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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No. / B.P. No.	856	Press / Mis.
Dated	9-7-1874	196 .

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 9th July 1874.

No. 70. Read the following Proceedings of the Board of Revenue, dated 13th June 1874, No. 1,446 :—

Read the following letter from A. McC. WEBSTER, Esq., Acting Collector of Madras, to J. GROSE, Esq., Secretary to the Board of Revenue, dated Madras, 23rd April 1874, No. 66 :—

REFERRING to the Board's Standing Circular, No. 2 of 1874, on the subject of the defacement of stamps, I have the honor to bring to their notice that considerable extra work is entailed on my clerks in giving practical effect to that order. If a change in the system, hitherto obtaining in this Presidency, was necessary, in order to provide security against fraud, I would be silent; but as I doubt very much whether the new system affords any greater security than the old, and as it is certainly more cumbersome in its working, I trust I may be allowed to address the Board on the subject.

2. If the Board will refer to the Proceedings of the Government of India, published in Proceedings of Madras Government of 5th November 1873, No. 16, they will see that the practice, which previously obtained in another Presidency, was not at all similar to that in force in Madras. It appears that in the district referred to, the stamp papers were brought to the Collector for refund, that refunds were sanctioned and paid, and that the stamps were forwarded for destruction to the Commissioner of Stamps, and that his receipts were sent with the Treasury Account as vouchers for the payment of refund. *The stamps do not appear to have been defaced in the district office at all.* Under this system frauds were possible, were difficult of prevention, and would temporarily escape detection.

3. In Madras, as the Board are aware, the Collector of the district was the only officer who granted refunds. Applications for refunds, after being registered in the office, were brought to him with the papers and a register showing, in detail, the number and description of stamps on which refund was applied for. If he determined to grant refunds, the stamps were compared with the register, and were *then and there destroyed.* The register was signed by the Collector, and a certificate that the stamps had been destroyed by him, and an order for payment of the value was endorsed by the Collector on the petition for refund. In some districts where the original petition was retained in the office for record, a separate certificate and order for payment was given to the applicant. The applicant presented this certificate and order at any Treasury in the district and the money was paid to him, the certificate being submitted with the monthly bills as voucher for the payment. Under this system it was *impossible* for a stamp to be presented twice. I doubt whether the Government of India, had they known that such a practice existed, would have ordered its modification and the appointment of the Superintendent of Stamps as a check on the Collector.

4. Under our Madras system the matter was settled at once. The portion of the paper on which the stamp was impressed was torn off, the rest of the paper, if blank, being used for memoranda or envelopes, the stamped portion being cut up into small pieces, or burnt. There was no re-arranging of the defaced papers, nor were they forwarded to another office; neither was the Post Office burdened with the conveyance of a mass of useless paper. The Collector's work too was less, for under the new system he has to compare the papers with the list, give them to a

peon to be defaced, and then to re-examine the papers to see that each stamp has been properly defaced. It was only the other day that I discovered that a number of stamps, which I had given to a peon to deface, had not had their centres punched out, owing to his being shortsighted and passing them over.

5. Both under the old and the present system, the vouchers for payment are sent to the Superintendent of Stamps, and that officer submits to the Accountant-General each month a general statement of stamp refunds for the Presidency. Under the old system the preparation of this return would be an easy matter, but under the new system by which the Superintendent of Stamps has to do some of the work of Collectors over again, the return must take a considerable time in preparation, and I believe is sometimes not submitted for some months after that for which it is due.

6. It seems to me also that there is more opening for fraud under the new than the old system. Unless the Collector is very careful in re-examining all the stamped papers after defacement, and if through an oversight any one is passed undefaced, it is perfectly easy under the present system for such stamps to be exchanged for some on which refund has been refused, which latter are punched out in the office and sent to the Superintendent of Stamps, the other papers being again presented for refund. It is true that even under the old system, stamps which should not be admitted for refund might be accepted and destroyed; but then there was a risk to the clerk in charge of discovery by the Collector when the stamps [illegible], while under the supposed case I have cited there is absolutely no risk of detection, as the Stamp Office cannot possibly look over each stamp paper sent up from all the districts in the Presidency, to see whether the grant of refund was regular, and can at most only be expected to check the value.

7. Should the Board agree with me in considering that the old system is more practical than the new, I trust they will take steps for its re-introduction.

SUBMITTED for the orders of Government.

2. The Board concur with Mr. Webster in his opinion that the old system under which stamps were destroyed by the Collector was preferable to that recently introduced.

No. 71. ORDER THEREON, 9th July 1874, No. 856.

Separate Revenue, No. 4.
Stamps.

HIS Excellency the Governor in Council agrees with the Board and the Collector.

2. A revised circular should be issued in modification of Board's Standing Order II of 1874.

(True Extract.)

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

To the Board of Revenue.

Exd. W. H. French.

856/3

No. 1,446.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 13th June 1874.

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been properly defaced. It was only the other day that I discovered that a number of stamps, which I had given to a peon to deface, had not had their centres punched out, owing to his being shortsighted and passing them over.

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6. It seems to me also that there is more opening for fraud under the new than the old system. Unless the Collector is very careful in re-examining all the stamped papers after defacement, and if through an oversight any one is passed undefaced, it is perfectly easy under the present system for such stamps to be exchanged for some on which refund has been refused, which latter are punched out in the office and sent to the Superintendent of Stamps, the other papers being again presented for refund. It is true that even under the old system, stamps which should not be admitted for refund might be accepted and destroyed; but then there was a risk to the clerk in charge of discovery by the Collector when the stamps were brought before him, while under the supposed case I have cited there is absolutely no risk of detection, as the Stamp Office cannot possibly look over each stamp paper sent up from all the districts in the Presidency, to see whether the grant of refund was regular, and can at most only be expected to check the value.

7. Should the Board agree with me in considering that the old system is more practical than the new, I trust they will take steps for its re-introduction.

SUBMITTED for the orders of Government.

2. The Board concur with Mr. Webster in his opinion that the old system under which stamps were destroyed by the Collector was preferable to that recently introduced.

(A true Copy and Extract.)

C. Gates
Acting Sub-Secretary.

To the Acting Secretary to Government, Revenue Department.
Copy to the Collector of Madras.
,, to the Superintendent of Stamps.

Exd. W. H. French.

Received 25 June 1874.

Proceedings, 13th June 1874, No. 1,446.
Dep^o Sec^y Govt 1874.
Encl.

JUNE.
No. 1,446.

Stamps, spoiled or unused—presented to Collector of Madras for renewal or for refund of Stamp Duty.—Collector's suggestion that old system adopted for destruction of—should be reverted to, submitted to Government with Board's opinion in favour of Collector's suggestion.

Board of Revenue
MADRAS.

Rec^d 1874. September
Con. 2118.

REVENUE DEPARTMENT.

No. 2118

From Pro: B^d of Revenue
Dated 13th June 1874.

FOR ORDERS.

I quite concur with the Hon^ble Member.

L. D. S.

FOR ORDERS.

C 1st July 1874 Rjt.

S56/76

Revenue Department.

No. 856.

PROCEEDINGS of the MADRAS GOVERNMENT.

Under date the 9th July 1874.

READ the following

Subjt. Collrs suggestion that old system adopted for destruction of Stamps spoiled for unused presented to Collr of Madras for renewal or for refund of Stamp Duty, shd be reverted to ——— } H. E. 13th June 1874 No 1146.

His Excellency the Governor in Council agrees with the Board and the Collector.

A revised Circular should be issued in modification of Board's Standing Order II of 1874.

Asst from Orders.

To Bd of Revenue

70-71