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MADRAS RECORD OFFICE

Government of Madras

Revenue DEPARTMENT

G.O. No.	99	~~Press~~
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Dated	17. 2. 1872	195
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*Proceedings of the Madras Government, Public Department,
7th February 1872.*

Read the following papers:—

No. 7. Proceedings of the Board of Revenue, dated 20th September 1871,
No. 3318 (Miscellaneous).

Read Proceedings of the Madras Government, Public Department, dated
4th September 1871, No. 1361.

Communicated to the Collector of North Arcot.

2. The Postmaster-General has already addressed the Board on this subject,
which will very shortly be taken into further consideration by the Board.

(True Extract.)

(Signed) J. B. PENNINGTON,
Ag. Sub-Secretary.

No. 8. From the Postmaster-General, Madras, to the Secretary to Government,
Revenue Department, Fort St. George, dated Ootacamund, 21st September
1871, No. 2508-491.

I have the honour to state, for the information of the Government, that it has
come to my knowledge that a practice exists at Madras in connexion with the sale
of postage stamps which causes considerable loss to the revenue.

2. The Government are aware that all Postmasters, Deputy Postmasters, and
District Post Goomastahs, when purchasing stamps for retail sale, are allowed
discount at the rate of one Anna in the Rupee, except at Madras, where, in conse-
quence of the very large consumption of stamps, this privilege is not granted, and
postal officers are allowed, in common with the public, a discount of only half
an Anna in the Rupee on their purchases.

3. It appears that certain native traders in Madras employ postal servants
at other places to purchase for them large supplies of postage stamps from local
Treasuries, at the higher rate of discount, for retail sale at Madras. They are thus
enabled to undersell the postal officers, and I believe that, in consequence, a very
considerable proportion of the stamps used in Madras are bought from these men,
the revenue losing, of course, half an Anna on every Rupee's worth thus sold.

4. The part taken in this arrangement by postal servants is not against either
law or regulation; but it is clearly an abuse of a privilege and ought to be put a
stop to.

5. Having reason to be quite certain that one of my Deputy Postmasters was
engaged largely in this trade, I removed him to a distant part of the Presidency,
and I think it very improbable that his successor will follow the same practice.

6. But, from a correspondence which I have had with the Revenue Board on
this subject, I have no doubt that many District Post Goomastahs also are engaged
in it.

7. It appears to me that the first measure which should be taken is, that every
sale of stamps to a postal officer at the higher rate of discount should be vouched
for by a written requisition, which should be attached to the periodical account or
return of sales.

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8. According to existing practice, I am informed that an officer in charge of a Treasury has it in his power to enter any amount he pleases as sold at one Anna discount, entering the balance as sold to private purchasers at half an Anna discount, a power which it seems to me quite possible that a dishonest subordinate might make an improper use of.

9. The amount sold monthly to the Post Office being recorded at every Treasury, there could of course be no objection to the officer in charge giving information on the subject to the Postmaster-General or the Inspecting Postmaster on their applying for it; and I have no doubt that I could find means to check the traffic I have described as far as the servants of the Imperial Post are concerned.

10. As regards the District Post Goomastahs, some of whom, as I have remarked, I have no doubt are engaged in it, I leave it to the Government to decide what steps should be taken.

11. It is not probable that the trade will ever be carried on with any places except those which are near Madras or are connected with it by railway or coasting steamers.

Transferred to the Chief Secretary.

(Signed) W. HUDLESTON,
Secy. to Govt., Rev. Dept.

No. 9. From the Postmaster-General, Madras, to the Chief Secretary to Government, Fort St. George, dated Madras, 16th December 1871, No. 4826-D—1969-C.

With reference to the Order of Government, Public Department, dated 4th September 1871, No. 1361, I have the honour to state that the amount of stamps purchased for retail sale by the Vellore Post Office between 1st September 1870 and 30th April 1871 was Rupees 2,708, the discount upon which, at one Anna per Rupee, was Rupees 169-4-0. Of this amount, stamps of the value of Rupees 600 were, during that period, transferred to the Cautpaudy Post Office for sale, and that office obtained no stamps direct from the Treasury.

2. There is no Imperial Post Office at Trivellum.

No. 10. From the Postmaster-General, Madras, to the Chief Secretary to Government, Fort St. George, dated Madras, 16th December 1871, No. 4827-D—1969-C.

With reference to your Memorandum, No. 279, dated 12th October last,

	Yearly sale.	Discount at 1 Anna per Rupee.
Ootacamund	Rs. 8,072	504-8-0
Trichinopoly	7,904	494-0-0
Cocanada	5,748	359-4-0
Bellary	3,420	213-12-0

I have the honour to give in the margin the amount of postage stamps purchased in one year for re-sale at a discount of 1 Anna per Rupee by the Post Offices of Ootacamund, Trichinopoly, Cocanada, and Bellary.

2. With regard to the Madras Post Office, I am unable to give you this information, as the Stamp Vendor in that office is not in the department, and

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keeps no account of his purchases or sales; and, as at Madras the Treasury allows no higher discount to the Post Office than to the public, the Treasury Officer keeps no separate record of the amount sold to the Post Office.

3. It happens, however, that for three months in 1870 (owing to a misunderstanding of a new rule on the subject) the higher rate of discount was allowed to the Madras Post Office, and for those three months a separate record was kept, which shows that the average amount sold to the Post Office monthly, at a discount of one Anna per Rupee, was Rupees 1,900, while the average amount sold to the public monthly, at a discount of half Anna per Rupee, was Rupees 4,284.

No. 11. ORDER THEREON, 7th February 1872, No. 162.

On consideration of the papers above recorded, the Government are satisfied that the most effectual way of putting a stop to the traffic in postage stamps which the Postmaster-General has brought to notice, is to equalize the discount everywhere.

2. The present rates of discount of half and one Anna have, it is observed, been fixed with the sanction of the Government of India, and any change must receive their sanction before being put into force.

3. The Government resolve, therefore, to submit copy of these Proceedings to the Government of India, with a request that the rate of discount in the sale of stamps to all persons, whether employed in the Post Office or otherwise, and to all other persons, whether at the Presidency or elsewhere, be fixed at half an Anna in the Rupee.

(True Extract.)

Chief Secretary.

To the Postmaster-General.

„ Revenue Department.
„ Board of Revenue.

Exd. J. H. Burns.

