M.R.O. 14—13,000—27-9-24.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1045 Press ~~Mis.~~

220. 221

Dated 17—6—~~19~~ 1864

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 17th June 1864.

No. 220. Read the following Proceedings of the Board of Revenue, dated 16th April 1864, No. 2,300.

Read the following Proceedings of the Madras Government, dated 13th February 1864, No. 269, Revenue Department:—

ABSTRACT.—Reviewing the Board's Proceedings submitting the Report of the Superintendent of Stamps on the operations of the Stamp Department in Fusly 1272, and calling for information on certain points connected with the subject.

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1. Ordered that the foregoing Proceedings of Government be communicated to the Superintendent of Stamps and to all Collectors.

2. With reference to paragraph 3 of the Order, the Board observe that on the receipt of the Order of Government, dated 2nd March 1863, No. 444, Collectors were desired to explain the small sales of Stamps noticed by Government; and their replies being complete, a file of them will be submitted to Government for information. The Board will, however, make a few remarks upon the subject.

3. The Collectors of the Ganjam, Vizagapatam, Kistna, Nellore, Kurnool, and South Arcot Districts, state that small sales of Stamps in their respective Districts is due to the naturally limited demand. This demand is everywhere proportioned to the wealth and trade of the inhabitants and the character of the litigation in the Courts. Nor can any fair comparison be instituted between different Districts unless ample allowance be made for difference of position in these respects.

4. Moreover, as the Collector of South Arcot observes in paragraph 6 of his Report, the unusual pressure caused by other incidental legislation in the years, Fuslies 1270 and 1271, affords no safe data by which to calculate Stamp Revenue in future years when that pressure has ceased. The Board, however, are satisfied that the Stamp Revenue is steadily increasing under the new Act, and that as compared with the average sales of five years, prior to the operation of the new Stamp Law, the progress is as rapid as can reasonably be expected or desired, as will be seen from the following Statement of Collections from Fusly 1265 to 1272. The Collections of Fusly 1272 were nearly three times the average amount of the revenue of Fuslies 1265 to 1269, as shown in the margin,* and the Board believe that a more satisfactory result cannot be expected.

	Rs.
* Average collections of Fusly 1265 to 1269 ...	7,60,894
Fusly 1270	17,94,532
„ 1271	28,14,293
„ 1272	21,15,130

Districts.	Prior to the operation of the New Stamp Law.				Subsequent to the operation of the New Stamp Law.			
	Fusly 1265.	Fusly 1266.	Fusly 1267.	Fusly 1268	Fusly 1269.	Average.	Fusly 1270.	Fusly 1271.	Fusly 1272.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Ganjam ...	18,534	17,179	17,254	18,126	18,858	17,990	33,172	60,722	60,859
Vizagapatam ...	19,296	24,957	16,843	23,376	20,739	21,642	30,974	66,385	81,000
Rajahmundry ...	24,094	25,448	30,593	28,844	31,968	42,645	82,118	1,20,769	95,871
Masulipatam ...	15,449	19,699	19,379	17,751					
Guntoor ...	9,261	9,909	10,269	12,323	30,115	14,375	46,669	77,032	56,544
Nellore ...	19,919	21,804	21,983	22,502	25,457	22,333	39,677	84,262	44,558
Cuddapah ...	30,794	34,464	30,545	28,373	33,146	31,464	43,913	1,07,681	83,039
Bellary ...	26,186	30,616	34,100	33,146	36,771	32,164	59,326	1,11,639	92,089
Kurnool ...	3,899	6,330	6,492	15,626	16,525	9,774	24,391	55,893	44,597
Chingleput ...	16,833	17,090	15,358	19,089	36,001	30,267	1,24,940	1,48,275	1,46,353
Madras ...	10,439	12,004	12,201	11,782					
North Arcot ...	22,487	27,220	31,387	37,971	38,399	31,493	97,606	1,37,253	86,309
South Arcot ...	27,637	22,463	27,303	28,222	30,782	27,281	1,01,597	85,423	68,365
Tanjore ...	78,075	83,198	90,870	97,427	98,840	89,552	2,71,126	3,70,090	2,59,003
Trichinopoly ...	28,541	25,611	29,884	30,551	34,564	29,830	62,952	91,214	47,877
Madura ...	49,132	55,513	46,259	49,776	59,631	52,662	1,18,803	1,95,822	1,39,323
Tinnevelly ...	30,707	34,150	31,025	42,951	50,260	39,418	1,06,277	1,37,410	1,29,428
Coimbatore ...	23,251	25,980	27,345	30,636	31,595	27,761	59,783	99,490	76,895
Salem ...	27,136	29,285	31,493	37,485	30,246	31,129	78,110	1,14,898	77,833
North Canara ...	66,931	79,695	96,382	94,751	39,383	87,492	49,059	74,410	...
South Canara ...					60,318		1,10,742	1,36,856	1,01,825
Malabar ...	1,11,279	1,12,762	1,15,090	1,32,658	1,35,996	1,21,597	2,53,827	4,68,801	3,34,216
Total...	6,59,880	7,15,577	7,56,055	8,13,564	8,59,594	7,60,804	17,94,532	27,44,325	20,25,984
Collections by the Superintendent of Stamps ...	...	...	...	...	...	...	...	69,968	89,146
							28,14,293	28,14,293	21,15,130

5. The Collectors assign various reasons for the small sales of Bill of Exchange Paper and Adhesive Stamps remarked on by Government; but the main causes appear to be the prevalence of cash transactions among Natives, the increasing use of the Paper Currency Notes for remittances, and the use of stamped Cheques instead of Bills of Exchange by the Mofussil Correspondents and Agents of the large Mercantile Firms at the Presidency. The Board believe that

Proceedings of the Madras Government, Revenue Department,
17th June 1864.

Government are powerless to alter this state of things, and that it would be impolitic to interfere where interference likely to be productive of any result other than mischievous. The trade of the country will undoubtedly adopt the system which is most conducive to its development; and the general sense of the Mercantile community as expressed in their practice is far more likely to be a safe guide than official theories of what ought to be best for trade. The Board have no reason to think that fraudulent evasion of the Stamp Duty is prevalent to any greater extent than formerly in proportion to the greatly extended incidence of the tax. On the contrary they believe that such evasion is proportionately less than formerly. The Board are confident that the Collectors generally are exerting themselves to give full effect to the law, which is of course not a popular one at the best of times, and they would deprecate any attempts to exercise undue severity in this matter.

6. The Superintendent of Stamps will be directed to submit a Statement showing the sales of each description and value of Stamps for Fusly 1271 and Fusly 1272, as called for in paragraph 4 of the Order of Government.

7. In reference to paragraph 5 of the Order, the Board have only to add that every publicity has been given to the provisions of the law by means of the District Gazettes, and that a Statement of the Stamp vendors' sales is published regularly in the District Gazettes.

