 2218-1-10. and until I could show the cause for that difference, I could not explain the matter clearly to the Board.

15. I have arranged with the Joint Magistrate

Magistrate that Runga Charlu is to be prosecuted only on the four cases reported in my paras 2, 3, and 4. The sums taken are sufficiently large, and the forgeries can be so clearly established that exemplary punishment will be secured.

16. I may add that the case was only found out in consequence of information given by this man's own brother, because they quarrelled about a house. Runga-Charlu was building in Guntoor with the money he was taking.

Histna Dist Office. I have to
office - Masulipatam, signed by D. Lemaire
4 July 1876. Collector

Submitted for the information of
Government.

2. The Board await the Collector's
further report when the result of the
Treasury

Treasury Deputy Collector's investigation
is known. It seems hardly possible that
the alterations made in the accounts
from time to time should have escaped
detection had proper scrutiny been
made.
True Copy & Extracts

Ag Secretary

To
The Secretary to Government
Revenue Department

accounts - They await the further report of the
Collector, which they trust will clearly
show how the fraud has become possible
and in what respects the standing orders
have been disregarded.

The Mr. Brown has
had a Bank Pass Book then
kept instead of Bank daily sheet
and frauds & forgeries both are
been more difficult & perpetrate &
more easy of detection & by reason
of those that are kept - which & the
substitution of the one for the other
WM

Copy

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No 1011

Proceedings of the Madras Government
Under date the 28 July 1876

Read Res. Board of Revenue
15 July 1876, relative to defalcations
in the accounts of Guntoor Taluk &c, Krishna D.

The Govt. further
from the report of the
Collector, that the real
remittances to the Bank
were far less than the
collections in the villages,
the difference being appropriated
by the village officers and
the Taluk officials; and
that the accounts submitted
to the Collector by the Taluk
were somewhat in accordance
with

Revenue 1876-77
PROCEEDINGS OF THE BOARD OF
REVENUE.

Dated 15 July 1876

Subject: Defalcations in the accounts of Guntoor Taluk &c, Krishna D.

Submitted by the Collector
13th July 1876
by the Taluk officials
The Board of Revenue
has ordered that the
Collector should submit
to the Board a statement
of the real remittances
to the Bank, and the
difference being appropriated
by the village officers and
the Taluk officials; and
that the accounts submitted
to the Collector by the Taluk
should be in accordance
with the real remittances
to the Bank.

The Govt. further, from the report of the
Collector, that the real remittances to the
Bank were far less than the collections
in the villages, the difference being appropriated
by the village officers and the Taluk
officials; and that the accounts submitted
to the Collector by the Taluk were
somewhat in accordance with the real
remittances to the Bank. The Board of
Revenue has ordered that the Collector
should submit to the Board a statement
of the real remittances to the Bank, and
the difference being appropriated by the
village officers and the Taluk officials; and
that the accounts submitted to the Collector
by the Taluk should be in accordance with
the real remittances to the Bank.

Bank account with the
Cutehury Accounts. They
await the further report of
the Collector, which they trust
will clearly show how the
fraud has been possible and
in what respects the standing
orders have been disregarded.

The G^o observe that
had a Bank Pass Book been
kept instead of "Bank daily
sheets" such frauds and forgeries
would have been more difficult
to perpetrate and more easy of
detection, and they desire to know
what objection exists to the
substitution of the one for the other.

The Board of Revenue have
omitted to notice the use of ^{numerous} vernacular
terms by the Collector in his report
which, it is observed, is contrary to the ruling
contained in E. I. C. 25th June 1850
N. 618.

unexplained

And copy to the Board of Rev. on 22 July
14. Considered & copied on 7 Aug
to the Revenue and General on 12 Aug

1810
The 2nd of March
to the 1st of April