

(1) Number of Pages.....12
(2) Date of repair.....8-7-66
(3) Initials of the Referencer.....*AB*

MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No.	364	Press
B.P. No.		Mis.
Dated	19-3-	1874 196 .

Not to be folded or roughly handled

No. 180. Read the following Proceedings of the Board of Revenue, dated 26th February 1874, No. 432:—

Read the following letter from the Hon. V. RAMIENGAR, c.s.i., Superintendent of Stamps, to J. GROSE, Esq., Secretary to the Board of Revenue, dated Madras, 4th February 1874, No. 164:—

I HAVE the honour to reply to the Proceedings of Government, dated 7th November last, No. 1,622, communicated to me with your docket of the 20th idem, calling on me to report on the system which allows of water-marked paper sent from the General Stamp Office to the Stamping Department being abstracted there without detection.

2. I will first describe briefly the system observed in issuing and stamping water-marked paper. The cases of this material received from England are stowed in the store-room which is under the lock and key of the Superintendent. The quantity specified in each Invoice is, after examination of the seals on the cases, brought on the Stationery Stock Account, subject to deduction or addition afterwards as each case is opened and the contents examined. Every Friday, as a general rule, two, three, or more cases are opened according to the estimated requirements of the ensuing week, and the packets in each are taken out and counted in the presence of the Superintendent, and by him made over to the charge of the Single Stamp Store-keeper. The paper is counted next day, sheet by sheet, by the counters under the immediate eye of the Store-keeper, and made up into bundles containing a ream each; and each man enters the number of packets counted by him and the out turn of each in his Tally-book, initialling the entries. Tallies signed by each counter are also attached to the bundles counted by him. On Monday following, the counted reams are made over by the Store-keeper to the Superintendent who locks them up in the strong room. Any excess or deficiency found in counting the papers is reported to the Superintendent at the same time, and credited or written off in the Stock-book then and there, the excess sheet or sheets being also delivered to the Superintendent and locked up. Any paper found damaged in the bundles by bad packing or otherwise are set aside and kept by the Superintendent in his custody and destroyed by him periodically.

II. The paper is now ready for issue to the Stamping Department. The quantity required to be stamped in satisfaction of district Indents is given out daily by the Superintendent to the Single Stamp Store keeper. He sends it, in a locked tumbrel in charge of a Sepoy guard, to the Stamping Office. One key of the tumbrel is with my Assistant and the other in the Stamping Department. An Indent signed by the Superintendent accompanies the paper. It shows the number of sheets sent and the number and value of the stamps to be impressed.

III. It is next the business of the officer in charge of the Stamping Department to see the paper carefully counted and stamped, reporting to me at once any excess or deficiency found in counting each ream, and returning, at the same time, the surplus paper in the one case and obtaining from this office the deficient sheet or sheets in the other. In either case, the tally attached to the bundle in which the difference occurs is also expected to be sent to this office, that due notice might be taken of the counter in fault. The paper is then impressed with the value-stamp and returned to me in bundles made up according to the values. The

original Indent sent by the Superintendent is also returned, with an endorsement showing that the requisition has been complied with. It is the duty of a Stamp Office counter who remains attached to the Stamping Department to be present while the paper is counted in that office before being stamped.

IV. On the stamped paper reaching this office, the sheets are counted and the stamps examined. On their being found to be correct, the Indent is signed by the Superintendent in token of acknowledgment of the receipt of the stamps, and sent back as a voucher to the Stamping Department. The stamps are then brought on what is called the Single Stamp Stock book kept by the Single Stamp Store-keeper. The entries in this book are countersigned daily by the Superintendent. Any spoiled or imperfect stamps are brought to him and set aside by his orders. They are included in the General stock in order that the account may tally with that kept in the Stamping Department, but are sent at the close of each quarter to the Board of Revenue for the purpose of being by them destroyed. The value of such stamps is written off the Stock-book with the Board's sanction.

