18

Revenue Department

Minutes of Consultations

8th September 1857

Back Numbers 7-8

Order No 883 dated 3rd Sept 1857

Circulation

பாதுகாப்பு பிரிவு

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செப்பனிடுவதற்காக எடுத்துக்கொள்ளப்பட்ட நாள் 11/06

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ஆராய்ச்சி உதவியாளர் கையொப்பம்

Fort Saint George, Revenue Consultation of 8th September 1857.

No. 7. Read the following Extract from the Proceedings of the Board of Revenue ; dated 14th August 1857, No. 2713.

Read letter from the Collector of Trichinopoly dated 27th April 1857,* furnishing information relative to the frauds committed in the Torriore District Moonsiff's Court by means of Certificates issued under Act XVII. of 1848, for the refund of stamp duty.

* *In Cons.* 14*th August* 1857.

(Here enter No. 48.)

The Superintendent of Stamps in a letter dated 4th April 1857,† informed the Board of Revenue that several frauds in Certificates issued by the Judicial authorities under Act XVII. of 1848 for the refund of stamp duty had been discovered in his office from a close examination of the certificates received from the Collectors of Trichinopoly, South Arcot, Salem, Madura and Chingleput, and that he apprehended the existence of similar mal-practices in other Districts also.

† *In Cons.* 20*th April* 1857.

2. The circumstances which led to the detection of these frauds are briefly as follows. In May 1856, it occurred to the Superintendent to enquire what checks were adopted in the Collectors' Cutcherries in making payments on the certificates above referred to. The Collector of Salem while affording this information mentioned a fraud which had been committed by a Vakeel of the Salem Moonsiff's Court, who in order to obtain the full amount of stamp duty in a case in which his client was entitled to only half, substituted the word "before" for "after" in the certificate. The fraud was discovered and the Vakeel punished with five years' imprisonment and hard labor.

3. Suspicion being thus aroused Mr. Lushington instructed the Collector in future to call for monthly registers from the authorities granting these certificates, and to make no payment on any certificate until it had first been compared with that register. The Superintendent was at the same time induced to scrutinize the certificates already received into his office, the result of which examination is stated in para. 1 of these Proceedings.

4. The Superintendent in his letter brought under the Board's consideration only the frauds in theTrichinopoly District, and stated that these in the interpolations and erasures were sufficiently apparent to justify the attachment of blame to the Collector's establishment, and holding it answerable for the loss which had accrued to Government from its want of vigilance.

5. The whole of these frauds appear to have been committed by one Sooboo Naick the son of the 3d Goomastah in the Torriore District Moonsiff's Court. Sooboo Naick is said to have been allowed to assist his father in the latter's official duties; most of the Certificates issued were prepared by him and he drew the money as Agent to the parties interested. Sooboo Naick by his position was no doubt enabled to carry out his schemes more boldly and extensively than he could otherwise have done; but still many of the false Certificates on which payments were made were so clumsily prepared that ordinary care in the Collector's office would have led to immediate detection. The frauds referred to are of three kinds ; 1st, by Certificates issued in cases in which refunds of stamp duty were not legally claimable ; 2d, by forged Certificates ; and 3d, by Certificates altered and interpolated, previous to presentation for payment. As regards the 1st class of frauds the responsibility lies on the District Moonsiff's establishment, as the Collector evidently had no means of knowing how a suit has been disposed of and whether a refund of duty is claimable by law or not. The forgeries having been committed on the District Moonsiff, detection in the Collector's office was equally impossible. The remaining frauds however might have been detected in the Collector's office.

6. In reply to the reference made to him on the subject, Mr. Bird states that until lately the general practice in all Cutcherries on presentation of a Certificate for refund, was to see whether the document was presented within the prescribed time, to make an entry of the date, and on being satisfied that the Certificate was issued

Proceedings to Collector 20th April 1857.

under proper authority to order payment of its amount. In his Cutcherry all Certificates were received and passed in his presence on the same day and the date entered by himself. The Deputy Jevobnaviss who was entrusted with the passing of the Certificates when these frauds occured is stated to be dead. No comparison was made with any return or account from the Courts whence the Certificates issued.

