M.R.O. 14—13,000—27-6-24

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1691 Press ~~Mis.~~

222. 223

Dated 4—9— 1864.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 14th September 1864.

No. 222. Read the following Proceedings of the Board of Revenue, dated 29th July 1864, No. 4,809.

Read the following letter from the Superintendent of Stamps, dated Madras, 25th July 1864, No. 143 of Fusly 1,274:—

1. I have the honor, in accordance with the decision of the Supreme Government, published in Government Order No. 1,233, dated 14th instant, to enclose Indents for the amount of Bi-color stamped paper that will be required for the remaining half year of 1864-65, and for the year 1865-66.

2. In these Indents I have been guided by the average sales since the introduction of the Stamp Act, except that in the values from 100 Rupees and upwards I have somewhat exceeded the average of sales, as, on the first introduction of the new Pattern Stamp, it will be necessary to provide *every* District with *some* of every value.

3. I also submit an Indent for one year's supply as a reserve, the principle of maintaining that amount in reserve having been approved of by the Right Honorable the Secretary of State in his Despatch No. 69, dated 16th October 1863.

Government Order, No. 2,140, dated 27th November 1863, Revenue Department.

4. In paragraph 5 of the Despatch of the Supreme Government the impression made by the cold steel die being easily effaced is given as a reason for the adoption of a Bi-color impression, and in paragraph 7 it is determined that the value shall also be impressed in the Vernacular by local arrangement; I have therefore prepared these Indents so as to exhibit the quantity of each *value* required.

5. I beg respectfully to submit that the objection against a cold impression has equal force in the case of the "private goods" brought by the public, and that therefore it will be necessary to arrange for the Bi-color stamping of such locally.

6. I have been in communication with Colonel Carpendale, and learn that the subject has been under consideration several times.

7. In 1857, at Mr. F. Lushington's request, Colonel F. Cotton, then Officiating Mint Master, made up, as a sample, a Bi-color stamping plate, two impressions from which I enclose, and stated "that the Press for printing in two colors could be made up in the Mint for 100 Rupees," and "that plates and dies could be engraved and engine-turned to any required pattern" without difficulty.

8. I understand also that in September 1863, the Officiating Mint Master informed the Secretary to Government in the Revenue Department, that Bi-color stamping plates and the required presses and dies could be made up at the Mint, and estimated the cost of each press complete at Rupees 200, and the out-turn at 8,600 impressions per diem.

9. Colonel Carpendale, anxious to be fully within the estimate, considers that the entire cost of construction of a press complete with three plates, and dies, striking three impressions at once, and turning out daily 8,000 impressions, would be within Rupees 400, and the establishment required to work such a Press would cost Rupees 60 per mensem.

10. The out-turn of 8,000 impressions is calculated on the condition of a single value being stamped through the whole day. In the case of "private goods," a press with a single plate could only be used, and the values required are so varied that the delay incurred in changing the dies would materially reduce the out-turn. It is probable therefore that the out-turn would be under Rupees 2,000, but the cost of establishment could not be reduced to less than Rupees 40 per month.

11. The Supreme Government however in paragraph 6 lay stress on the use of a uniform pattern for all India, and this is also in accordance with the opinion of the Secretary of State in paragraph 4 of his Despatch, No. 61, dated 8th October 1863. The plates and dies must therefore exactly correspond with those used in the

Government Order, No. 2,126, dated 25th November 1863 Revenue Department.

preparation of the paper stamped as now proposed in England, and should be procured from thence. They will cost, as stated in the Secretary of State's Despatch, No. 6, dated 14th April 1862, about £36 each. Four plates, two of large size for Bonds and other legal documents, and two smaller for Bills of Exchange will be sufficient for the private goods stamped at this Presidency. The presses now in use can be adapted with a small outlay. It would be prudent also to have one large and one small plate in reserve.

Government Order, dated 20th May 1862, No. 1,109, Revenue Department.

12. The cost of Bi-color stamping private goods will, as above shown, average Rupees 1½ or 2*s.* 8*d.* per 2,000 impressions, and similarly Bi-color stamping in bulk would cost Rupees 2 or 4*s.* per 8,000 impressions exclusive of the first cost of the plates and expense of adapting the presses now in use to the purpose. I observe the cost of Bi-color stamping in England, as stated by the Secretary of State in his Despatch above quoted, to be 6*s.* 3*d.* per Ream for two stamps on each sheet equalling 1,000 impressions.

13. It may perhaps be a matter for consideration whether it would not be advisable to utilize the large stock of paper in store and expected to arrive aggregating more than Rupees 60,000 by stamping it in this country with plates obtained from England. In this case nine plates should be obtained to supply two treble presses with a reserve.

14. The adoption by the Supreme Government of a Bi-color Stamp for the whole of India, if followed up by its use for private goods also, will meet the difficulties I pointed out to the Board in my letter, No. 1,848, dated 27th June 1864, and by reducing the tests of authenticity to the same conditions under all circumstances, place the various Courts of the country (at which chiefly occur opportunities for detection), and the public in the best position for the detection of forgeries. The necessity of *check* dies of elaborate workmanship proposed by the Board would be obviated as the vernacular value stamp would constitute the check between the Mint and my Office, and the use of any particular kind of paper or water-mark, which even now is without advantage, and the principle of which by the free use of plain paper and in the case of Bills of Exchange supplied by the Calcutta Stamp Office by the mutilation of the mark, it is evident is misunderstood, might entirely cease.

Sample of eight Bills enclosed.

ENCLOSURES Nos. 1, 2 & 3.—Indents.

ENCLOSURES Nos. 4, 5, 6 & 7.—Bi-color Stamp impressions.

ENCLOSURE No. 8.—Sample of Bill of Exchange.