8. Adverting to paragraph 6 of the Order of Government, the Board beg to be excused for the present from naming any particular Treasury Deputy Collector whose remissness in respect of his accounts is remarkable. The generality of them make frequent mistakes either from want of close attention, or as is more probably the case from ignorance of the proper principles of accounts; but the Board have reason to hope that matters will shortly mend in this respect as their Head Sheristadar is engaged in personally investigating the working of the Hoozoor and Talook Account Departments at Sydapet in view to the preparation of detailed instructions to all Collectors on the points on which it may appear that systematic arrangemeuts are most urgently needed. Meanwhile the Board are watching the conduct of the Treasury Deputies, and any continued neglect of duty on the part of any one will be brought to the special notice of Government. The Collectors will impress on their Treasury Deputies the necessity of their giving close attention to the accounts under their charge as the principal part of their duties. Most of their time and attention should be devoted to the business of the Account Department, and the investigation of Magisterial cases, to which the Board fear that many of them are disposed mainly to devote themselves, must be regarded as a secondary and merely supplemental duty. The Collectors must make such arrangements as will relieve their Treasury Deputies from all except occasional Magisterial work, or such light charge as can ordinarily be worked in subordination to the Deputies' special work in the Treasury.

9. In regard to the observation of Government at the conclusion of paragraph 6 that monies not actually paid by the vendors into the Talook or Hoozoor Treasuries should be shown separately, the Board beg to point out that such sums will necessarily appear in the Treasury Account furnished to the Accountant General as a balance against the vendors, although they may be included in the General Collections of the month.

10. The point noticed in paragraph 9 of the Order of Government will be separately disposed of.

11. With reference to paragraph 10 of the Order of Government, the Superintendent of Stamps will report the exact value of stamped Cadjans to be destroyed after retaining a small stock to supply any demand from the Tanjore, Trichinopoly, and Malabar Districts. In his next Annual Report he will state whether the supply of Cadjans may not be discontinued altogether.

No. 221. ORDER THEREON, 17th June 1864, No. 1,045.

Separate Revenue No. 14.
Stamps.

1. With these Proceedings the Board of Revenue submit reports from the Collectors in explanation of the small sales of Stamps in their respective Districts in Fusly 1271,

which were noticed in paragraph 3 of the Order of Government dated 2nd March 1863, No. 444, and reply at the same time to certain portions of the Order dated 13th February 1864, No. 269, in which the Government reviewed the operations of the Stamp Department during Fusly 1272.

2. The Government are glad to learn that in the Board's opinion the small sales alluded to are owing to other causes than general evasion of the Stamp Law. They have no desire that the Local Officers should exercise "undue severity," but the provisions of the law must be widely made known and wilful evasion or infraction of it effectually repressed.

3. Under the circumstances stated in paragraph 8 of the Board's Proceedings, the Government will leave the Board to report, when they consider the course necessary, any Deputy Collector who continues remiss in his duties, notwithstanding their warning. The Government cannot consent to retain in the position of a Treasury Deputy Collector any officer who is ignorant of the principles of accounting.

4. With regard to the performance of Magisterial and other miscellaneous duties by Treasury Deputies no general rule can be laid down. The Government believe that if the Deputy Collector is industrious and well acquainted with his special duties, he will have sufficient leisure for other business, and they are not prepared to allow that when Treasury work is badly performed, it is owing to want of time.

5. With reference to paragraph 9 of the Board's Proceedings, the Government observe that the object of the separate Memorandum therein referred was to prevent money being entered as actually received when it was still only in transit to the Treasury.

(True Extract.)

(Signed) J. D. SIM,
Secretary to Government.

To the Board of Revenue.

Exd. S. T. Augustin.

MISCELLANEOUS CIRCULAR, No. XXVIII.

Board No. 1,837.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 27th March 1863.

Read the following :—

REVENUE DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following Proceedings of the Board of Revenue :—

Submitting the Board's Proceedings reviewing the Report from the Officiating Superintendent of Stamps on the operations of the Stamp Department during Fasli 1271. } (Here enter 14th January 1863, No. 209.)

ORDER THEREON, 2nd March 1863, No. 444.

1. With these Proceedings the Board of Revenue submit, with their remarks, the Report of the Superintendent of Stamps on the operations of the Stamp Department during Fasli 1271.

2. The entire or gross Revenue of the year was Rupees 28,23,124; deducting therefrom the disbursements, amounting to Rupees 2,13,213, the net Revenue was Rupees 26,09,911. This last sum exceeds the similar Revenue of Fasli 1270 by 7,71,539, and is more than three times the average net Revenue of the previous four years. This result is owing to the new Stamp Law having been in operation throughout the year. The disbursements are large, but they include Rupees 1,04,803 on account of refunds of different kinds.

3. The total sales of stamped materials and Stamps during the year amounted to Rupees 25,57,975. The largest sales were in Malabar, in which District Rupees 4,40,050 were realized. In Tanjore, the receipts amounted to Rupees 3,32,353. These are the Districts in which the assessment is comparatively the lightest, where land bears the highest value, and the circumstances of the people are most easy; it was to be expected therefore that the Stamp Revenue would, in them, be largest. The sales in the Districts of South Arcot, Nellore, the Kistna, Vizagapatam, Ganjam, and Kurnool are small, and the Collectors should be called upon for an explanation.

	Rs.
Malabar...	4,40,050
Tanjore..	3,32,353
Madura...	1,76,999
Madras..	1,42,869
North Arcot	1,37,248
Tinnevelly...	1,29,747
South Canara.. ..	1,28,433
Godavery	1,13,028
Salem..	1,10,544
Cuddapah	1,02,677
Bellary...	1,01,821
Coimbatore	91,641
Trichinopoly.. ..	82,517
South Arcot.. ..	76,444
Nellore..	74,221
Kistna	70,959
North Canara.. ..	66,753
Vizagapatam	64,579
Ganjam..	55,834
Kurnool..	51,271
Coorg	5,673
Mysore	1,902
Secundrabad	398
Jaulnah...	9
Total...	25,57,975

4. The sale of Bill and Hundy Stamps, except in Madras and Malabar, is so very small as to give good reason for the Board's apprehension that the requirements of the Law in this respect are extensively evaded. The Law indeed does not render compulsory the exclusive use of the peculiar paper provided for Bills of Exchange, and the public may, at their option, use ordinary stamped paper for such purposes. This, however, can scarcely account for such petty sales as are reported. The special paper is so much more convenient, and so much lighter, that it would always have the preference; still it appears that the sales in North Arcot were only Rupees 119, in South Arcot Rupees 134, and in eight other Districts under Rupees 1,000.

5. The same remarks apply to the sales of Adhesive Stamps, which in South Arcot amounted only to 74 Rupees, or about 6 Rupees monthly, and in only four Districts exceeded Rupees 500.

6. It is no doubt almost impossible to prevent evasions of the Stamp Law in the case of documents, which rarely come before the public authorities, and many of which can then be rendered legal by affixing an Adhesive Stamp. But such inordinately small sales as those above noted, call for investigation, and the Collectors should be required to make every inquiry in their power and report the result. They should also be instructed to notify, in the most public manner in every village of their Districts, that the penalties which the law prescribes will be rigorously enforced,

and to circulate a brief and easily understood epitome of the Act. It is not clear from the Board's Proceedings what steps they took in the course of the year, when alone inquiries would be useful to ascertain the causes of the small sales now noticed, nor whether they have the means, from the returns they receive every month, of promptly interfering, where necessary. The Board ought certainly to have the means of effectually supervising the working of the Stamp Act in the course of the year, as well as at its close, when inquiry will very probably be fruitless; and if they have not, they will at once secure them. The Collectors might, with advantage, also circulate monthly, among their Tahsildars, a printed Statement showing the sales of each vendor within their ranges, so that these officers, whose means of acquiring information are very great, may be able to co-operate.