7. Mr. Bird admits that the alterations are glaring and that his subordinate Native officers have proved themselves less vigilant than they ought to have been, but he believes them to be innocent of any intention to defraud Government or of collusion with the party who benefited by the frauds, and he begs that they may not be held responsible for the loss as no Certificate was ever passed except in his presence.

8. From a statement in the margin of para. 7, it appears that 12 certificates were tampered with and payment to the amount of Rupees 232 obtained where only Rupees 18 were legally due, so that the difference of Rupees 214 will have to be written off to profit and loss.

9. The other frauds for which in the Board's judgment the District Moonsiff and his establishment are alone answerable amount to Rupees 587.

10. With regard to these, the Board learn from the correspondence accompanying the Collector's letter that by order of the Suddr Court the Moonsiff has been fined 50 Rupees and the Head Goomastah dismissed ; the Court being of opinion that although the Moonsiff was obliged in a great degree by the numerous papers requiring his signature daily to depend upon the head Goomastah for the correctness of the Certificates issued, there was still great want of vigilant general superintendence on his part. The third Goomastah who was the father of the delinquent Sooboo Naick was dismissed by the Civil judge as personally incompetent and responsible for his son's misdeeds.

11. Sooboo Naick has absconded and was not apprehended a[t] date of the Collector's letter; but a warrant had been issued against him and a reward o[f] for his apprehension. The Court observed that should he be arrested the Government Vak[eel] ught to be instructed to apply for the enforcement of Act XVI. of 1850 against him, so th[at] ne equal to the amount defrauded may be imposed, or that other legal means should be em[-] d to reimburse Government by recovery of the amount from Sooboo Naick.

12. The Board consider that great carelessness and want of vi[gi]ce have been manifested by the native subordinates of the Collector's Cutcherry, but as the [de]y Jevobnaviss who was employed in passing the Certificates and was primarily answerable fo[r] correctness is dead, and they are unable to attach direct responsibility on any other of th[e] ector's servants. They therefore recommend that the Collector be authorized to write of[f] profit and loss the total amount lost by the frauds after verification by the Civil Auditor.

13. To prevent similar frauds in future, Mr. Bird proposes c[om]g the certificates which may be presented to him, with the monthly registers received from t[he] courts and with the statement of sales of stamp paper and paying the amounts due only to t[he] laimants and not to their Vakeels or Agents. He has also directed that the amounts liabl[e] rom their importance, to alteration in the certificates should be written in the registers and r[e] entered in figures.

Extract Proceedings Sudder Udalut 28th April 1857.

14. The Board deem it [ne]cessary to require the personal attendance of each cl[ai]., and they observe that in the Rules which the Suddr [Co]rt have since published provision has been made und[er] fficient safe guards for parties receiving their refunds through their Agents.

15. The Rules alluded to above have been circulated by the [Su]dr Udalut to all Collectors, and if strictly enforced will prevent the commission of such fr[au]ds.

16. The Board remark that it is a standing rule that the tot[als] l bills, &c., should be entered in words as well as figures.

17. The frauds practised in the other Districts referred to by the Superintendent in his letter, and in the first para. of these Proceedings, will be reported to Government when they come before the Board with the necessary explanation.

(A true Extract.)

(Signed) J. D. SIM, *Acting Secretary.*

No. 8. ORDER THEREON, No. 883; dated 3d September 1857.

Before passing final orders on the subject of the Proceedings of the Board of Revenue above recorded, the Right Honorable the Governor in Council resolves to call upon them to submit all the original certificates referred to in the correspondence between the Superintendent of Stamps and the Collector of Trichinopoly together with a copy of the Proceedings of the Court of Sudder Udalut dated 28th April last, in which the Board state that Rules were prescribed for the future refund of stamp duty under Act XVII. of 1848.