1. Ordered to be submitted to Government with reference to the Government Proceedings quoted by the Superintendent.

2. The Board fully concur in Colonel Temple's remarks on the subject of "private goods." The object in using an elaborate water-mark in manufacturing stamped paper on account of Government for supply to the public is defeated by the permission which is given to private individuals to have their private materials stamped at pleasure. The prohibition by Government of the counter-stamp in such cases withdraws another check, and there can be no doubt that the present practice in respect to private materials affords almost all the facilities that could be desired for fraudulent fabrication of stamped paper.

The use of a Bi-color Stamp for all private materials would greatly oppose such malpractices.

3. The Board presume that Government are not prepared to prohibit the use of private materials, and in the case of private documents brought to be stamped after execution it is not possible to do so. They therefore recommend that the Superintendent of Stamps or the Mint Master be placed in a position to give, by the use of a Bi-color Stamp, that additional security to the revenue which is wanting under the present system.

4. The arrangement would also enable the Department to make use of the large stock of water-marked paper on hand and in course of receipt, which cannot without serious objection be disposed of in any other way than what was originally intended.

No. 223. ORDER THEREON, 14th September 1864, No. 1,691.

Separate Revenue, No. 110.
Stamps.

1. Resolved that the indents received from the Superintendent of Stamps, through the Board of Revenue, be forwarded to the Secretary of State in accordance with the instructions conveyed in the letter from the Government of India, dated 15th June 1864, No. 851, and its enclosures.

2. The first Indent (A) is for use in the second half of the current official year, *i.e.*, from 1st November 1864, to 30th April 1865. As time must be allowed for impressing the paper with the value stamps and for distributing them all over the country, this Indent can not be complied with, so as to admit of all this being done by the first mentioned date.

3. The second Indent (B) is for issue in the official year 1865-66, and should be so despatched that one-fourth of each value may be received by the end of December 1864, and the remainder by the end of March 1865.

4. The third Indent (C) provides for the established reserve of one year's average requirements, and may be gradually supplied.

5. Having thus complied with the requisitions of the Supreme Government, the Governor in Council deems it right to state briefly his reasons for regretting (so far as this Presidency is concerned) the decision at which the Supreme Government have arrived of having the Bi-color Stamp impressed in England instead of at Madras.

6. In 1861 this Government applied to the Secretary of State for information as to the additional expense of having the paper stamped in England with a single colored stamp, similar to but smaller than that used in Bengal.

Despatch No. 118, dated 19th November 1861.

7. The reply was that paper of foolscap size could be marked with one Bi-color Stamp on each sheet at the rate of 4*s.* 8*d.* per Ream, and with two stamps at 6*s.* 3*d.* per Ream, and that in the case of paper of a larger size, the cost of putting two stamps on each sheet would be 9*s.* 4*d.* per Ream. The cost of the plates required for the stamps was stated to be about £36 each.

From Secretary of State, 14th April 1862, No. 6.

8. Calculating on these data the Government found that stamping the quantity of paper estimated to be sufficient for a year's supply would cost Rupees 13,118 if executed in England, against Rupees 5,199 if done in Madras.

9. On the score of economy therefore the idea of having the paper stamped in England was abandoned, and reliance placed on the water-mark and the use of as intricate a cold die as could be made.

10. The present Mint Master states that the entire cost of construction of a Press complete with three plates and dies striking three impressions at once, and turning out daily 8,000 impressions would be within Rupees 400, and the establishment required to work such a Press would cost Rupees 60 per mensem. At this rate 8,000 impressions would cost (say) 5*s.* in Madras, while in England 1,000 impressions will cost 6*s.* The latter charge includes cost of machinery and plates, but there is ample margin in the difference of annual cost to cover this and leave a large surplus.

11. Unless, therefore, the cost of stamping in England can be reduced greatly below the sums mentioned by the Secretary of State, the new system will not have the advantage of economy in its favour.

Paragraph 7 of Despatch of Supreme to Home Government, dated 26th May 1864.

12. The notion that having the paper stamped in England will afford "the greatest possible security" is, in the opinion of this Government, more than questionable.

13. The frauds to be guarded against are of two kinds:—

I. The counterfeiting of the Stamp.

II. The illicit obtaining of it without payment.

14. The first is for all practical purposes effectually prevented by the use of the Bi-color Stamp, but it manifestly matters not where this stamp is impressed. A Bank of England Note is not more easily counterfeited because it is manufactured in London, nor would it be less easily counterfeited if manufactured in India. In this respect, therefore, no advantage attends the plan of having the paper stamped in England.

15. The second kind of fraud is in fact facilitated rather than prevented by stamping the paper in England and only using cold dies in this country.

16. At present the paper comes from England simply water marked. If lost or stolen before it reaches the store, the possessor has merely a case of paper, distinguished by a peculiar mark, but so far valueless except as paper. If the paper reaches the store in safety, it there remains and, if thence abstracted, it continues still valueless. *Before it can be made valuable two stamps must be forged.*

17. As short a time as possible before being required for issue, the paper is sent under every precaution to a different office where by a distinct Establishment it receives one stamp, and is returned to store under the like precautions. If lost or stolen in this condition it is still comparatively valueless; *the counter-stamp must be forged, before it becomes valuable.*

18. When actually required for issue it receives the final stamp and is then of full value.

19. Thus it is only at the last moment that the paper becomes a valuable commodity, and it is in this valuable condition for the shortest practicable period, in the smallest possible quantity.

20. When, however, the stamping process is effected in England all this is altered, the paper issues from the manufactory stamped with the only stamp that is security against counterfeiture, the further stamp required to give it currency (a cold die impression) being, as all admit, easily counterfeited. The great security afforded by keeping the article valueless till actually wanted for use is lost, and this consideration is of great importance when it is considered that the stock in this country will represent a money value of half a million Sterling. Under the Madras system a very small per-centage of this would be in the like valuable condition prior to actual issue.