3. It is unnecessary for my present purpose to take up the time of the Board by describing the rest of the process gone through before the stamps are finally despatched to the districts. It will be seen from what has been stated that every sheet of the water-marked paper brought on the Stock-book has to be accounted for by the Superintendent, and is accordingly in his immediate custody. Any pilfering of this raw material can occur only in two ways: either by any excess sheets found by the counters in the course of the counting in this office not being brought to the notice of the Superintendent and kept back, or, secondly, by the same thing being done in the course of the counting at the Stamping Office before the paper is stamped. Nothing has transpired calculated to lead me to suspect any laxity in this respect in this office. The paper found in the Stamping

Note.—There are three rolls in each sheet. Office, namely, nine rolls, (not nine sheets as stated in the Accountant-General's letter) can, therefore, have been obtained only by withholding from my office any sheets found in excess of the proper quantity in the packets sent to it from here for the purpose of being stamped. When it is remembered that there are 500 sheets in each ream; that 70 or 80 reams, if not more, are usually counted every Saturday in this office; and that 12, 14, or 16 reams are ordinarily sent every day for the purpose of being stamped; it is nothing surprising that occasionally a sheet should be passed over or a sheet counted twice over in a bundle by the best counter. Such discrepancy is certainly capable of being detected in the Stamping Department where the packets are counted a second time; but whether the excess, when excess is found, is brought to notice, and the excess sheet or sheets invariably returned to this office, must depend entirely upon the counters and the person placed immediately over them. It is true that a Stamp Office servant is present watching their counting; but where there are several reams to be counted every day, and several men are engaged in doing this, he cannot possibly know the exact outturn of each bundle, unless each counter chooses to give out the correct result at the time.

4. I lately went over to the Accountant-General's Office to see and judge for myself how the work of the Stamping Department is carried on there, and the result, I confess, was not such as to impress my mind favourably regarding the arrangements

in force. The Assistant, Mr. Kissen Sing, who is at present in charge of the Department, sits in a portion of the extensive premises occupied by the Accountant-General's Establishment, which is entirely apart from and cut off from that in which the stamping takes place. Even the Manager of the Currency Department, who was drawing a special allowance of 50 Rupees for attending to the work of the Stamping Office, sits in the Currency Department whence he cannot possibly superintend what goes on in the Press-room; so that the whole of the operations connected with the stamps are practically under the immediate supervision of a Clerk on 40 Rupees. The water-marked paper sent daily from this office is taken charge of and kept under the lock and key of this man in an almira provided with a common country lock. The counters are left to themselves while counting the paper; for, beyond the Stamp Office counter, on 8 or 10 Rupees, no responsible servant is present. After the counting, the paper is passed on to two workmen who are employed in a yard outside the office-room, with none to watch them, in damping the paper and getting it ready for the press. There is further a corps of nineteen volunteer workmen employed in the Stamping-room who handle the paper and take it backwards and forwards while it is counted, stamped, and put out to dry. These volunteers get no pay of any kind, except when any of them is acting casually for a man on leave or on the sick list. In making these remarks, it is far from my intention to impute blame to anybody. The Accountant-General's Assistant has his own proper duties to attend to, and cannot be expected to divert much of his time from them. Then, the Currency Manager has, I am sure, enough to do if he does his own work properly, and the arrangement under which he gets an additional remuneration for performing duties which have no connection whatever with Currency Notes, and which any one not sitting in the room where the stamping takes place cannot satisfactorily perform was, I consider, a mistake. And, thirdly, the premises not being specially designed for the purpose, the allocation of the Stamping Department with respect to the other parts of the establishment is such that it is impossible for anybody, with other important duties to perform, to superintend its operations with any degree of satisfaction and efficiency. But this is a consequence of the change carried out in 1871 on the abolition of the Mint.

