(1) Number of pages 6

(2) Date of repair 13-12-1980

(3) Initials of the Referencer

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

G.O. No. / B.P. No: 2744	Press. / Mis.
Dated 15-5-1877	197 .

Not to be folded or roughly handled

Archives I—10,006—19-4-79.

GOVERNMENT OF MADRAS.

JUDICIAL DEPARTMENT.

26th April 1877. No. 1067.

Stamps.

Read the following paper:—

No. 168. *Proceedings of the Board of Revenue, dated 4th April* 1877, *No.* 1505.

Read the following letters:—

From W. LOGAN, Esq., Collector of Malabar, to H. E. STOKES, Esq., Secretary to the Board of Revenue, dated Cochin, 9th March 1877, No. 56.

In continuation of my letter, No. 42, dated 21st ultimo, on the subject of improvements in the Stamp Law, I have the honor to inform you that one further suggestion has occurred to me since the above letter was drafted, and, as I learn from Board's Proceedings, No. 405, dated 2nd ultimo, which have just reached me, that the matter is still under consideration, I think the Board may as well be informed of it.

2. In paragraph 3 of my letter I suggested that the figure-heads of adhesive stamps, after being punched out, should be strung together with a needle and thread and forwarded to the Collector's office periodically in a sealed cover, and I suggested that the values of the stamps so obliterated might be subsequently tested by the color of the punched-out portion. On consideration, and after inspection of the different varieties of adhesive stamps, I find that it would be a work of difficulty to distinguish them by the color only. I see no reason, however, why the value should not be exhibited on the stamp in two places, and, if the law were altered so as to render it compulsory to punch out *one* of the two, it would be an easy matter at any period of time afterwards to tell by the punched-out portion the value of the obliterated stamp. The Head of the Court or office should keep the key of the drawer, which I also suggested should be placed underneath the opening in the spring punch as supplied by the Board. He could then AT ANY MOMENT apply an effectual test as to the correctness of the register of stamps by checking the punched-out pieces with the values as shown in the register. With these precautions, which do not throw on the Head of the Court or office any extra trouble which he might not fairly be called on to take, I think that even the dare stamps, which the Board consider necessary, would not be required.

From the same Officer, dated Calicut, 21st March 1877, No. 66.

I have the honor to submit a few remarks on the points noticed by the Board in reviewing my letter, No. 42, dated 21st February 1877, on the Stamp Committee's recommendations.

2. The Board observe that "the retention of the punched figure-heads is also an objectionable feature in the scheme: their immediate destruction as prescribed by law is preferable."

3. As it is on the retention of the figure-heads or rather, as suggested in a subsequent letter,* on the retention of a portion of the stamp showing its value that I rely chiefly for enforcing obedience by the Head of the Court to the directions of the law that may be laid down for his guidance, I wish, at the risk of seeming tedious, to bring to the special notice of the Board the following observations.

* No. 56, dated 9th March 1877.

4. The present law, as the Board point out, requires that the punched-out figure-heads should be destroyed: and that, I freely admit, would be the best way of disposing of them *if it were practicable to enforce obedience to the present requirements of the law.*

5. In most public offices, if work is to be got through at all, the task of examining, obliterating, and registering Court Fee stamps *must* be relegated to a subordinate, and the question for decision is how can his work be properly supervised.

6. That it is not at present properly supervised must, I think, be admitted, for otherwise no frauds would have come to notice; and the weak point in the present system seems to me to lie in this, that the work of the officer who is responsible, viz., the Head of the Court or office, is not sufficiently checked by *independent authority*, and that his task of supervising his subordinate is rendered difficult for want of appliances.

7. My proposal to preserve the obliterated portions of stamps showing the values acts beneficially in several ways—

I. The necessity of submitting to *an independent authority* (the Collector of the district) the certificate and the sealed cover containing obliterated portions of stamps will be a sufficient inducement to the Head of the Court or office to perform strictly the simple duties which I have already explained should be imposed on him. What guarantee is there at present that he insists on the periodical production of the obliterated portions of stamps in order that they may be destroyed? The right answer is—I think the Board will admit—absolutely none. He may neglect this duty, and so long as the obliterated portions of stamps *must* be destroyed there is no check whatever on him.