21. It may be urged that the paper must be carefully preserved so as to render theft or loss scarcely possible. Of course every precaution will continue to be taken to prevent such occurrences, but it is at least a great advantage of the present system that if thefts or losses should, as they certainly may, occur, the article lost or stolen is valueless to the possessor. *No prudent person keeps his cheque-book ready signed.*

22. It may also be said that by frequent stock taking, scrutiny of accounts, &c., fraud may be prevented, but the immense stock which must be kept in store is a great practical difficulty in the way of such checks. A year's reserve alone amounts to three million sheets.

23. The answer to such arguments, however, is that the same checks are applicable to and employed under the present system, the real question is whether the simple and self-acting check of reserving the Bi-color Stamp, which alone cannot be counterfeited, till the last moment should be abandoned.

24. The only defect of the Madras system is the exclusive use of cold dies. It was hoped that the use of water-marked paper would counterbalance this defect, but it seems that the water mark can be imitated sufficiently well to escape cursory examination, and the privilege afforded to the public of having their own paper stamped, renders the check of the water mark, so far as counterfeiture goes, of comparative inutility, for of course forgers select ordinary paper for their

25. If the "*greatest possible security*" is desired, the system now pursued in Madras must be followed, substituting, however, Bi-color Stamps for cold dies.

26. *A lesser* degree of security may be attained by having the final counter-stamp only of the bi-color description.

27. The *least* degree of security attends the proposed plan of having only one Bi-color Stamp and impressing it in England.

28. As regards cold die impressions it must be remembered that they are open to two objections: I.—They may be counterfeited with comparative facility. II.—Several sheets of the thin paper in use may be impressed at one stroke, thus baffling the check of the "tell-tales" attached to the presses. The latter objection can only be met by using Bi-color Stamps.

29. A further objection to the proposed plan of stamping the paper in England exists in the loss of the water-marked paper in store and expected, valued at 60,000 Rupees exclusive of freight.

30. The arguments of this Government against the system proposed are briefly as follows:—

I. That stamping in England is much more expensive than stamping in India.

II. That the use of only cold dies in India vitiates the check of the Bi-color impressed in England.

III. That if Bi-color Stamps are used in India the impression of a Bi-color Stamp in England is useless.

IV. That the necessity of retaining a very large stock of paper stamped with the only stamp that cannot be counterfeited involves serious risks and inconveniences.

For these reasons this Government advocate the retention of the present system substituting Bi-color Stamps for the cold dies now in use.

31. The paper being sent from England simply water-marked will here be carefully counted on receipt and brought to stock as raw material, every sheet having to be accounted for by the Superintendent.

32 As requisitions for Stamps are received, the Superintendent will send the paper to the Mint, where the value will be impressed by the Mint Master with a bi-colored die, the Mint Master's books being the check on the Superintendent.

33. Immediately before issue the Superintendent will impress the bi-color counter-stamp which need not show the value.

34. These arrangements with the half-yearly stock taking and the system of account and audit now in force will reduce the risk of fraud and forgery to a minimum.

35. The additional establishment required will not cost more than Rupees 150 per mensem.

36. It is proper to state that the water-mark is only a partial security (owing to private materials being freely stamped) and is recommended under the impression that it does not involve much extra expenditure. Of course if a Bi-color Stamp is impressed in England, it is wholly useless.

37. As regards what are technically termed "private goods" the Bi-color Stamp is even more necessary than in the case of paper sold stamped by Government, which has the security (however partial) of a water-mark. It is obvious that, if the Government paper receives an elaborate Bi-colored Stamp, while private paper receives only cold die stamps, the value of the former as a check on forgery is lost. Forgers will use common paper with the easily counterfeited cold die or endeavour to bribe the Stampers surreptitiously to stamp paper with the genuine dies.

38. The Government have no hesitation, in directing the Mint Master to prepare the necessary plates. Colonel Temple is under the impression that the plates and dies must exactly correspond with those to be used in England under the system proposed by the Government of India. The Government doubt whether this is the intention either of the Supreme Government or the Secretary of State as regards *private* materials.

39. Of course if the plan of this Government were adopted and the stamping entirely conducted in Madras, the same dies and plates would answer for both private and Government materials, and some expense be saved. But otherwise it is not necessary and it certainly is highly inexpedient to use the same dies here. The check of holding the Stamp Department answerable for every stamp supplied from England would be lost, if it had the means in its own hands of manufacturing others exactly similar.

40. The discontinuance of the counter-stamp was sanctioned by Government only in 1862 on the suggestion of the Board of Revenue, in accordance with the wishes of the Supreme Government, and in order to assimilate the practice here with that of Calcutta. The Government previously refused to allow perfectly blank private materials to be stamped, on account of the risk to the Stamp Revenue, but of course the community at Madras could not be deprived of a privilege freely conceded in Calcutta. Private materials must continue to be stamped on payment of the duty, but as after nearly two years actual experience the Board declare that "the present practice in respect to private materials affords almost all the facilities that could be desired for fraudulent fabrication of stamped paper," a declaration quite in accordance with the convictions of Government, the counter-stamp must be resorted to again. The Government observe that an abundant supply of excellent paper duly stamped is always procurable, and the impressment of the counter-stamp involves such trifling delay that no one, using his own paper for his own convenience, has the slightest reasonable ground of complaint that the State should adopt this precaution against fraud. In no other respect than a delay of half an hour at the utmost will there be the slightest change, as regards the public by using the counter-stamp.

41. As regards the suggestion in paragraph 2 of the letter of the Supreme Government above recorded, the Government observe that a new office in Madras is an absolute and immediate necessity; and one is now in course of construction. The present office, a rented building, is very incommodious, unsuitable and unsafe. The plan of the new building has been re-considered by the Board and Superintendent, and found equally adapted to the proposed and the present system.

42. The Board will, in communication with the Superintendent of Stamps, so arrange the issues that the stock in the Collectors hands may be reduced to the lowest quantity compatible with safety preparatory to the issue of the new Stamps as soon as received from England.

(True Extract.)