7. The Board (paragraphs 11 to 13) notice the large differences between the two sets of returns of Stamp Revenue furnished by the same Collectors for the same periods to the Board and to the Superintendent of Stamps, and call for explanation of them from the Deputy Collector in charge of the Treasury in each District. The Government have had frequently to animadvert upon this great and serious defect in the Collector's accounts in all Departments, and this state of things cannot be allowed with a well paid Deputy Collector in special charge of the Account and Treasury Departments. These officers evidently do not pay that attention to the preparation of their accounts and returns which is absolutely necessary. The Government will not tolerate any longer these recurring instances of neglect of duty, and they request the Board to submit the names of those Deputy Collectors who are particularly remiss in respect of their accounts.

8. In paragraph 22 of their Proceedings, the Board request sanction for writing off the accounts three items amounting in all to Rupees 66,432-10-0. One of the items, amounting to the large sum of 27,000 Rupees, is stated to be the "value of Adhesive Stamps damaged in transit to the Collector of North Canara, and rendered unfit for use." Such an extensive destruction of public property could scarcely have occurred without great negligence, and the Government must withhold sanction till sufficient explanation is afforded on the subject. Sanction is granted for the other two items noted in the margin.

	Rs.	A.	P.
Value of Adhesive Stamps plundered in the Nellore District..	39,380	0	0
Do. of Stamp papers damaged in the Stamp Office..	52	10	0

9. The Government expect future reports on this branch of Revenue to reach them at an earlier date than six months after the close of the year reported upon.

(True Extract.)

(Signed) J. D. SIM,
Secretary to Government.

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1. Resolved that the foregoing Proceedings of Government be communicated to the Superintendent of Stamps and circulated to all Collectors.

2. Adverting to the latter part of paragraph 3 of the Order, the Collectors of the Ganjam, Vizagapatam, Kistna, Nellore, Kurnool, and South Arcot Districts are requested to explain, without delay, the cause of the small sales of stamped materials and Stamps in Fasli 1271, compared with those of other Districts. In the case of South Arcot, it is observed that the sales of Fasli 1271 were considerably below even those of Fasli 1270, although the new Stamp Act was not in operation in the whole of the last named year. The difference is very striking, and Mr. Reade should use every means to ascertain the real causes. The sale of Adhesive Stamps also was disproportionately small in this District, being no more than 74 Rupees.

	Rs.
Fasli 1270..	1,01,090
„ 1271..	76,444

3. The attention of the Collectors (Madras and Malabar excepted) is especially drawn to the remarks of Government contained in paragraphs 4 to 6 regarding the sale of Bill of Exchange and Adhesive Stamps, and they are requested to inquire closely, and without delay, into the matter of these small sales, and report the result as soon as possible for the information of Government. They will also issue the Notification required in paragraph 6, and publish it in their District Gazettes with a brief epitome of the Act.

4. This subject attracted the attention of the Board some time back, and on 21st June 1861, they addressed a Circular to the Collectors calling for a report on the inadequate sales of Adhesive Stamps, &c., and giving instructions to make the law as public as possible.

In reference to the concluding part of paragraph 6, the Board direct that, as soon after the close of each month as possible, a Statement be published in the following form showing the sales of each Vendor in each Taluk for the preceding month :—

Taluks.	Vendors' Stations.	Sale of Stamped Papers and Cadjans.	Sale of Bills of Exchange.	Sale of Adhesive Stamps.	Total.

It is observed that a detailed Statement of receipts and disbursements, on account of Stamps, is submitted by the Collectors every month to the Superintendent of Stamps, according to Rule 46 of the Stamp Manual.

5. The Board request Collectors to draw the special attention of the Treasury Deputies to the orders of Government in paragraph 7, which are applicable to all Departments, and will be strictly enforced.

6. The Superintendent of Stamps is requested to furnish the explanation called for in paragraph 8 of the Order of Government, regarding the Adhesive Stamps to the value of Rupees 27,000 damaged in transit to the Collector of North Canara. His attention is also called to paragraph 9 of the Order, and the Board trust that he will endeavour to submit his Annual Report within three months after the close of the Fasli, as prescribed in Rule 15 of the Stamp Manual.

(True Extracts.)

(Signed) W. HUDLESTON,
Secretary.

(True Copy.)

(Signed) W. SCHARLIEB,
First Assistant.

To All Collectors, except Sea Customs at Madras.
„ R. W. Norfor, Esq., Superintendent of Stamps.
„ J. D. Sim, Esq., Secretary to Government, R. D., for information.

Exd. J. Wright.

From D. F. CARMICHAEL, Esq., Acting Collector of Vizagapatam, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated 13th April 1863, No. 199.

1. I beg to reply to Board's Miscellaneous Circular No. XXVIII, dated 27th March ultimo.

2. The Stamp sales in Vizagapatam are certainly small, though, I observe, they are considerably in excess of Ganjam.

The reason is to be sought in the melancholy condition of the Civil Tribunals of the District, wholesale changes have been proposed, and it is believed will shortly be sanctioned; and when they are, I anticipate a wonderful development of this branch of revenue.

3. As respects evasions of the Stamp Law, the Deputy Collector believes that they chiefly take place in a mode to which no penalty is attached, viz., no documents at all are executed, the parties trusting to the presence of mutual witnesses instead; but I doubt the prevalence of this Arcadian practice, except in very remote portions of the province.

4. I believe improvement will be effected by the publication of a plain statement of the requirements of the Act, which has now been ordered.

Exd. J. Wright.

MISCELLANEOUS CIRCULAR, No. XXVIII.

PROCEEDINGS OF THE BOARD OF REVENUE.

To All Collectors, except Sea Customs at Madras, &c.

Dated 27th March 1863.

Received

Board No. 1,837.

Communicating with certain observations Government Order reviewing the Board's report on the operations of the Stamp Department during Fasli 1271.

From G. L. MORRIS, Esq.. Acting Collector of Tanjore, to W. HUDLESTON, Esq, Secretary to the Board of Revenue, dated Point Calimere, 14th April 1863, No. 128.

1. With reference to the 3rd paragraph of the Proceedings of the Board of Revenue dated 27th March last, No. 1,837, I have the honor to state that notwithstanding all the efforts which have been used to make the requirements of the law regarding Stamps generally known to the people by publishing them in the District Gazette* and by separate orders, it is only of late that they have become aware of the use of Adhesive Stamps and Bills of Exchange, light and convenient as they are, they having had recourse previously to Postage labels and other Stamps in their daily transactions.

* 27th July 1862.
3rd August ,,
24th do. ,,
28th September ,,

2. As the limited sale of Adhesive Stamps in Fasli 1271, noticed by the Board and Government appears to me to have undoubtedly arisen from the facts above stated, I have the honor to report the same at once without making any further inquiry.

3. I beg moreover to add that the people now appear to be beginning to understand and appreciate the use of Adhesive and Hundi Stamps, and that late sales of these articles are in excess of former ones, as will appear from the enclosed Memorandum.