II. The procedure I have proposed, whereby all Court Fee stamps put in shall first of all pass through the hands of some known subordinate, and be by him examined, obliterated, and registered, and the obliterated portions *showing values* be preserved to be produced periodically before the Head of the Court or office, renders the performance of the latter's duty a very easy task. It acts, moreover, as a sufficient check on the subordinate also, for he never knows when his strings of obliterated portions of stamps are going to be checked against his entries in the register, as it will be in the power of the Head of the Court or office to do so at any moment.

III. Moreover, the Board will see that once a stamp has been obliterated, *the obliterated portion has been destroyed*, it becomes *impossible* at any subsequent period to detect whether that stamp when affixed to the paper to which it is found adhering had or had not been obliterated *before being affixed thereto*. Whereas, if the obliterated portions are preserved, it becomes at once easy to say *at any subsequent time* by counting the values and checking them with the register whether all stamps presented in such period were duly obliterated or not.

IV. The Collector, with these obliterated portions of stamps safely laid away under lock and key in his treasury, has the assurance—

(*a*), that at any rate the stamps from which they were cut cannot, if ordinary care is taken, be used again; and

(*b*), that, if they are so used by any one, he will have it in his power to detect the culprit.

8. In conclusion, I beg to inform the Board that a report of another case of defalcation reached me this morning. The District Judge, North Malabar, reports defalcations amounting, so far as known, to Rupees 498-2-0 in the Badagara District Munsif's Court. The papers do not show in detail how the fraud was perpetrated, but I observe that many stamps (presumably obliterated ones) were removed and replaced by others of a lower denomination, so as to deceive the eye of a superficial observer. I have requested the Sub-Collector to inquire and report fully and to bring the offenders to justice; the result will be communicated in due course.

The Government have already reviewed the replies of the officers consulted regarding the proposals of the Stamp Committee, but Mr. Logan's further communications will be submitted for orders.

2. The Board still think that Mr. Logan's scheme is complicated, and that the retention of the punched figure-heads is a source of danger. It merely secures that the registers shall correspond with the stamps filed, but this object may equally well be attained by a comparison of the entries in the register with the punched stamps on processes filed in Court each day. Loose stamps presented for the issue of processes might continue to be appropriated or labels might be removed from documents before punching; notwithstanding the maintenance of the register, as of course no entry would be made in such cases; the system advocated affords no safeguard against fraud of this nature, which can only be checked by punching personally performed by some responsible ministerial officer immediately on the presentation of the stamps. It should be the duty of the same officer to see that correct registers of all stamps presented are maintained, and he should take care that the punched figure-heads are destroyed in his presence. As regards the re-use of punched labels, the application of a date stamp appears the most effectual way of counteracting this form of fraud; the method suggested in Clause 3, paragraph 7, of Mr. Logan's letter, would be very tedious, and might involve the scrutiny of the registers and a comparison of the entries therein with the punched portions preserved from the commencement. It seems to the Board that all the advantages enumerated in paragraph 7 will be secured by the punching and dating of the stamp, destruction of the figure-heads and maintenance of proper registers, provided the chief ministerial officer is held responsible for the due observance of rules and the Head of the office supervises his proceedings.

3. The report on the case referred to in paragraph 8 is awaited.

(True Copies and Extract.)

(Signed) C. A. GALTON,
Sub-Secretary.

No. 169. ORDER THEREON, 26th April 1877, No. 1067.

Ordered to be forwarded to the Government of India, in continuation of Proceedings in this department, dated 20th March 1877, No. 729.

2. The report of the defalcation in the Badagara District Munsif's Court will be dealt with on receipt, with reference to G.O., 1st November 1875, No. 2320.

(True Extract.)

Offg. Chief Secretary.

To the Board of Revenue.
" Revenue Department.

Ext. A. S. Rodgers.

Revd. Depart
No. 2434

Govt. of {1877} Madras

JUDICIAL.

To THE BOARD OF REVENUE,
&c., &c.,

Dated April, 26th.

Issued 9-5

Read. 9-5 Encl.

G.O., 26th April 1877, No. 1067.

APRIL.
Nos. 168—170.

Stamps. — Proceedings, Board of Revenue, embodying a letter from the Collector of Malabar containing a further suggestion in connection with the obliteration of adhesive stamps and awaiting report on subject of stamp fraud committed in Badagara District Munsif's Court, forwarded to Government of India.

No 2744

Recorded

15th May 1877.