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

To the Board of Revenue.
,, the Mint Master.

Exd. S. T. Augustin.

Indent of Stores required for the Stamp Department at the Presidency of Madras for the Service of the Indian Government

I hereby certify that the Stores enumerated in this Indent are absolutely required for the service of the Stamp Department for a period of Six Months; and I further certify that I have by a personal inspection of Books and Stores satisfied myself that they comprise the least possible quantity necessary for the above period.

Dated the 25th day of July 1864 at Madras.

(Signed) J. Temple
Superintendent of Stamps

Received by the Director General, at England, the
day of 186

Madras

Indent N° 14

Description of Stores	Established Proportion for 1 year	Balance in Store	Vide Despatch dated 31st Dec. 1863 from Madras	Quantity now indented for
Water marked Paper 1 – 3¾ by 8⅓ with bicolor Stamp.				
1 Anna	1,20,000			60,000
2 do.	4,80,000			240,000
4 do.	8,80,000			4,40,000
8 do.	8,00,000			4,00,000
12 do.	10,000			5,000
1 Rupee	3,20,000			160,000
2 Rupees	1,00,000			50,000
4 do.	66,000			33,000
5 do.	10,000			5,000
6 do.	10,000			5,000
8 do.	36,000			18,000
10 do.	10,000			5,000
12 do.	10,000			5,000
15 do.	5,000			2,500
16 do.	16,000			8,000
20 do.	5,000			2,500
24 do.	5,000			2,500
25 do.	5,000			2,500
30 do.	5,000			2,500
32 do.	6,000			3,000
35 do.	5,000			2,500
40 do.	5,000			2,500
48 do.	5,000			2,500
Carried forward Rolls	29,14,000			14,57,000

2,000 Reams Water mark Paper Size of No. 3 to be Stamped as Specified May 1864

1,400 — Do. — Do. — Do. — Specified Sept. 1864

Reams Quires Mark

24 61 — 7 — 13/3

of Mus. Stamped water mark Paper Size N° 3

For immediate supply to the several Districts for use during the half year from 1st November 1864 to 30th April 1865 vide Despatch of the Supreme Government to Secretary of State Financial Department, N° 62, dated Simla 26th May 1864.

This supply, in order to be available, should be despatched immediately by Overland mail.

Not obtainable here

	Brought forward Rolls	29,14,000	14,57,000
50	Rupees	5,000	2,500
60	d°	1,000	500
75	d°	1,000	500
80	d°	1,000	500
100	d°	2,000	1,000
125	d°	400	200
150	d°	600	300
200	d°	400	200
250	d°	400	200
300	d°	400	200
350	d°	100	50
400	d°	50	25
500	d°	100	50
700	d°	50	25
750	d°	50	25
1000	d°	50	25
2000	d°	50	25
	Total	29,26,650	14,63,325

Madras
General Staff Office
25th July 1864

Note allowable here

Signed J. Temple
Superintendent of Police

3 Dated 25th July 1864 Stamp Department

Water marked Paper for Bills of Exchange with Bicola Stamp		18 Reams of mutilated Water Marked Paper	30 Reams 1/2 Stamped in April 1864		Remarks with reference to the Stores Indented for	Price of Stamp at the time the Stock was Stamped	Stamped on undetermined Provision Proposed to be provided	Remarks by the Director General
1 Anna	1,00,000			50,000		Not ascertainable		
2 Annas	10,000			5,000				
3 d.	20,000			10,000				
4 d.	5,000			2,500				
6 d.	20,000			10,000				
8 d.	1,000			500				
12 d.	10,000			5,000				
1 Rupee	1,000			500				
1½ d.	5,000			2,500				
2 Rupees	1,000			500				
3 d.	5,000			2,500				
4 d.	500			250				
6 d.	1,000			500				
8 d.	500			250				
9 d.	100			50				
12 d.	200			100				
18 d.	100			50				
24 d.	100			50				
4 Annas Bills of Lading	30,000			15,000				
Total	2,10,500			1,05,250				

Madras
General Post Office
July 1864

(Signed) J. Temple
Superintendent of Stamps

Enclosure A

Indent of Stores required for the Stamp Department at the Presidency of Madras for the Service of the Indian Government.

I hereby certify that the Stores enumerated in this Indent are absolutely required for the Service of the Stamp Department for a period of twelve months, and I further certify that I have by a personal inspection of Books and Stores satisfied myself that they comprise the least possible quantity necessary for the above period

Dated the 25th day of July 1864 at Madras.

[Signed] J. Temple
Superintendent of Stamps

Received by the Director General in England,
the day of 186.

Madras

Indent No. 1143

Description of Stores	Established Assistants for 1 Year	Balance in Hand	Due on Indent	Quantity now Indented for
Water Marked Paper 3/4 by 8/3 with Circular Stamps				
1 Anna				120,000
2 Do.				480,000
4 Do.				880,000
8 Do.				800,000
12 Do.				10,000
1 Rupee				320,000
2 Rupees				100,000
4 Do.				66,000
5 Do.				10,000
6 Do.				10,000
8 Do.				36,000
10 Do.				10,000
12 Do.				10,000
15 Do.				5,000
16 Do.				16,000
20 Do.				5,000
24 Do.				5,000
25 Do.				5,000
30 Do.				5,000
32 Do.				6,000
35 Do.				5,000
40 Do.				5,000
48 Do.				5,000
Carried forward Rolls				2911,4,000

Same Lines Sheets 2 to 7 - 13/3 of Assistant Superintendent Paper Size No. 3.

2,400 Remainder Same Paper Size No. 3 Folio Millboard Sheets dated August 1861, Madras

1,400 Do. Do. Do. Do. Do. Do. Do. dated December 1863.