4. An epitome of the Stamp Act will be at once published in the Gazette, and circulated for information.

ENCLOSURE No. 1.

Statement showing the sales of Adhesive Stamps and Bills of Exchange during the Fasli 1271, or from July 1861 to June 1862, and for nine months of Fasli 1272, or from July to March 1863.

Station.	For Fasli 1271.			For nine months of Fasli 1272.		
	Adhesive Stamps.	Bills of Exchange	Total.	Adhesive Stamps.	Bills of Exchange	Total.
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A P.
Tanjore Zillah Court	22 5 6	28 6 0		31 0 6	42 5 0	
Do. Taluk	24 5 0	30 8 6		13 10 0	38 13 0	
Do. Firku Sub-Magistrate ...	.....	.....		18 1 0	.....	
Vullum do. ...	0 7 0	.....		1 1 6	.....	
Trivady Munsiff Court	0 8 6	.....		4 3 6	.....	
Combaconum do.	25 0 0	296 8 6		53 10 0	181 13 0	
Do. Taluk	8 14 0	.....		.....	.....	
Velungamann Munsiff Court ...	1 11 0	.....		19 2 0	.....	
Papunassum do. ...	4 12 0	.....		5 3 0	.....	
Myeweram do. ...	17 12 6	5 13 0		44 7 0	4 7 0	
Negapatam Zillah Court ...	87 5 0	16 2 6		96 11 0	10 10 0	
Do. Taluk	61 15 6	0 12 0		98 7 6	92 6 0	
Do. Munsiff Court ...	42 2 0	77 5 0		39 9 0	.....	
Nagore do. ...	4 1 0	60 2 0		3 9 0	17 5 0	
Sheally Taluk	0 2 6	5 1 0		13 15 6	6 8 0	
Do. Munsiff Court	5 4 6	0 3 0		.....	.....	
Trivalur do.	14 9 0	1 13 0		13 11 0	.....	
Nunnillam Taluk	14 9 6	.....		36 2 0	.....	
Munnagudi do.	28 11 6	0 14 0		27 8 6	2 3 0	
Puttukottai do.	4 11 0	1 8 0		38 12 6	3 5 0	
Tritrapundy do.	15 8 0	.....		26 4 6	.....	
Huzzur	46 0 0	.....		205 0 0	.....	
Total...	433 11 0	525 0 6	958 11 6	790 1 0	399 11 0	1,189 12 0

TANJORE, 14th April 1863.

(Signed) G. L. MORRIS, Acting Collector,

Exd. J. Wright.

From G. S. FORBES, Esq., Collector of Ganjam, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Chetterpore, 17th April 1863, No. 72.

1. With reference to the Board's Miscellaneous Circular No. XXVIII (Board's No. 1,837) of the 27th ultimo, calling upon me to explain why the sales of Stamps in this District are small in comparison with those of other Districts, I have the honor to state that I can only refer the Board to the Statistical Returns which show the population, trade, revenue, &c., of the different Districts. Litigation is not as yet very keen in this District.

Faslis.	Amount of sales.
1267....	17,250
1268.....	18,080
1269....	13,856
1270.....	32,352
1271....	55,834

Faslis.	Bills of Exchange Stamps.	Adhesive Stamps.	Bills of Lading.	Total.
1270..	123	125	58	306
1271..	275	345	95	815

2. From the marginal table the Board will find that the sales of Stamps are steadily increasing.

3. There is an increase also in the sales of Bill of Exchange and Adhesive Stamps in Fasli 1271 over those of the preceding year as detailed in the margin.

4. The Notification warning the public of their liability to the penalties attached to the evasion of Stamp Law, and a brief epitome of the Act, will be published in the District Gazette.

5. A monthly Statement, showing the sales of each Vendor, will also be published in the form annexed to paragraph 4 of the Circular under reply.

Exd. J. Wright.

From C. W. READE, Esq., Collector of South Arcot, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Cuddalore, 28th April 1863, No. 120.

1. I have the honor to acknowledge receipt of the Government Proceedings, under date 2nd March last, No. 444, forwarded with those of the Board of the 27th idem under the heading Miscellaneous Circular No. XXVIII.

2. These papers relate to the operations of the Stamp Department during the revenue year or Fasli 1271, and I am called upon to explain why the sales of stamps in my District for that year were, according to the Government estimate, so small, and the Board remark "that the sales "of Fasli 1271 were considerably below even those of Fasli 1270 although the new Stamp Act was "not in operation the whole of the last named year." It is added "the difference is very striking, "and Mr. Reade should use every means to ascertain the real cause."

3. In paragraph 65 of my Settlement Report for Fasli 1271, I stated that "the sales in the "Fasli year 1270 were unusually large owing to the introduction of Act XXXVI of 1860, and to "the operation of Acts XIV of 1859 and XI of 1861." I added "the collections in that year "afford therefore no criteria by which to estimate the returns from this source of revenue."

4. There is really no further explanation to give, but it is important I should add that the operation of the Acts above quoted, during the first half of the year under notice, greatly tended to swell the Stamp Revenue in that year also as compared with the returns to be expected in future years; so that while in contrast with Fasli 1270 there was a great falling off in the Stamp Revenue in Fasli 1271, I fear that the result in the present year will exhibit a still further decrease. But, as already remarked in my Report quoted in paragraph 3, the collections for Fasli 1270 afford no just standard by which to estimate the future revenue from this source. There is no *necessity* why the Stamp Revenue should increase under its ordinary operation, and fluctuations I presume must always be looked for; meanwhile the effect of the Stamp Act is to be calculated less by its present actual returns than by a comparison of those returns with the amount derived from this source prior to the introduction of the Act, and if this retrospective test be applied, I think the result must be accepted as satisfactory.

Fasli.			Amount.
1265..	...	..	27,616
1266..	..	..	22,500
1267...	..	..	27,377
1268..	..	..	28,159
1269..	..	..	30,700
	Total....		1,36,352
	Average....		27,270
1270..	...	...	1,01,087
1271..	...	...	76,443

5. I annex in the margin a statement of the Stamp collections for the five years preceding the introduction of the new Stamp Act, from which the Board and Government will at once see that the collections for Fasli 1271, now complained of, have doubled and even trebled the revenue of the periods noted, and I do not know that ordinarily it would be reasonable to expect a more successful result.

6. The unusual pressure caused by other incidental legislation in the years Fasli 1270-71 is obviously no safe data by which to calculate Stamp Revenue in future years when that pressure has ceased, and there seems to me nothing surprising that, under the ordinary operation of the law, the Stamp Revenue should fall so far below that of a particular year which was influenced by extraordinary causes, and therefore I do not think that the fact can be assumed as indicating either fraud or evasion of the Stamp Laws.

7. I have no returns to refer to, but it is well known that mercantile and other transactions requiring the use of Stamps are, in this District, comparatively very trifling, while the majority of suits in the Courts are equally unimportant even if numerically as great as elsewhere.