5. Thus, I can only attribute the discovery of the nine excess rolls of water-marked paper in the Stamping Department to the defective supervision exercised over it, arising from the causes which I have endeavoured to explain. I am unable to perceive any defect in the system itself which is in force, and which has worked well since 1862. I cannot suggest any means of preventing occasional slips and errors in the counting of large quantities of paper, except the exercise under proper supervision of the existing check of double counting first here and then in the Stamping Department. In 1867, a series of experiments were instituted in view to ascertaining whether a system of weighing packets of paper would be likely to act as a check on wrong counting, but the result arrived at was that proper care in counting was the only safeguard available.

Vide letter from Superintendent of Stamps, to Board of Revenue, dated 18th June 1867, No. 1,510.
Bd.'s Pros., dated 24th July 1867, No. 4,737.
G. O., dated 10th August 1867, No. 1,857.
From Superintendent of Stamps, to Board of Revenue, dated 12th September 1867, No. 4,579.
Bd.'s Pros., dated 30th September 1867, No. 6,248.
G. O., dated 11th October 1867, No. 2,398.

Proceedings of the Madras Government, Revenue Department,
19th March 1874.

6. Much stress has been laid on the fact that for some time past no excess of water-marked paper has been reported or returned by the Stamping Department to this office. On reference to my books, I find that the last date on which a sheet of excess paper was returned was the 20th September 1870. No entry appears in my Stock Account since. But in connection with this point, it is right that I should state a circumstance which is probably not known to the Board, and which was not elicited during the late trial. Formerly, the reams of water-marked paper sent from England used apparently to be made up by weighment, and accordingly when counted in this office the packets generally showed a considerable excess or deficiency, the differences being caused, I imagine, by the sheets not being of even texture. But latterly, a change appears to have been introduced in the office of the Director-General of Stores in England. On some of the reams I find the word "counted" written in pencil, and on all is to be seen the initials noted in the margin clearly of some body responsible for the contents of each packet. The result is that of late no excess or deficiency of any consequence is found. The following table shows the number of reams counted in each of the last six years, the excess sheets found in them in the course of the counting in the Stamp Office, and those returned by the Stamping Department as found in the bundles sent to them:—

—	Number of Reams counted.	EXCESS FOUND			DEFICIENCY FOUND			Net Excess.	Percentage of Column No. 9 over No. 2.
		In the Stamp Office.	In the Stamping Department.	Total.	In the Stamp Office.	In the Stamping Department.	Total.		
1	2	3	4	5	6	7	8	9	10
1868...	2,366	R. Q. S. 0 11 9	R. Q. S. 0 0 9	R. Q. S. 0 11 18	R. Q. S. 0 5 8	R. Q. S. 0 0 3	R. Q. S. 0 5 11	R. Q. S. 0 6 7	·0132
1869...	3,712	1 5 16	0 0 13	1 6 4	0 2 0	0 0 6	0 2 6	1 3 23	·0322
1870...	4,330	1 17 23	0 0 22	1 18 20	0 1 14	0 0 1	0 1 15	1 17 5	·0429
1871...	2,892	1 0 4	0 0 0	1 0 4	0 0 5	0 0 0	0 0 5	0 19 24	·0345
1872...	2,246	0 9 3	0 0 0	0 9 3	0 0 3	0 0 1	0 0 4	0 8 24	·0199
1873...	2,006	0 0 14	0 0 0	0 0 14	0 0 8	0 0 0	0 0 8	0 0 6	·0005

It will be seen that, while the percentage of the net excess on the number of reams counted was ·0322 in 1869, ·0429 in 1870, and ·0345 in 1871, in the past year 1873 it was scarcely appreciable, being ·0005. If, therefore, as would appear to be the case, greater care is taken than heretofore in ensuring the correctness of the contents of the packets in England before despatch to this country, and in consequence of that we discover no material differences in the course of the second counting which takes place in this office, it is not to be expected that any excess or deficiency can be ordinarily found in the third counting of the Stamping Office. As remark, however, hardly applies to 1871 and 1872, in which a net excess of 19 quires and 24 sheets and 9 quires, respectively, was found and brought to account in this office, while a deficiency of one sheet in 1872 was all that was reported by the Stamping Department.