2. The Board will also ascertain from Mr. Bird, and report whether it has not been the practice in his District for one or both of the Serishtadars of his office to sign all the orders issued to the Cashkeeper for the disbursement of public money, and if so, what examination the certificates for refund of stamp duty received from them, preparatory to their signatures being affixed to the orders on the Treasury. It should also be ascertained whether the certificates themselves were sent to the cashkeeper with the orders for payment, and if all requisite particulars were noted in the order.

3. The Government are not inclined to view with leniency the neglect or misconduct of the public servants, who have allowed such gross frauds to pass undetected from January 1855 to May 1856, and they therefore resolve to request the Board to desire Mr. Bird to furnish a Statement shewing the names of the public servants of his Cutcherry through whose hands the several certificates in which are interpolations and erasures passed, from their first presentment to their final payment, and the manner in which each servant had to deal with them. The Government must remark that, even the Head Accountant's Department of the Collector's office is to blame, because in the preparation of the periodical Statements to the Superintendent of Stamps, and the transmission of the certificates themselves to that officer, the servants in that Department have so frequently to refer to the vouchers that any person exercising ordinary care should have brought to notice the very suspicious appearance which many of them appear to have borne.

4. In regard to the Judicial Servants, the Government observe that the Goomastah who had to prepare the certificates and the Head Goomastah who had to examine them, were dismissed from the service, and that the District Moonsiff himself was visited with the displeasure of the Court of Sudder Udalut. As regards this latter officer the Government will suspend their opinion until the result of the fresh enquiry now ordered shall be before them. If the interpolations and alterations of the certificates should have attracted the attention of the Collector's Cutcherry, still more should they have attracted the attention of the Moonsiff who signed the papers, and the notice taken of that officer's neglect by the Court of Sudr Udalut, appears to the Government, as at present informed, to have been far too lenient.

(Signed) H. FORBES,
Acting Secretary to Government.

Revenue Department.

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No 7 Proceedings

No 2713

Extract from the Proceedings of the Board of Revenue, dated 15th August, 1857. No 2713

Read letter from the Collector of

In Cons 14 August 1857 Trichinopoly, dated 27th April 1857 furnish-
ing information relative to the frauds com-
mitted in the Carriers District Moniffs
Court by means of Certificates issued under
Act 17 of 1848 for the refund of Stamp duty.

Referred to the Superintendent of Stamps

In Cons 20 April 1857 in a letter dated 4th April 1857 informed
the Board of Revenue that several frauds
in Certificates issued by the Judicial auth-
orities under Act 17 of 1848 for the refund of
Stamp duty had been discovered in his
Office from a close examination of the Certifi-
cates received from the Collectors of Trichino-
poly, South Arcot, Salem, Madura and
Chingleput, and that he apprehended the
existence of similar malpractices in other
Districts also.

2. The circumstances which led

to

to the detection of these frauds are briefly as follows.

2. In May 1850 it occurred to the Superintendent to enquire what checks were adopted in the Collectors' Cutcheries in making payments on the Certificates above referred to. The Collector of Salem while affording this information mentioned a fraud which had been committed by a Vakeel of the Salem Monsiffs Court who in order to obtain the full amount of Stamp duty in a case in which his client was entitled to only half, substituted the word "before" for "after" in the Certificate. The fraud was discovered and the Vakeel punished with five years imprisonment and hard labor.

3. Suspicion being thus aroused Mr. Sushington instructed the Collector in future to call for Monthly Registers from the authorities granting these Certificates and to make no payment on any Certificate until it had first been compared with that Register. The Superintendent was at the same time induced to scrutinize the Certificates already received into his office, the result of which examination is stated in Paras of these Proceedings.

4. The Superintendent in his letter brought under the Board's consideration only the frauds in the Trichinopoly District and stated that in the interpolations and erasures were sufficiently apparent to justify the attachment of blame to the Collectors Establishment, and holding it answerable for the loss which had accrued to Government from its want of vigilance.