2911,4,000

Net Quantity Indented for

Signed J. Temple
Superintendent of Stamps

Water marked Paper for Bills of Exchange with Bicolor Stamps

1 Anna	100,000	100,000
2 Annas	10,000	10,000
3 ___ 0:	20,000	20,000
4 ___ 0:	5,000	5,000
6 ___ 0:	20,000	20,000
8 ___ 0:	1,000	1,000
12 ___ 0:	10,000	10,000
1 Rupee	1,000	1,000
1½ ___ 0:	5,000	5,000
2 Rupees	1,000	1,000
3 ___ 0:	5,000	5,000
4 ___ 0:	500	500
6 ___ 0:	1,000	1,000
8 ___ 0:	500	500
9 ___ 0:	100	100
12 ___ 0:	200	200
18 ___ 0:	100	100
24 ___ 0:	100	100
4 annas Bills of Lading	30,000	30,000
Total	210,500	210,500

Reams of Stamped Water marked Paper
18 ___ " ___ " ___ "
30 Reams Ship Stamp in April 1864.

For issue in the year 1865/66 and in order to provide the several Districts with the customary Reserve of a three months' Supply one fourth part of this Indent in each Value should reach Madras in the course of December and the remainder by the end of March 1865.

Not alienable here

Madras
General Stamp Office
July 7th 64.

Dated 25th July 1864 — Stamp Department.

Brought forward Rolls	29,14,000	29,14,000
50 Rupees	5,000	5,000
60 do	1,000	1,000
75 do	1,000	1,000
80 do	1,000	1,000
100 do	2,000	2,000
125 do	400	400
150 do	600	600
200 do	400	400
250 do	400	400
300 do	400	400
350 do	100	100
400 do	50	50
500 do	100	100
700 do	50	50
750 do	50	50
1000 do	50	50
2000 do	50.	50
Total	29,26,650	29,26,650

Remarks with reference to the Stores Indented for

Price of Stamps in the Mofussil

Ship Post or under Quarantine

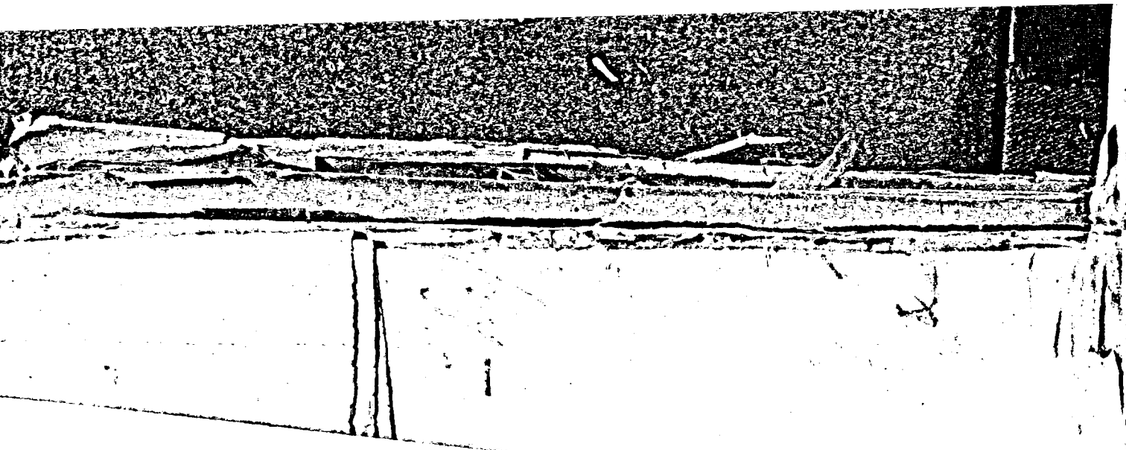
Proposed Sale Provincial

Remarks by the Superintendent

Valuation of Stamps in hand.

Signed J. Temple
Superintendent of Stamps

Madras
General Stamp Office
25th July 1864.



G.O.NO-114-115 =

Indent of Stores required for the Stamp Depart=
=ment at the Presidency of Madras for the Service
of the Indian Government.

I hereby certify that the Stores
enumerated in this Indent are absolutely required
for the service of the Stamp Department for
a period of twelve months; and I further certify
that I have by a personal inspection of Books
and Stores satisfied myself that they comprise
the least possible quantity necessary for the
above period

Dated the 25th day of July 1864 at Madras.

/Signed/ J. Temple
Superintendent of Stamps.

Received by the Director General in England,
the day of 186.

Madras

Indent c

Description of Stores	Established Proportion for 1 year	Balance in Store	Rise on former Indents	Quantity now Indented for
Water marked Paper 1 3 3/4 by 8 1/3 with bicolor Stamp.				
1 Anna	1,20,000		Vide Bi Monthly Return of Stores dated London 31st December 1863.	1,20,000
2 do	4,80,000			4,80,000
4 do	8,80,000			8,80,000
8 do	8,00,000			8,00,000
12 do	10,000			10,000
1 Rupee	3,20,000	Watermark Paper Sige No 3	To be shipped May 1864	3,20,000
2 Rupees	1,00,000		To be shipped August 1864	1,00,000
4 do	66,000			66,000
5 do	10,000		2,000 Rams Water mark Paper Sige No 3 To be shipped	10,000
6 do	10,000			10,000
8 do	36,000			36,000
10 do	10,000			10,000
12 do	10,000			10,000
15 do	5,000	Rams Sizes 1866	1400 8s	5,000
16 do	16,000	2461 7 13/3 of Undistinguished Water		16,000
20 do	5,000			5,000
24 do	5,000			5,000
25 do	5,000			5,000
Carried forward Rolls	28,88,000			28,88,000

A Reserve Stock of one years average Requirements.