Proceedings of the Madras Government, Revenue Department,
19th March 1874.

7. I have only, in conclusion, to remind the Board that the receipt from England hereafter of the stamps required for use under the General Stamp Act will supersede all local stamping. This change will, in all probability, take place before the close of the present year; but while the present arrangements for stamping continue, even though that may be only for a short time, it occurs to me to suggest, with reference to the revelations in the recent inquiry, whether it is not desirable to separate the mechanics who have the making of the dies from the Stamping Department, and place them under the control of a different officer, say, the Superintendent of the Gun Carriage Manufactory or of the Public Works Workshops. The workmen who make the value-dies also make the dies for my counter-stamps, and, therefore, the means of affixing both the stamps on any available water-marked paper, without entering into any collusion with people in this office, now exists at the Stamping Office, and destroys what has been relied on as an important check. The separation of the mechanics would put it out of the power of the subordinate officials in the Stamping Department to resort to any such malpractices, and probably conduce to the better custody of the Government stores with which they have to deal than has apparently heretofore been the case.

SUBMITTED for the information of Government.

2. As far as check by double counting goes, it appears to the Board that the arrangement cannot be improved; but the supervision of the operation in the Stamping Department of the Accountant-General's Office seems to be lax and to call for improvement. Collusion might now easily take place between the inferior officers to whom the work is there left and the counter sent from the Superintendent's Office, and the value of the latter's presence to ensure that papers found in excess shall be brought to notice is small.

3. The figures given by the Superintendent in paragraph 6 show that, owing to greater care in making up the packets in England, there is little room for error or fraud here, and the fact that no papers have been returned from the Stamping Department to the Superintendent of recent years is deprived of significance.

4. The Board fully approve the suggestion made in paragraph 7 for having the workmen who are to make the value-dies and those who make the counter-stamp dies placed under different control. The Board think that one set should work in the Public Works Workshops. The Superintendent is requested to report on the matter.

No. 181. ORDER THEREON, 19th March 1874, No. 364.

Separate Revenue, No. 16.

Stamps.

The Government will be glad to receive the observations of the Accountant-General on this subject.

(True Extract.)

(Signed) C. G. MASTER,
Acting Secretary to Government.

To the Board of Revenue.
" the Accountant-General.

Exd. F. R. Bantleman.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 26th February 1874.

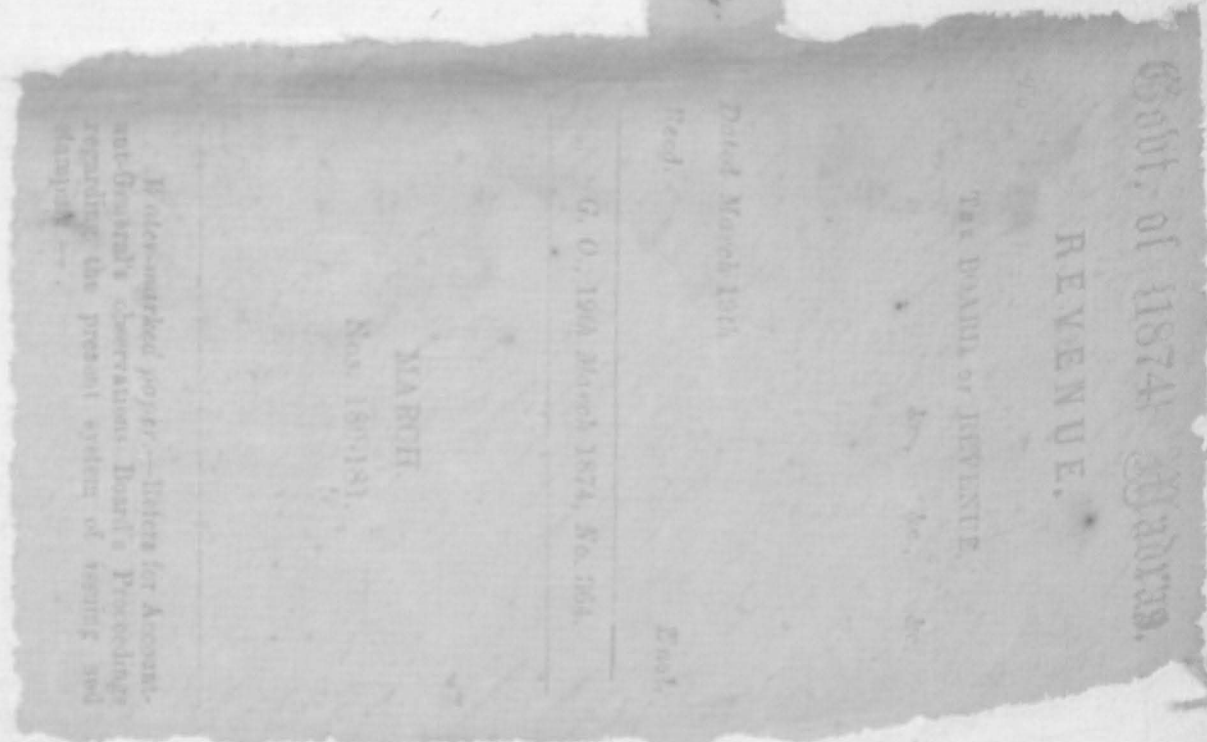
Read the following letter from the Hon. V. RAMIENGAR, C.S.I., Superintendent of Stamps, to J. GROSE, Esq., Secretary to the Board of Revenue, dated Madras, 4th February 1874, No. 164:—