5. The whole of these frauds appear to have been committed by one Sooboo Saick the son of the 3d Grumastah in the Trichinopoly District Monsiffs Court. Sooboo Saick is said to have been allowed to assist his father in the latters official duties, most of the Certificates issued were prepared by him and he drew the money as Agent to the parties interested. Sooboo Saick by his position was no doubt enabled to carry out his schemes more boldly and extensively than he could otherwise have done, but still many of the false Certificates on which payments were made were so clumsily prepared that ordinary care in the Collectors office would

would have led to immediate detection. The frauds referred to are of three kinds. 1st by Certificates issued in cases in which refunds of Stamp Duty were not legally claimable. 2d. by forged Certificates: and 3d. by Certificates altered and interpolated previous to presentation for payment. As regards the 1st class of frauds the responsibility lies on the District Moonsiffs Establishment as the Collector evidently had no means of knowing how a suit has been disposed of and whether a refund of duty is claimable by law or not. The forgeries having been committed on the District Moonsiffs detection in the Collectors office was equally impossible. The remaining frauds however might have been detected in the Collectors office.

6. In reply to the reference made to him on the subject Mr Bird states that until lately the general practice in all Cutcheries on presentation of a Certificate for refund, was to see whether document was presented within the prescribed time, to make an entry of the date and on being satisfied that the Certificate was issued under

Ref to Collector 20th April 1857.

under proper authority to order payment of its amount. In his Cutchery all Certificates were received and passed in his presence on the same day and the date entered by himself. The Deputy Sookrannee who was entrusted with the passing of the Certificates when these frauds occured is stated to be dead. No comparison was made with any return or account from the Courts whence the certificates issued.

7. Mr Bird admits that the alterations are glaring and that his subordinate Native Officers have proved themselves less vigilant than they ought to have been, but he believes them to be innocent of any intention to defraud Government or of collusion with the party who benefited by the frauds, and he begs that they may not be held responsible for the loss as no Certificate was ever passed except in his presence.

8. From a Statement on the margin of Para 7 it appears that 12 Certificates were tampered with and payment to the amount of Rupees 232 obtained where only

Rupees

Rupees 13 were legally due, so that the difference of Rupees 24 will have to be written off to profit and loss.

9. The other frauds for which in the Board's judgment the District Moonsiff and his Establishment are also answerable amount to Rupees 587.

10. With regard to these the Board learn from the correspondence accompanying the Collector's letter that by order of the Judge Court the Moonsiff has been fined 50 Rupees and the Head Gomastah dismissed. the Court being of opinion that at the time the Moonsiff was obliged in a great degree by the numerous papers requiring his signature daily to depend upon the head Gomastah for the correctness of the Certificates issued there was still great want of vigilance general Superintendence on his part. The third Gomastah who was the father of the delinquent Soobo Naick was dismissed by the Civil Judge as personally incompetent and responsible for his sons misdeeds.

11. Soobo Naick has absconded and was not apprehended at the date of the Collector's

Collector's letter, but a warrant had been issued against him and a reward offered for his apprehension. The Court observed that should he be arrested the Government Vakeel ought to be instructed to apply for the enforcement of Act XX of 1850 against him so that a fine equal to the amount defrauded may be imposed, or that other legal means should be employed to reimburse Government by recovery of the amount from Soobo Naick.

12. The Board consider that great carelessness and want of vigilance have been manifested by the native subordinates of the Collector's Cutcherry but as the Deputy Sevobrawies who was employed in passing the Certificates and was primarily answerable for their correctness is dead and they are unable to attach direct responsibility on any other of the Collectors servants. They therefore recommend that the Collector be authorized to write off to Profit and loss the total amount lost by the frauds after verification by the Civil Auditor.

13. To prevent similar frauds in future Mr Bird proposes checking the Certificates which may be presented to him, with the Monthly Registers received from the Courts and with the Statement of Sales of Stamps per post and paying the amounts due only to the claimants and not to their Vakeels or Agents. He has also directed that the amounts liable from their importance to alteration in the Certificates should be written in the Registers and not entered in figures.