Not obtainable here

	Brought forward Rolls	2888,000	2888,000
30 Rupees		5,000	5,000
32 do		6,000	6,000
35 do		5,000	5,000
40 do		5,000	5000
48 do		5,000	5,000
50 do		5,000	5,000
60 do		1,000	1,000
75 do		1,000	1,000
80 do		1,000	1,000
100 do		2,000	2,000
125 do		400	400
150 do		600	600
200 do		400	400
250 do		400	400
300 do		400	400
350 do		100	100
400 do		50	50
500 do		100	100
700 do		50	50
750 do		50	50
1000 do		50	50
2000 do		50	50
	Total	2926,650	2926,650

Madras
General Stamp Office
25th July 1864

Not obtainable here

/Signed/ J. Temple
Superintendent of Stamps

No 143. Dated 25th July 1864 Stamp Department

Water Marked Paper for Bills of Exchange with Bic	for Stamp				
1 Anna		1,00,000			1,00,000
2 Annas		10,000			10,000
3 do		20,000			20,000
4 do		5,000			5,000
6 do		20,000			20,000
8 do		1,000			1,000
12 do		10,000			10,000
1 Rupee		1,000			1,000
1½ do		5,000			5,000
2 do		1,000			1,000
3 do		5,000			5,000
4 do		500			500
6 do		1,000			1,000
8 do		500			500
9 do		100			100
12 do		200			200
18 do		100			100
24 do		100			100
4 Annas Bills of Exchange		30,000			30,000
	Total	2,10,500			2,10,500

Madras General Stamp Office July 1864

/Signed/ J. Temple.
Superintendent of Stamps

Remarks with reference to the Stores Indented for

Price if obtainable on the spot

Not obtainable here

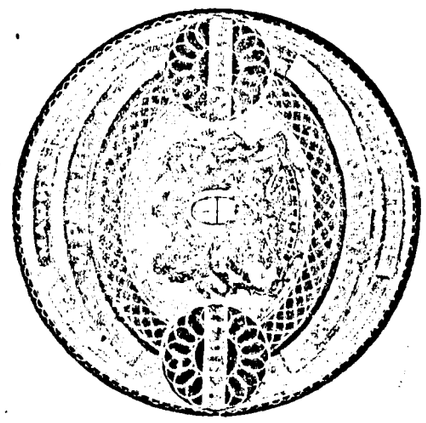
Shipped, or under provision

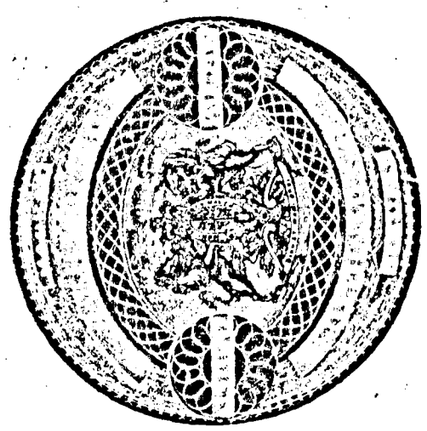
Postponed to a future date

Remarks by the Actor General.

18 Reams of Watermarked Water Marked Paper

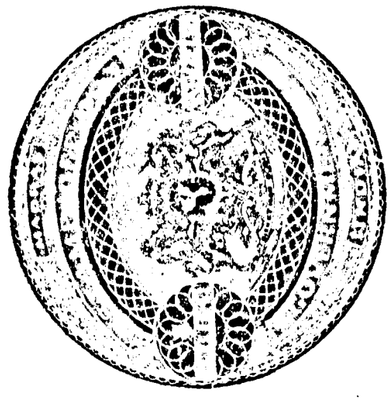
13 Reams shipped in April 1864

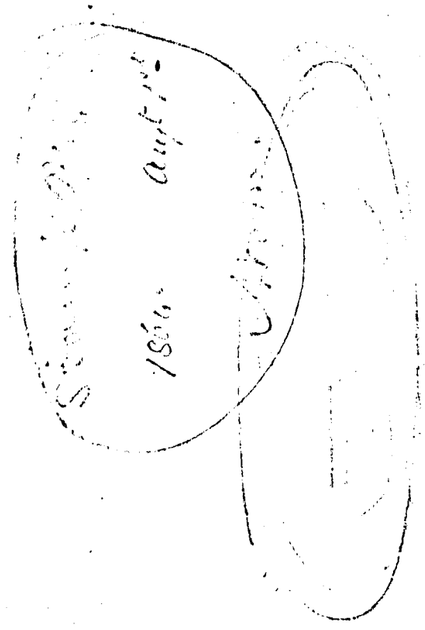




Enclosure No 2007/64







Revenue Depart

Proceedings of the Madras Government
under date the Septr 1864
Read the follow
& Bo: of the Bd of Rev

Submitting with
remarks letter from the
Supt of Stamps forward-
-ing Indents for Bi-color
stamps required for the
half year of 1864/65 & for
the year 1865/66-

(Received 29th
July 1864, No 4809/-

Resolved that the
Indents received from
the Superintendent of
Stamps, through the Board
of Revenue, be forwarded
to the Secretary of State
in accordance with the
instructions conveyed in
the letter from the Govt
of India, dated 15th June
1864, No 557, and the enclosed

2 The first Indent (A

is for use in the second half of the current official year - viz from 1st Nov/64 to 30th April/65 - As time must be allowed for impressing the paper with the value stamps and for distributing them all over the country, ~~the Govt to not receive~~ this Indent cannot be complied with, so as to admit of all this being done by the first mentioned date -

3 The second Indent B) is for issue in the Offg year 1865/6 - and should be so despatched that 1/4 of each value may be received by the end of December 1864, and the remainder by the end of

of March 1865.

4 The third Indent C) provides for the establishment reserve of one year's average requirements - and may be gradually supplied.

5. Having thus complied with the requirements of the Supreme Govt, the Governor in Council deems it right to state briefly his reasons for regretting (so far as this Presidency is concerned) the decision at which the Supreme Govt have arrived of having the Bicolor stamps impressed in England instead of at Madras.