I HAVE the honour to reply to the Proceedings of Government, dated 7th November last, No. 1,622, communicated to me with your docket of the 20th idem, calling on me to report on the system which allows of water-marked paper sent from the Stamp Office to the Stamping Department being abstracted there without detection.

2. I will first describe briefly the system observed in issuing and stamping water-marked paper. The cases of this material received from England are stowed in the store-room which is under the lock and key of the Superintendent. The quantity specified in each Invoice is, after examination of the seals on the cases, brought on the Stationery Stock Account, subject to deduction or addition afterwards as each case is opened and the contents examined. Every Friday, as a general rule, two, three, or more cases are opened according to the estimated requirements of the ensuing week, and the packets in each are taken out and counted in the presence of the Superintendent, and by him made over to the charge of the Single Stamp Store-keeper. The paper is counted next day, sheet by sheet, by the counters under the immediate eye of the Store-keeper, and made up into bundles containing a ream each; and each man enters the number of packets counted by him and the out turn of each in his Tally-book, initialling the entries. Tallies signed by each counter are also attached to the bundles counted by him. On Monday following, the counted reams are made over by the Store-keeper to the Superintendent who locks them up in the strong room. Any excess or deficiency found in counting the papers is reported to the Superintendent at the same time, and credited or written off in the Stock-book then and there, the excess sheet or sheets being also delivered to the Superintendent and locked up. Any paper found damaged in the bundles by bad packing or otherwise are set aside and kept by the Superintendent in his custody and destroyed by him periodically.

II. The paper is now ready for issue to the Stamping Department. The quantity required to be stamped in satisfaction of district Indents is given out daily by the Superintendent to the Single Stamp Store keeper. He sends it, in a locked tumbrel in charge of a Sepoy guard, to the Stamping Office. One key of the tumbrel is with my Assistant and the other in the Stamping Department. An Indent signed by the Superintendent accompanies the paper. It shows the number of sheets sent and the number and value of the stamps to be impressed.

III. It is next the business of the officer in charge of the Stamping Department to see the paper carefully counted and stamped, reporting to me at once any excess or deficiency found in counting each ream, and returning, at the same time, the surplus paper in the one case and obtaining from this office the deficient sheet or sheets in the other. In either case, the tally attached to the bundle in which the difference occurs is also expected to be sent to this office, that due notice might be taken of the counter in fault. The paper is then impressed with the value-stamp and returned to me in bundles made up according to the values. The



original Indent sent by the Superintendent is also returned, with an endorsement showing that the requisition has been complied with. It is the duty of a Stamp Office counter who remains attached to the Stamping Department to be present while the paper is counted in that office before being stamped.