8. The smallness of the sale of Adhesive Stamps is also observed upon in paragraph 5 of the Government orders, and inquiry is directed as to the cause. The cause is, I think, very readily explained as far as my inquiries go, and my own knowledge of the usual mode of carrying on dealings in this District. The fact is nearly all transactions between natives are what are

designated cash transactions, or they are carried on in good faith betwcen the parties. Receipt and Bills are, I may say, ordinarily never given or required. It is not the custom in the bazars, and it is not the genius of the people to resort to any thing so troublesome or so expensive as they regard it; while the system would, in their minds, generate a mistrust and suspicion which seldom enter into the innumerable daily dealings going on between native and native. I think also our own practices in this matter may be instanced in point. No gentleman requires receipts of the bazar people who serve his household with daily requisites. Neither bill nor receipt are ever asked for or given, even where amounts may not be paid until a month after; but the transactions are adjusted by one's servant without any sort of document beyond the shop-keeper's entry which is, at all times, accessible to the purchaser, and which is expunged on payment, and so it is between native and native in a far more extensive degree; and those of my office from whom I have sought information, and whose opinions are to be trusted, tell me that bills or receipts in their ordinary daily transactions are *wholly* unknown. Even when actual payment at the time is not made, the entry of the shop-keepers is invariably accepted by the buyer as sufficient, and when subsequently the amount is liquidated, the entry is erased and the transaction ends. Hence amongst natives the occasion seldom arises for the use of Adhesive Stamps.

9. It is my belief that, as a rule, neither fraud nor evation of the law prevail in this matter, and certainly no single instance of the kind has come before me; but in reference to paragraph 6 of the Government Orders I will adopt measures for a closer scrutiny and supervision of the Stamp Department generally, and the return now required by the Board in paragraph 4 of their own Proceedings consequent on the Government remarks, will possibly have a useful tendency.

10. Commercial transactions on European principles in South Arcot are very rare if they exist at all, and are limited I fancy entirely to those who have to do with the Sugar Factories of Messrs. Parry and Co., and Mr. Norfor. I have often thought that more civilized nations might take a lesson from our native fellow subjects in this country in respect to the every day transactions of life which between them are conducted usually in such good faith and in perfect mutual confidence, and where that confidence is ever broken, it is, I believe, quite the exception.

11. I trust the foregoing will be accepted as sufficient explanation of the two points on which I have been called upon to report in the matter of the falling off of the Stamp sales in this District.

12. In accordance with the Board's desire in paragraph 5, I have drawn the special attention of my Treasury Deputy Collector to the Orders contained in paragraph 7 of the Government Proceedings under acknowledgment.

Exd. J. Wright.

From E. B. FOORD, Esq., Acting Collector of the Kistna District, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Masulipatam, 30th April 1863, No. 90.

1. With reference to the Proceedings of the Board dated 27th ultimo, No. 1,037, communicating the Order of Government of 2nd idem, No. 444, relative to the operations of the Stamp Department, and calling for certain explanation, I have the honor to state, that the only reason I can give, for the sale of stamped papers being small in this District, is that there is not so much litigation as in other Districts.

2. I have called for information from Taluks regarding the sale of Bills of Exchange and Adhesive Stamps, and will report the result shortly for the information of the Board.

Exd. J. Wright.

From M. J. WALHOUSE, Esq., Acting Collector of Trichinopoly, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated 13th May 1863, No. 82.

1. On receipt of the Board's Proceedings No. 1,837, dated the 27th of March last, conveyed in the Miscellaneous Circular No. XXVIII, I lost no time in instituting, as directed in paragraph 3 thereof, the necessary inquiries into the cause of the small sale of Hundi and Adhesive Stamps. I am at a loss to discover, with any degree of certainty, how the law is evaded; but I understand that the small sale alluded to, was in proportion to the actual requirements for Hundies in the District, and that ready money transactions are numerous, more particularly in connection with Tanjore, Combaconum, and Negapatam, and other places, traversed by the Great Southern of India Railway, and lying adjacent to the Railway stations.

2. In regard to the Adhesive Stamps, I believe that few receipts are taken or required; or perhaps in the first instance, a receipt is obtained on plain paper and then when it has to come before the authorities, an Adhesive Stamp is fixed to render it a legal document. The only remedy would seem to be to punish to the fullest extent any convicted infraction of the law.

3. An epitome showing the requirements of the law is, as directed, given to the press for publication in the District Gazette.

Exd. J. Wright.

No. 3,090.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 26th May 1863.

Read the following letter from J. I. MINCHIN, Esq., Collector of Kurnool, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Vonkaram, 22nd April 1863, No. 59 :—

1. I have the honor to reply to the Board's Circular No. XXVIII, Board No. 1,837, dated 27th March 1863, communicating the Government Order reviewing the operations of the Stamp Department during Fasli 1271.

2. I am not of opinion that the sale of stamps for that Fasli in this District, was small when compared with other Districts, if the wealth and trade of its inhabitants be taken into consideration. The extent of litigation is also most trifling as compared to the Districts that have been longer under our Courts, and the sale of stamps must be always in a great degree proportioned to the value of the property under litigation.

3. The Acting Deputy Collector in charge of the Treasury, Koomarasamy Mudaliar, is also of opinion that a strict application of the Income tax, has in some measure lowered the Stamp revenue. He believes that many merchants, in order to conceal the extent of their dealings and evade the Income tax, carry on their transactions in secrecy, avoiding the purchase of stamp papers, and institution of civil suits. He also points out that it is a well known fact that in this District, many traders transact their business without documents of any kind, beyond an entry in their books, a practice which must interfere with the sale of stamps, but which doubtless can only continue as long as the inhabitants of this District possess exceptional integrity in their commercial transactions.

4. With regard to the small sale of Hoondy and Adhesive Stamps, and the remedy proposed for the supposed evasion of the Law, I have taken the opinion of all the Deputy Collectors in the District on the subject.

5. Deputy Collector Ragoonath Row and Acting Deputy Collector Koomarasamy Mudaliar are not of opinion that there is much intentional evasion, and both think that greater facilities should be afforded to the public for the purchase of Adhesive Stamps, by allowing them to be bought by capitalists generally on commission for the purpose of retail sale. Both these officers appear to think that the difficulty of procuring these stamps on the spot, has much to do with their being so little used; and as the employment of additional licensed Vendors is not feasible in this District at present, the difficulty might be met by inducing large traders to deal in these stamps by the grant of a liberal commission.

6. Deputy Collector Timmappah considers that the evasion of the Stamp Act is intentional, and that it can be prevented only by giving powers of search to all the Magistracy above the grade of second class Sub-Magistrate, whenever there is reason to believe that the Stamp Act has been evaded, and by offering rewards to informers in every proved case of infraction of the law.

7. While I fear that evasion of the Stamp Act is too general, I am not of opinion that it would be advisable to enforce the carrying out of its provisions by a system of domiciliary search, and wide-spread delation.

8. I believe that every possible effort has been made to acquaint the people generally with the law. An epitome of the Act was published in the District Gazette in July 1861, and will now be re-published, while I have directed that a copy of the same be also sent to every village in the District. Infractions of the law have been brought to light, and punished in several instances.

9. Beyond recommending that the sale of Adhesive Stamps be placed on the same footing as that of Postage Stamps, I am not prepared to recommend any special measure for increasing the stringency of the existing Stamp law, or increasing the revenue therefrom.

1. The Collector will please to explain why the issue of more licenses to sell Stamps on Commission is not feasible at present in his District. They presume he has not lost sight of the rule allowing a discount to all purchasers of Adhesive Stamps to the value of Rupees 5.