6 In 1861 the Govt applied to the Secretary of

Desp: No 118 of 19th Nov/64

of State for information
ion to the additional ex-
pense of having the paper
stamped in England with
a single colored stamp,
similar to but smaller
than that used in Bengal

The reply was that
paper of foolscap size
could be marked with
one Bi-color stamp
on each sheet at the
rate of 4-8 per ream
and with 2 stamps
at 6-3 per ream and
that in the case of
paper of a larger size,
the cost of putting
two stamps on each
sheet would be
9-4 per ream. The
cost

From Secy of State
14th Feby 62 No 6.

cost of the plates required
for the Stamps was stated
to be about £36 each
& Calculating on these
data the Govern-
ment found that the
Stamping the
quantity of paper estim-
ated to be sufficient for
a years supply would cost
executed in England
Rupees 13,118 against
Rupees 5,199 if done in
Madras —

9. On the score of
economy therefore the
idea of having the paper
stamped in England was
abandoned, and reliance
placed on the water
mark and the use of
an

an intricate a cold die as
could be made—

The present Mint
Master states that
the Instant cost of con-
struction of a Press com-
plete with three plates
and dies striking three
impressions at once, and
turning out daily 800 op
impressions would be
in pieces Rupees 400, and
the establishment
required to work
such a Press would
cost Rupees 60 per
mensem. At this
rate 800 impressions

could

would cost 1 day 8 Pie
shillings in Madras
while in England 1000
impressions will cost
6 shillings.- The latter
charge includes cost of
machinery and plates,
but there is ample
margin in the difference
of annual cost to cover
this and leave a large
surplus.-

11. Unless, therefore, the
cost of Stamping in
England can be reduced
greatly below the sums
mentioned by the Sec.y
of State, the new system
will not have

Board of Despatch
of Supreme to Home
Govt of 26th May 1864.-

11. Hence the proposed
plan of stamping the
paper in England has
not the advantage of
economy in its favor.-

12. The notion that
having the paper stamp
-ed in England will af
-ford "the greatest poss
-ible security" against
fraud is, in the opinion
of

this Govt, more than
"
estionable.-

13. The frauds to be
guarded against are
of two kinds-
I. The counterfeiting
of the stamp
II. The illicit ob-
taining of it without
payment.-

14. The first is for
all practical purposes
effectually prevented
by the use of the Bi-colrs.
stamp- but it manifest-
ly matters not where the
stamp is impressed- if
Bank of England notes
not more easily counter-
feited because it is ma-
nufactured in London-
nor would it be less
easily counterfeited if
manufactured in India.
In this respect therefore
no advantage attends the
plan

plan of having the pa-
per stamped in England

15. The second kind
of fraud is in fact fa-
cilitated rather than
prevented by stamping
the paper in England
and only using colour-
dies in this country-

16. At present the pa-
paper comes from England
simply water marked- If
lost or stolen before it
reaches the store, the pos-
possessor has merely a
case of paper-distinguish-
ed by a peculiar mark,
but so far valueless
except as paper- If the
paper reaches the store
in safety, it there re-
mains and, if thence
abstracted, continues
still valueless- Before
it can be made valuable
two stamps must be
forged-

17. As short a time as
possible

possible before being required for issue the paper is sent under every precaution to a different office, where by a distinct establishment it receives one stamp - and is returned to store under the like precautions. If lost or stolen in this condition it is still comparatively valueless; the counterstamp must be forged, before it becomes valuable.

18. When actually required for issue it receives the final stamp and is then of full value.

19. Thus it is only at the last moment that the paper becomes a valuable commodity - and it is

in this valuable condition for the shortest practicable period, in the smallest possible quantity.

20. When, however the stamping process is effected in England all this is altered - the paper issued from

from the manufactory fully stamped with the only stamp that is allowed against counterfeiture the further stamp required by the currency (a

Va cold die impression) be as all admit, easily counterfeited. The great security afforded by keeping the article valueless till actually wanted for use is lost and this considération is of great importance and it is considered that the stock in this country will represent a money value of [illegible] sterling. Under the Madras system a very small percentage of this would be in the like valuable condition prior to actual issue.

21. It may be urged that the paper must be carefully preserved so as to render theft or loss scarcely possible. Of course every precaution will continue to be taken to prevent such occurrences but it is at least a great advantage of the present system that if thefts or losses should as they certainly may occur of the

the article lost or stolen is
useless to the professor how
prudent person keeps his cheque
book ready signed; ~~trusting~~
~~to his own care and the secu~~
~~rity of his chubb lock.~~

29. It may also be said
that by frequent stock taking
scrutiny of accounts &c.
fraud may be prevented
but the immense stock which
must be kept in store is
a great practical difficulty
in the way of such checks.
A years reserve alone amounts
to four million sheets ~~having~~
~~their own paper stamped~~
~~under the check of the water~~
~~mark so far as counter~~
~~feiture goes of comparative~~
~~inutility for of course forgers~~
~~would select ordinary paper~~
~~for their operations.~~

The

23. The answer to this
argument however is that
the same checks are applicable
to and employed under the
present system - the real
question is whether the sim
ple and self acting check
of reserving the Bi-color
stamp - which alone cannot
be counterfeited - till the
last moment should be
abandoned.

24. The only defect of the Nasmyth
system is the exclusive use of cold
dies. It was hoped that the use of
watermarked paper would counter
balance this defect, but it seems
that the watermark can be imitated
sufficiently well to escape cursory
examination, and the privilege of
forded to the public of having
their own paper stamped, renders
the check of the watermark so far
as counterfeiture goes of comparative
inutility for of course forgers
would select ordinary paper for
their operations.

25 If the "greatest possible
security" is desired, the sys
tem now pursued in Ireland
must be followed, substi
tuting, however, bi-color
stamps for cold dies.

26 A lesser degree of
security may be attained by
having the final counter-star
only of the Bi-color descript

27. The least degree of security attends the proposed plan of having only one Bi-color stamp and impressing it in England.