IV. On the stamped paper reaching this office, the sheets are counted and the stamps examined. On their being found to be correct, the Indent is signed by the Superintendent in token of acknowledgment of the receipt of the stamps, and sent back as a voucher to the Stamping Department. The stamps are then brought on what is called the Single Stamp Stock-book kept by the Stamp Store-keeper. The entries in this book are countersigned daily by the Superintendent. Any spoiled or imperfect stamps are brought to him and set aside by his orders. They are included in the General stock in order that the account may tally with that kept in the Stamping Department, but are sent at the close of each quarter to the Board of Revenue for the purpose of being by them destroyed. The value of such stamps is written off the Stock-book with the Board's sanction.

3. It is unnecessary for my present purpose to take up the time of the Board by describing the rest of the process gone through before the stamps are finally despatched to the districts. It will be seen from what has been stated that every sheet of the water-marked paper brought on the Stock-book has to be accounted for by the Superintendent, and is accordingly in his immediate custody. Any pilfering of this raw material can occur only in two ways: either by any excess sheets found by the counters in the course of the counting in this office not being brought to the notice of the Superintendent and kept back, or, secondly, by the same thing being done in the course of the counting at the Stamping Office before the paper is stamped. Nothing has transpired calculated to lead me to suspect any laxity in this respect in this office. The paper found in the Stamping

Office, namely, nine rolls, (not nine sheets as stated in the Accountant-General's letter) can, therefore, have been obtained only by withholding from my office any sheets found in excess of the proper quantity in the packets sent to it from here for the purpose of being stamped. When it is remembered that there are 500 sheets in each ream; that 70 or 80 reams, if not more, are usually counted every Saturday in this office; and that 12, 14, or 16 reams are ordinarily sent every day for the purpose of being stamped; it is nothing surprising that occasionally a sheet should be passed over or a sheet counted twice over in a bundle by the best counter. Such discrepancy is certainly capable of being detected in the Stamping Department where the packets are counted a second time; but whether the excess, when excess is found, is brought to notice, and the excess sheet or sheets invariably returned to this office, must depend entirely upon the counters and the person placed immediately over them. It is true that a Stamp Office servant is present watching their counting, but where there are several reams to be counted every day, and several men are engaged in doing this, he cannot possibly know the exact outturn of each bundle, unless each counter chooses to give out the correct result at the time.

4. I lately went over to the Accountant-General's Office to see and judge for myself how the work of the Stamping Department is carried on there, and the result, I confess, was not such as to impress my mind favourably regarding the arrangements

in force. The Assistant, Mr. Kissen Sing, who is at present in charge of the Department, sits in a portion of the extensive premises occupied by the Accountant-General's Establishment, which is entirely apart from and cut off from that in which the stamping takes place. Even the Manager of the Currency Department, who was drawing a special allowance of 50 Rupees for attending to the work of the Stamping Office, sits in the Currency Department whence he cannot possibly superintend what goes on in the Press-room; so that the whole of the operations connected with the stamps are practically under the immediate supervision of a Clerk on 40 Rupees. The water-marked paper sent daily from this office is taken charge of and kept under the lock and key of this man in an almirah provided with a common country lock. The counters are left to themselves while counting the paper; for, beyond the Stamp Office counter, on 8 or 10 Rupees, no responsible servant is present. After the counting, the paper is passed on to two workmen who are employed in a yard outside the office-room, with none to watch them, in damping the paper and getting it ready for the press. There is further a corps of nineteen volunteer workmen employed in the Stamping-room who handle the paper and take it backwards and forwards while it is counted, stamped, and put out to dry. These volunteers get no pay of any kind, except when any of them is acting casually for a man on leave or on the sick list. In making these remarks, it is far from my intention to impute blame to anybody. The Accountant-General's Assistant has his own proper duties to attend to, and cannot be expected to divert much of his time from them. Then, the Currency Manager has, I am sure, enough to do if he does his own work properly, and the arrangement under which he gets an additional remuneration for performing duties which have no connection whatever with Currency Notes, and which any one not sitting in the room where the stamping takes place cannot satisfactorily perform was, I consider, a mistake. And, thirdly, the premises not being specially designed for the purpose, the allocation of the Stamping Department with respect to the other parts of the establishment is such that it is impossible for anybody, with other important duties to perform, to superintend its operations with any degree of satisfaction and efficiency. But this is a consequence of the change carried out in 1871 on the abolition of the Mint.