2. The Board consider that Section 55, Act X of 1862, affords ample means of rewarding informers. The Deputy Collector's proposal to give powers of search on suspicion of evasion of the Stamp duty, is utterly inadmissible.

(A true Copy and Extract.)

(Signed) W. HUDLESTON,
Secretary.

To J. I. Minchin, Esq., Collector of Kurnool.

Exd. J. Wright.

From A. McC. WEBSTER, Esq., Head Assistant Collector in charge of South Canara, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Mangalore, 27th May 1863, No. 82.

1. With reference to paragraph 3 of the Board's Miscellaneous Circular No. XXVIII, dated 27th March last, I have the honor to forward for their information a Memorandum showing the sales of Bills of Exchange and Adhesive Stamps in this District from the date of their introduction up to the 30th ultimo.

2. It is satisfactory to notice that the sales have been yearly increasing.

ENCLOSURE No. 1.

Memorandum showing the sale of Bills of Exchange and Adhesive Stamps,

	Amount.	Average per month.
Bills of Exchange.	RS.	RS.
Fasli 1270, January to June 1861 ...	410	68
„ 1271, July 1861 to June 1862 ...	905	75
„ 1272, July 1862 to April 1863...	1,007	100
Adhesive Stamps.		
„ 1270, Oct. 1860 to June 1861 ...	98	12
„ 1271, July 1861 to June 1862 ...	262	22
„ 1272, July 1862 to April 1863...	414	41

MANGALORE, 27th May 1863.

(Signed) A. McC. WEBSTER,
Head Asst. Collr. in charge.

Exd. J. Wright.

1863. Department.

No.

PROCEEDINGS OF THE BOARD OF REVENU

Dated 26th May 1863.

No. 3,090.

Requesting to know why the issue of more licenses to sell Stamps on Commission is not feasible at present in the district, and observing that Section 55 of Act X of 1862 affords ample means of rewarding informers.

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„ 1272, July 1862 to April 1863...	414	41

MANGALORE, 27th May 1863.

(Signed) A. McC. WEBSTER,
Head Asst. Collr. in charge.

Exd. J. Wright.

From J. SILVER, Esq., Collector of Tinnevelly, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Tenkasy, 25th June 1863, No. 252.

1. With reference to paragraph 3 of the Board's Miscellaneous Circular, No. XXVIII, dated 27th March 1863, Board No. 1,837, I have the honor to state, that on the receipt of the above Circular, the several Tahsildars in the District were called upon to make inquiries into the matter of the small sales of Bills of Exchange and Adhesive Stamps and report the result.

2. From the replies received it would seem that the small sale of Hundi or Bill of Exchange Stamps is attributable to few remittances being made from this District, while the small sale of Adhesive Stamps is to be attributed to the following causes.

When Bonds are fully discharged they are usually cancelled, and when partial payments are made on account of any bond, they are usually endorsed on the document itself, and when loans are received under verbal agreements, or on the pledge of jewels, &c., and re-paid, no receipt is taken as the law does not require it. The necessity therefore for taking a written receipt is of unfrequent occurrence, and when it does happen, preference is given to the ordinary stamped paper.

3. The amount realized in Fasli 1271 by the sale of the above two descriptions of stamps has, however, exceeded the Budget Estimate.

Under the foregoing circumstances there does not appear to be grounds for believing any extensive violation of the law in respect to these descriptions of stamps to exist.

Exd. J. Wright.

From T. G. WARD, Esq., Deputy Collector, to H. G. SMITH, Esq., Acting Collector of Cuddapah, dated 13th October 1863, No. 447.

1. With reference to your Official Memorandum, No. 530, dated the 2nd ultimo, I beg to state that the Tahsildars in general report that the limited sale of Bills of Exchange and Adhesive Stamps within their respective Taluks is attributable to the merchants and traders not having any occasion to make remittances. The remittances they receive are generally made by means of Accountant General's Bills.

2. Messrs. Arbuthnot and Co.'s Agent, Mr. Saalfelt, grants Bills to a large extent on the Firm at Madras, but stamped Blank Cheques are supplied to him from Madras.

(True Copy.)

(Signed) H. G. SMITH, Acting Collector.

Exd. J. Wright.

From P. GRANT, Esq., Collector of Coimbatore, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated 21st November 1863, No. 217.

1. With reference to paragraph 3 of the Board's Miscellaneous Circular of the 27th March 1863, No. XXVIII, Board No. 1,837, I have the honor to report that on full and careful inquiry, I find that the limited extent of the sales of Hoondy Stamps in this District in Fasli 1271 (Rupees 677-3-0), was owing partly to the circulation from March 1862 of Currency Notes, which in a degree superseded the use of Hoondies or private Bills of Exchange, and partly to the European gentlemen and Bankers on the Niligiri Hills getting their own supply of Cheque Books from Madras stamped at the Superintendent's Office.

2. The sales of Adhesive Stamps amounted to Rupees 840-5-0, and these, I believe, were not less than the requirements of the District demanded.

3. The instructions given by the Board to make the Stamp Act as public as possible will be duly attended to.

Exd. J. Wright.

From J. FRASER, Esq., Acting Collector of North Arcot, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Chittoor, 21st November 1863, No. 239.

1. Adverting to the 3rd paragraph of the Proceedings of the Board of Revenue dated 27th March last, No. 1,837, I have the honor to state for the information of the Board that immediately on receipt of the Proceedings Circular instructions were issued to Tahsildars and Sub-Magistrates, directing them to inquire closely into the cause of the small sale of Bills of Exchange and Adhesive Stamps in their respective Taluks and Divisions. I also issued separate notices for publication in all places of commercial importance, and published in several issues of the District Gazette certain Sections of the Stamp Act relating to the penalties, &c., incurred by the use of unstamped documents with warning that the penalties prescribed for the evasion of the law would be rigorously enforced.

2. From the perusal of their reports, and from my own inquiries, the following appear to be the causes of small sales of Hundi and Adhesive Stamps. The principal places of commerce in this District are Wallajah, Gudiattam, and Vellore, which being on or close to the South West Railway have easy communication with Madras and other commercial towns close to the line; and the use of Hundis is in consequence rendered unnecessary to some extent, as money can be conveyed as treasure to those places by the rail with greater facility and safety, and often with less expense than by Hundi.

3. The free use of currency notes to a large extent both by merchants and other private individuals in lieu of Hundis. No premium is payable on purchase of currency notes, and they are always sent in halves by post, the second half after the safe receipt of the first has been acknowledged. The amount of sales of notes for these purposes is now nearly 10,000 Rupees a month at the Huzur Treasury.

Exd. J. Wright.

From the Honorable D. ARBUTHNOTT, Collector of Salem, to W. HUDLESTON, Esq.
Secretary to the Board of Revenue, dated 7th December 1863, No. 222.

1. I have the honor to reply to the Board's Miscellaneous Circular, No. XXVIII, dated 27th March 1863, circulating Government Proceedings of the 2nd idem, and calling for information regarding the small sale of Bill of Exchange and Adhesive Stamps.