28. As regards cold die impressions it must be remembered that they are open to two objections - I. They may be counterfeited with comparative facility - II. Several sheets of the thin paper in use may be impressed at one stroke, thus baffling the check of the "tell-tales" attached to the Presses the latter objection can only be met by issuing Bi-color stamps.

29. A further objection to the proposed plan of stamping the paper in England exists in the loss of the watermarked paper in

in store and expected; value at 60,000 Rupees exclusive of freight

30. The arguments of this Govt against the system proposed are briefly as follows.

I. That stamping in England is much more expensive than stamping in India.

II. That the use of only cold dies in India initiates the check of a Bi-color impressed in England.

III. That if Bi-color stamps are used in India the impression of a Bi-color stamp in England is useless -

IV. That the necessity of retaining a very large stock of paper stamped with the only stamp that cannot be counterfeited involves

involves serious risks
and inconveniences. —

For these reasons
this Govt. advocates the
retention of the present
system substituting
Bi-color stamps for the
old dies now in use -

31. The paper being sent
from England simply
water marked - will on
here be carefully counted
on receipt and brought
to stock as raw material,
every sheet having to be
accounted for by the
Superintendent.

32. As requisitions
for stamps are received,
the Superintendent will
send the paper to the
Mint; where the value
will be impressed by
the

the Mint Master -
with a Bi-colored die:
the Mint Master's books
being the check on the
Superintendent -

33. Immediately
before Issue the Supt.
will impress the
Bi-color counterstamp
which need not show
the value.

34 These arrangements
with the half yearly
stock taking and the
system of account and
audit now in force
reduce the risk of fraud
and forgery to a mini-
-mum -

35. The additional
establishment required

will

mill, not cost, only, more than £1500 per mensem.-

36. It is, proper to state that the Water mark is only a partial security (~~owing to private materials stet-~~ ~~being freely stamped~~) and is recommended under the impression that, it does not involve much extra expenditure.- Of course if a Bi-color stamp is impressed in England, it is wholly useless.-

37. As regards what are technically termed "Private goods"- the Bi-color stamp is even more necessary than in the case of paper

Sold

sold, stamped by a coiner which has the recommendation of a Watermark. She does see that, if the Govt. can receive an elaborate Bi-colored stamp, which private paper cannot easily cold die stamped the value of the forged as a check on forgery so lost. Forgers could use common paper with the easily counterfeited cold die or endeavour to bribe the stampers correspondingly to stamp paper with the genuine dies.

38. The Government have no legislative

? and directing the Mint Master to prepare the necessary plates.

~~Power in opposition to~~

~~Secretary~~

~~Secretary of State for the necessary plates for printing materials~~

Colonel Temple is under the impression that the plates and dies must exactly correspond with those to be used in England under the system prescribed by the Government of India. The Government doubt whether this is the intention either of the Supreme Government or the Secretary of State as regards private materials.

9. Of course if the plan of this Government were adopted and the stamping entirely conducted in Madras the same dies and plates would answer for both private and Government materials and some expense be saved. But otherwise it is not necessary and it certainly is highly inexpedient to use the same dies here. The check, ~~which~~

L

- of holding the
stamps Department
answerable for every
stamp supplied
from England would
be lost, if it had
the means in its
own hands of ma-
= nufacturing others
exactly similar. ~~The~~
~~kind of sheet, other~~
~~wise appropriated,~~
~~effectively and at~~
~~least cost) should~~
~~still be retained.~~

The

40. The discontinuance
of the counter Stamps au
tioned by Govern
ent in 1862 on the sug
estion of the Board
of Revenue, in accord
with the wishes of the
Supreme Government,
and in order to assimila
the practice here to th
that of Calcutta. The
Government previously
refused to allow for
ficelly Class private
materials to be stamp
on account of the waste
to the stamp revenue
but of course the com
munity at Madras
could not be deprived
of a privilege of freely
enjoyed in Calcutta

Private materials must
continue to be stamped
on payment of the duty
but as after nearly
two years actual ex-
perience the Board
declare that "the pres-
ent practice in respect
to private materials af-
fords almost all the
facilities that could
be desired for pre-
vent fabrication
of stamped paper"
a declaration quite in
accordance with the
convictions of Government,
the counter stamp must
be resorted to again.
The Government observe
that an abundant supply
of excellent paper
duly stamped is always
procurable

procurable and the
imprisonment of the
Countersstamp involves
such trifling delay
that no one, using his
own paper for his
own convenience has the
slightest reasonable
ground of complaint
that the State should
adopt this precaution
against fraud. In no
other respect than a
delay of half an hour
at the utmost will there
be the slightest change
as regards the public
by using the Counter
stamp.

41. As regards the
suggestion in para 20
the letter of the Supreme
Government above record

the Government observe that a new Office in Madras is an absolute and immediate necessity; and one is now in course of construction. The present Office a rented building is very inconvenient, unsuitable and unsafe. The plan of the new building has been reconsidered by the Board and Superintendent and found equally adapted to the proposed and the present system.—

42 The Board will in communication with the Superintendent of Stamps so arrange the issues that the stock in the Collectors hands may be reduced to the lowest quantity compatible with safe preparatory to the issue of the new Stamps as soon as received from England.—

L. D.

11. To the Board of Rev. Cons. 16th Sept
2 " Revd Mond. Madras

Copy in my letter to England
of 14 September 64 & 9 Sept. 65

Dated Dec. 10
Rec'd Jan. 6 for Lahore

No 1691.

From the Madras Govt.

Rec'd Encl. &c.

From Mr. Secy Peterson 64 C.S. 2665
referring to para 42 of the G.O.

Cro. No. 233-34
14-7-64

" 361-62
27-11-63

" 332-33
25-11-63

" 1109
20-Sept-62

C. No. 2317 & 2352/63

C. No. 1769-/64

Nos 222 & 223.

Forwarding to the
Secretary of State the
Indents received from
the Supt. of Stamps for
Bi-Color Stamps.