5. Thus, I can only attribute the discovery of the nine excess rolls of water-marked paper in the Stamping Department to the defective supervision exercised over it, arising from the causes which I have endeavoured to explain. I am unable to perceive any defect in the system itself which is in force, and which has worked well since 1862. I cannot suggest any means of preventing occasional slips and errors in the counting of large quantities of paper, except the exercise under proper supervision of the existing check of double counting first here and then in the Stamping Department. In 1867, a series of experiments were instituted in view to ascertaining whether a system of weighing packets of paper would be likely to act as a check on wrong counting, but the result arrived at was that proper care in counting was the only safeguard available.

Vide letter from Superintendent of Stamps, to Board of Revenue, dated 18th June 1867, No. 1,510.
Bd.'s Pros., dated 24th July 1867, No. 4,737.
G. O., dated 10th August 1867, No. 1,857.
From Superintendent of Stamps, to Board of Revenue, dated 12th September 1867, No. 4,579.
Bd.'s Pros., dated 30th September 1867, No. 6,248.
G. O., dated 11th October 1867, No. 2,398.

6. Much stress has been laid on the fact that for some time past no excess of water-marked paper has been reported or returned by the Stamping Department to this office. On reference to my books, I find that the last date on which a sheet of excess paper was returned was the 20th September 1870. No entry appears in my Stock Account since. But in connection with this point, it is right that I should state a circumstance which is probably not known to the Board, and which was not elicited during the late trial. Formerly, the reams of water-marked paper sent from England used apparently to be made up by weight, and accordingly when counted in this office the packets generally showed a considerable excess or deficiency, the differences being caused, I imagine, by the sheets not being of even texture. But latterly, a change appears to have been introduced in the office of the Director-General of Stores in England. On some of the reams I find the word "counted" written in pencil, and on all is to be seen the initials noted in the margin clearly of some body responsible for the contents of each packet. The result is that of late no excess or deficiency of any consequence is found. The following table shows the number of reams counted in each of the last six years, the excess sheets found in them in the course of the counting in the Stamp Office, and those returned by the Stamping Department as found in the bundles sent to them:—

—	Number of Reams counted.	EXCESS FOUND			DEFICIENCY FOUND			Net Excess.	Percentage of Column No. 9 over No. 2.
		In the Stamp Office.	In the Stamping Department.	Total.	In the Stamp Office.	In the Stamping Department.	Total.		
1	2	3	4	5	6	7	8	9	10
		R. Q. S.	R. Q. S.	R. Q. S.	R. Q. S.	R. Q. S.	R. Q. S.	R. Q. S.	
1868...	2,366	0 11 9	0 0 9	0 11 18	0 5 8	0 0 3	0 5 11	0 6 7	·0132
1869...	3,712	1 5 16	0 0 13	1 6 4	0 2 0	0 0 6	0 2 6	1 3 23	·0322
1870...	4,380	1 17 23	0 0 22	1 18 20	0 1 14	0 0 1	0 1 15	1 17 5	·0429
1871...	2,892	1 0 4	0 0 0	1 0 4	0 0 5	0 0 0	0 0 5	0 19 24	·0345
1872...	2,216	0 9 3	0 0 0	0 9 3	0 0 3	0 0 1	0 0 4	0 8 24	·0199
1873...	2,006	0 0 14	0 0 0	0 0 14	0 0 8	0 0 0	0 0 8	0 0 6	·0005