2. From all that I have been able to learn on the subject, the small sales noticed by Government appear to me to be traceable to three causes, namely,

First.—The Native Merchants and Sowcars carry on their money transactions to a great extent by means of private letters instead of by formal Hoondies and Receipts as formerly, and are thus able to evade the Law; and, as observed by Government, such evasion "in the case of "documents which rarely come before the "authorities, it is almost impossible to prevent."

Paragraph 6.

Second.—The European Section of the Community, and others who have Houses of Agency at Madras for their Bankers, furnish themselves with Stamped Cheque Books, and have thus no occasion to purchase stamps at the local Treasuries.

Third.—The Law does not render compulsory the exclusive use of the peculiar paper provided for Bills of Exchange, which indeed are not considered by the natives to be sufficiently lasting or convenient to write upon, and the public consequently use to a considerable extent ordinary stamped paper for such purposes.

3. Notwithstanding these causes however, the sales are doubtless susceptible of great improvement as the requirements and penalties of the Stamp Act become better known. The Board will observe from the marginal entries, that the sales during the past Fasli 1272, show an increase over those of Fasli 1271, and judging from the results of the last four months of the present year, there is likely to be a still further increase in the current Fasli.

Sale of Bill of Exchange and Adhesive Stamps.

	Rs.	A.	P.
Fasli 1271....	674	5	6
1272....	869	1	6
Four months of 1273....	368	2	6

4. The Notification required in paragraph 6 of the Government Proceedings, and an epitome of the Act have already been published in the District Gazette, and a Statement of the monthly sales will also be regularly published.

Exd. J. Wright.

From V. H. LEVINGE, Esq., Collector of Madura, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated 15th December 1863, No. 294.

1. With reference to the Board's Miscellaneous Circular,* No. XXVIII, I have the honor to report that the small sale of Bills of Exchange is owing to an extensive use of currency notes and gold as a means of remittance, and that there can be no doubt the use of Adhesive Stamps is avoided as much as possible, but no instances of infringement of the Act have come to notice. I do not believe the up-country tradesmen and purchasers are in the habit of using in their dealings receipted Bills according to the English custom, which would account greatly for such small sales.

2. The Tahsildar and the Sub-Magistrates have been strictly enjoined to use every means in their power to make known to all the village officials, and through them to the public in general within their respective jurisdictions, the provisions of the Stamp Act with respect to Bills of Exchange and Adhesive Stamps, and the penal consequences of the infringement of the law in respect to them. Besides the publication of the provisions of the Stamp Act with a Notification on the subject in the District Gazette, statements in the prescribed form are published soon after the close of each month, showing the sales of each Vendor in the District in regard to each description of Stamps, and instructions have been given to the Tahsildars to co-operate with the Vendor in endeavoring to extend the sale of Adhesive Stamps.

* Dated 27th March 1863, No. 1,837.

Exd. J. Wright.

No. 8,141.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 23rd December 1863.

Read the following letter from H. MORRIS, Esq., Acting Collector of the Godavery District, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated Cocanada, 24th November 1863, No. 393:—

1. In accordance with the Board's Orders contained in their Official Memorandum, No. 934 of the 17th instant, I have the honor to submit the report on the sales of Bills of Exchange and Adhesive Stamps in Fasli 1271, as called for in the Board's Miscellaneous Circular, No. XXVIII, under date 27th March 1863.

	General and Judicial Stamps.	Bills of Exchange.	Bills of Lading.	Adhesive Stamp.	Total.
Fasli 1270...	79,774 12 0	592 2 0	402 2 0	265 3 6	81,034 3 6
„ 1271...	1,11,162 13 0	1,052 15 0	397 10 4	414 6 6	1,13,027 12 10
„ 1272...	85,462 7 0	1,084 5 0	366 0 0	852 7 6	8,77,665 3 6

2. For the sake of comparison, the figures representing the sales during the last three years are noted in the margin, by which it will be observed that the sales in Fasli 1271, showed an improvement on those in the previous year in which the Stamp Act (XXXVI of 1860) was in operation for only nine months.

3. As reported in my predecessor's letter dated 19th October 1861, No. 145, every possible means were adopted to make the requirement of the law generally known to the public. Circulars, Notices, Rulings, as well as the Act in extenso, were published at different times in the District Gazette, which has a wide circulation. Considering the gradual improvement in the revenue, and judging from my local knowledge and inquiries, I do not think the law was evaded systematically or extensively in Fasli 1271, or has been evaded since. There might have been exceptional cases; but none have yet been brought to my notice.

4. The Board's Circular was received before I joined the District, and it was laid aside as not needing a reply. I shall be obliged if the Board will be good enough to inform me if there are any other of their Proceedings which have been inadvertently excluded from the two Lists of unanswered letters lately submitted, and which they may consider to require reply, as I shall be happy to answer them at once.

Recorded.

(A true Copy and Extract.)

(Signed) W. HUDLESTON,
Secretary.

To H. Morris, Esq., Acting Collector of the Godavery District.

Copy to R. W. Norfor, Esq., Superintendent of Stamps.

Exd. J. Wright.

1863. Department.

No.

PROCEEDINGS OF THE BOARD OF REVENUE,

Dated 23rd December 1863.

No. 8,141.

Recording letter from the Acting Collector of the Godavery District, submitting with reference to the Board's Miscellaneous Circular of the 27th March last a report on the sales of Bills of Exchange and Adhesive Stamps in Fasli 1271.

No. 100.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 8th January 1864.

Read the following letter from the Collector of Nellore, dated 26th November 1863, No. 405:—

1. I have the honor to acknowledge the receipt of the Board's reminder of the 17th instant, and submit the information called for in paragraph 2 of the Board's Miscellaneous Circular, No. XXVIII (1837).

2. The information required was, why the sale in this District under the new Stamp Act had been so small in 1861-62, and from the Treasury Deputy Collectors letter of the 21st, copy of which I enclose, the Board will observe, Mr. Jellicoe is inclined to attribute the present state of affairs to the limited nature of our mercantile transactions, the Ryots being better off than they used to be and so under no necessity of borrowing, Bills of Exchange being supplanted by the paper currency, and Foreign Adhesive Stamps unsaleable in a District with no foreign trade; whilst Mr. Jellicoe further calls attention to the fact that the sales of this District in previous years have not been taken into consideration.

3. I would suggest, that it would perhaps be safer, before coming to any conclusion on this subject, were previous sales compared with present. Looking at the list of Districits as given in the Government Order, it is pretty much what might be looked for, if given to show the relative wealth of the respective Districts; and a couple of columns to show average sales in previous years and per centage increase, might place the question in a different light.

	Fasli 1270.	Fasli 1271.	Fasli 1272.
	Rs.	Rs.	Rs.
Samped Papers.... ...	39,286	73,885	41,355
Bills of Exchange.. ..	60	172	178
Adhesive Stamps.. ..	61	136	432
Bills of Lading.. ..	9	28	6
Total...	39,416	74,221	41,971

4. But whatever facts were thus brought to light, they would not affect conclusions I have had forced on me lately; and I beg to give it as my opinion, that illegal sales are affecting our Stamp revenue, which, commented on last year as small, has fallen this year to a little more than half, as shown in the margin.