14. The Board deem it expedient to say to require the personal attendance of each claimant and they observe that in the Rules which the Sudder Court have since published provision has been made under sufficient safe guards for parties receiving their refunds thro' their Agents.

15. The Rules alluded to above have been circulated by the Sudder Adalut to all Collectors and if strictly enforced will prevent the commission of such frauds. The

Extract Proceedings of the Sudder Board of Revenue

88 15

16. The Board remark that it is a standing rule that the totals of all bills &c. should be entered in words as well as figures.

17. The frauds practised in the other Districts referred to by the Superintendent in his letter, and in the first para: of these Proceedings, will be reported to Government when they come before the Board with the necessary explanation.

A true Extract

J. B. Lane

Ag Secretary

To,

R. Forbes Esq.

Ag Secretary to Government

Revenue Department.

Rec.d 1857 August 25 Aug.t 1857

No. 929

Extract from the Journal of Commissioners of the Board of Excise.

Date 12th August 1857

Rec.d 17th "

Exd. 279

Examd. [illegible]

Sc. 883 3 Sheets

Referring to the former communication on the above Subject Jermyn Street 4th inst. I have under the XVIII of 1828 to state for the information of the Board that the Collector Authorized to issue Certificates to Malsters and Coa-

No. 7.

25 Aug.t 1829

100

R. D.

No. 883

Extract from the Minutes of Consultation

Under date the 3rd Sept. August 1857

Read the following

Extract from the Pro-

ceedings of the Board

of Revenue

(Here under 14th August 57 No 2713.)

A.

No.

Before proposing

final orders on the sub-

ject of the Proceedings

of the Board of Revenue

above recorded the

Right Honble the the

Governor in Council re-

solves to call upon the

to submit all the origina

orders referred to

in the correspondence
between the superintend-
ent of stamps and the
collector of Trichinopoly
together with a copy of
the Proceedings of the
Court of Sudder Adalut
dated 28th April last
on which the Board
state that rules were prescribed
rules for the future
repeal of stamp duty
under Act XVII of 1848.

2. The Board will
also ascertain from
Mr Bird and report
whether it has not been
the practice in his
District for one or
both

then did they have
marked the words
of the Memorial
think it the Govt
suspend them upon
appeal to this
the result of the
further investigation
now ordered is known
An observation to this
effect should be added

11a

both of the Serishtadars
of his office to sign
all the orders issued to
the Cash keeper for dis-
bursement of the public
the money and if so,
what examin-
ation the certificates
for repeal of stamps
duly received from
preparatory to their
signatures being affixed
to the orders on the
Treasury. It should
also be ascertained
whether the certificates
under themselves were
sent to the cash keeper
with the orders for

that any person exercising ordinary care should have brought to notice the very suspicious appearance which many of them appear to have borne.

4 In regard to the Judicial servants, the Government observed that the Commandatore who had to prepare the certificates & the Head Commandatore who had to examine them, were dismissed from the service and that the district Fiscal himself was visited with the displeasure of the Court of Leuchtenberg. As regards the latter Prince the Govt. will be instructed their opinion under the receipt of the fresh

engraving are ordered shall be before Parliament. The calculations & the calculations & the certificates should accompany the Collector's Returns. Steel once altered by Lace altered. ed Re election & Re Accounts & papers Report, and to retain Custody. But Prince respect & the Court of Leuchtenberg, appears to the Govt. as at present informed, to have been far too lenient -

3 Copies to the Bp of Sw. Dispt 4
with 6 Encls

Revenue 1857 Depart.t.
No to Cus: 8th September

No 883.

Extract Letter Cus: of Cus:
Dy 3d September 1857.
Extract from Bd 4th Nov 57 No 1333
Cus 12 March

Calling for all the original Certificates referred to in the Correspondence between the Solicitor of Stamps and the Collector of Customs relating the frauds committed in the Stamping Bills of Lading issued at Cork by means of Certificates issued under Act XII for the refunding of Stamp Duty.

No 788.

c25 Aug. 1829