It will be seen that, while the percentage of the net excess on the number of reams counted was ·0322 in 1869, ·0429 in 1870, and ·0345 in 1871, in the past year 1873 it was scarcely appreciable, being ·0005. If, therefore, as would appear to be the case, greater care is taken than heretofore in ensuring the correctness of the contents of the packets in England before despatch to this country, and in consequence of that we discover no material differences in the course of the second counting which takes place in this office, it is not to be expected that any excess or deficiency can be ordinarily found in the *third* counting of the Stamping Office. This remark, however, hardly applies to 1871 and 1872, in which a net excess of 19 quires and 24 sheets and 9 quires, respectively, was found and brought to account in this office, while a deficiency of one sheet in 1872 was all that was reported by the Stamping Department.

7. I have only, in conclusion, to remind the Board that the receipt from England hereafter of the stamps required for use under the General Stamp Act will supersede all local stamping. This change will, in all probability, take place before the close of the present year; but while the present arrangements for stamping continue, even though that may be only for a short time, it occurs to me to suggest, with reference to the revelations in the recent inquiry, whether it is not desirable to separate the mechanics who have the making of the dies from the Stamping Department, and place them under the control of a different officer, say, the Superintendent of the Gun Carriage Manufactory or of the Public Works Workshops. The workmen who make the value-dies also make the dies for my counter-stamps, and, therefore, the means of affixing both the stamps on any available water-marked paper, without entering into any collusion with people in this office, now exists at the Stamping Office, and destroys what has been relied on as an important check. The separation of the mechanics would put it out of the power of the subordinate officials in the Stamping Department to resort to any such malpractices, and probably conduce to the better custody of the Government stores with which they have to deal than has apparently heretofore been the case.

SUBMITTED for the information of Government.

2. As far as check by double counting goes, it appears to the Board that the arrangement cannot be improved; but the supervision of the operation in the Stamping Department of the Accountant-General's Office seems to be lax and to call for improvement. Collusion might now easily take place between the inferior officers to whom the work is there left and the counter sent from the Superintendent's Office, and the value of the latter's presence to ensure that papers found in excess shall be brought to notice is small.

3. The figures given by the Superintendent in paragraph 6 show that, owing to greater care in making up the packets in England, there is little room for error or fraud here, and the fact that no papers have been returned from the Stamping Department to the Superintendent of recent years is deprived of significance.

4. The Board fully approve the suggestion made in paragraph 7 for having the workmen who are to make the value-dies and those who make the counter-stamp dies placed under different control. The Board think that one set should work in the Public Works Workshops. The Superintendent is requested to report on the matter.

(A true Copy and Extract.)

H. P. Bantleman

Acting Sub-Secretary.

To the Secretary to Government, Revenue Department.
 " the Superintendent of Stamps.
 " the Superintendent of Public Works Stores and Workshops.
 Copy to the Accountant-General.

Exd. F. R. Bantleman.

Q.O. 10 copies of 1/24-5
11 Oct. 66 — 250-1
12 Nov. 63-904.

180-181

135 N. of No. 2
55 N. of No. 2

Received 1874. 24/10/74

Board of Revenue,

MADRAS.

No. 780

PROCEEDINGS, 26TH FEBRUARY 1874, No. 432.

Order 7 on 24/1/74.

Encl

Received

9 March 1874

FEBRUARY.

No. 432.

Water-marked paper.—Report of Superintendent of Stamps on system observed in issuing and stamping —, submitted to Government, with remarks regarding lax supervision of operations in Stamping Department of Accountant-General's Office. Superintendent's suggestion that workmen who make value dies and those who make counter-stamp dies should be placed under different control, approved; and Superintendent Public Works Stores requested to report whether one set of these workmen might not work in Public Works Workshops.

The Govt will be glad to receive the observations of the Accountant-General on this subject.