5. From evidence given before me, it is clear, that in one Town in this District, Stamps were not only sold, but it was patent in the bazar, that they were so sold and where; a stranger asking to get a Stamp he required, was directed to a merchant's house who could supply him; and the Deputy Magistrate, who dismissed the case, had shown him a letter from Madras advising the despatch of the Stamps and directing a commission to be charged of 1 Anna, and on no account to let the Stamps go at their value, as it was not "as if these Stamps had been sold already." Now, I doubt whether it would pay a merchant to buy Stamps at their value on the chance of selling what he did not use himself at an Anna premium; and I am therefore of opinion not only that Stamps are sold in Saidapur, and from what I hear elsewhere by unauthorized Vendors, but also that the Stamps themselves are either forged or improperly obtained from Government Stores. I am informed, that it is common talk that in Madras that stamped papers are freely sold by the Chetties, bearing no signature of a Vendor, and, thus started, it is easy to see, how they can get into circulation, and why I have been obliged to suspend many of the appointed Vendors in this District, because, up to the 16th instant they have not, after due warning given, found the required security.

ENCLOSURE No. 1.

From W. E. JELLICOE, Esq., Deputy Collector in charge of Treasury, to J. W. B. DYKES, Esq., Collector of Nellore, dated 21st November 1863, My. No. 587.

1. I have the honor to acknowledge the receipt of your letter, No. 213 of the 6th April, enclosing Board's Miscellaneous Circular No. XXVIII of the 27th March last, and to forward herewith a Statement showing the sales of Stamps during the Fasli 1271 in each Taluk.

2. As regards the cause of the small sales of Stamps adverted to in paragraph 2 of the Board's Proceedings above referred to, I have the honor to state that the smallness is only in comparison with the sales of other Districts, and not with the sales of this District in the previous Fasli. The sales of the District in Fasli 1271 is about double the sales in Fasli 1270 as will be seen from the Memorandum given in the margin. As regards the small sales in comparison with the sales of other Districts, I have to state that this is mainly attributable to the fact that the Mercantile transactions of the District are limited.

	Fasli 1270.			Fasli 1271.		
	Rs.	A.	P.	Rs.	A.	P.
Judicial Stamps... ...	39,286	0	0	73,884	8	0
Bills of Exchange.....	59	14	6	171	15	0
Bills of Lading	9	7	8	28	5	0
Adhesive Stamps... ...	61	5	6	136	8	0
Total...	39,416	11	8	74,221	4	0

Besides the enhanced price of grain during the last ten years, the rise in the value of Cotton and Indigo have brought in great profits to the farmer, and this in a great measure has prevented them from running into debt. The profits being large, the farmers have been able to liquidate whatever debts they may have contracted.

3. I have the honor further to inform you that there is little or no sales of Bills of Exchange and Foreign Adhesive Stamps; the former has been displaced by Government Currency Notes, and there is no demand for the latter as there exists no trade between this District and Foreign countries.

4. The people in the District have been informed through the Tahsildar of the penalty to which they shall become liable in the event of their acting contrary to the provisions of the Stamp Act.

(True Copy.)

(Signed) J. W. B. DYKES, Collector.

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1. Ordered to be communicated to the Superintendent of Stamps, in order that he may consider whether the present system of stamping private materials, which it is presumed must be the origin of the report to which Mr. Dykes alludes, needs to be modified.

2. The Board do not consider that the falling off in the sales of Fasli 1272 as compared with Fasli 1271 is any proof positive of illicit sale, as the extraordinary impetus given to the sales in the latter year by the Suits Limitation Act will sufficiently account for this.

3. The particular case of unlicensed sale of Stamps in Sydapur mentioned by Mr. Dykes has been disposed of in Board's Proceedings dated 30th December 1863, No. 8,178.

(True Copies and Extract.)

(Signed) W. HUDLESTON,
Secretary.

To R. W. Norfor, Esq., Superintendent of Stamps, with copy of enclosure.
„ J. W, B. Dykes, Esq., Collector of Nellore.

Exd. J. Wright.

Communicating letter from the Collector of Nellore to the Superintendent of Stamps, requesting to consider whether the present system of stamping private materials needs to be modified.

No. 100.

Dated 8th January 1864.
Despatched
Received

PROCEEDINGS OF THE BOARD OF REVENUE.

No.

1864. Department.

No. 109.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 9th January 1864.

Read the following letter from the Acting Collector of Bellary, dated 9th December 1863, No. 175 :—

1. With reference to the Circular Order of Board of Revenue, dated 27th March 1863, requesting a report on the cause of the small sale of Exchange and Adhesive Stamps, I have the honor to explain that the default of the Deputy Collector to give me any information, which his long residence in the District might have supplied on the subject, has caused a delay in my reply.

2. The native Mercantile Community are well aware of the penalty attending unstamped documents, but prefer risking such transactions among themselves; having faith in one another; to contributing their quota to the Government exchequer; where Europeans are dealt with by them, they furnish the requisite stamps.

3. I am not aware that beyond promulgation of the Law, and of its penalties, which has been done, any further action is possible.

The Collector will submit a Comparative Statement of the sales of each description and value of Stamp in the District for each year since the enactment of Act XXXVI of 1860.

(A true Copy and Extract.)

(Signed) W. HUDLESTON,
Secretary.

To A. Wedderburn, Esq., Acting Collector of Bellary.

Exd. J. Wright.

1864. Department.

No.

PROCEEDINGS OF THE BOARD OF REVENUE,

Dated 9th January 1864.

No. 109.

Requesting a Comparative Statement of the sales of each description and value of Stamp for each year since the enactment of Act XXXVI of 1860.

of the order dated 13th February
1864 No 269 in which the
Govt received the operations
of the Stamp Deptt during
July 1872.

2. The Govt are glad
to learn that in the Board's
opinion the small sales
alluded to are owing to
other causes than general
evasion of the Stamp law.
They have no desire that
the local Officers should
exercise "undue severity",
but the provisions of the
law must be widely made
known and wilful evasion
or infraction of it effectually
repressed.

3. Under the circum-
stances stated in para
of the Board's Proceedings the

Govt will leave the
Board to report, when they
consider the course necessary
any Deputy Collector who
continues remiss in his
duties, notwithstanding
their warning. The Govt
cannot consent to retain
in the position of a Treasury
Deputy Collector any officer
who is ignorant of the
principles of accounting.

4. With regard to the
performance of Magisterial
and other Miscellaneous
duties by Treasury Deputies
no general rule can be
laid down. The Government
believe that if the Deputy
Collector is industrious
and well acquainted with
his

is special duties he will
ave sufficient leisure for
ther business, and they
e not prepared to allow
t when Treasury work is
dly performed, it is
ing to want of time.

With reference to
ara: 9 of the Board's pro:
ceedings the Govt to observe
to the object of the separate
ems: therein referred
s to prevent money being
ered as actually received
ere it was is still only
transit to the Treasury.

J. C.

Copies to the Bd of Rev Capt Wilcox

9

Revenue 1864 Deptt
Pro: of Govt for June.

No. 1045.

Pro: of the Madras Govt.
Dt 17th June/64.
Further Cr No. 1860/64.

Govt No. 4 - 5
2-3-63
" 211 - 212
13-2-64

No. 220 & 221

The explanations of Collectors, regarding the small sales of stamps in their respective Districts in Fasli 1271, approved.