M.R.O. 1—20,000—18-10-26

# MADRAS RECORD OFFICE.

## Government of Madras.

Revenue DEPARTMENT.

G.O. No. 819 Press
Mis.
624-625

Dated 24th March 1869

***Not to be folded or roughly handled***

*Proceedings of the Madras Government, Revenue Department,*
*24th March* 1869.

No. 624. Read the following Proceedings of the Board of Revenue :—

Submitting Stamp report for Fusly 1277, and Collector's remark respecting evasion of Stamp Act in Mercantile transactions. } (Here enter 30th November 1868, No. 8,418.)

No. 625. ORDER THEREON, 24th March 1869, No. 819.

| Separate Revenue, No. 28. |
|---|
| *Stamps.* |

1. The Board of Revenue submit the usual report on the operations of the Stamp Department in Fusly 1277. Their exhaustive review of the several Statements, and the report furnished by the Superintendent of Stamps render any detailed observations from Government unnecessary.

2. The gross receipts of the year amounted to Rupees 35,89,001, and the charges to Rupees 2,23,146. The net receipts, viz., Rupees 33,65,855, are the highest on record in any year. This large increase of revenue was chiefly the result of the operation of the revised Schedule B legalized by Act XXVI of 1867. A comparison between the receipts of Fuslies 1275 and 1276 is given in the subjoined table:—

| | Fusly 1276. | Fusly 1277. | Increase. | Decrease. |
|---|---|---|---|---|
| | RS. | RS. | RS. | RS. |
| Mercantile Stamps ... ... ... ... | 90,180 | 92,357 | 2,177 | ... |
| Judicial Stamps ... ... ... ... | 27,91,925 | 33,32,041 | 5,40,116 | ... |
| Duty on impressed Stamps ... ... ... | 1,06,818 | 1,11,656 | 4,838 | ... |
| Miscellaneous ... ... .. ... ... | 67,723 | 52,947 | ... | 14,776 |
| Total ... | 30,56,646 | 35,89,001 | 5,32,355 | ... |

There was an increase of Rupees 5,32,355 on the gross Revenue of the previous year, and the greater portion of this amount, or Rupees 5,40,116, occurred under the head "Judicial Stamps" prescribed in the Schedule already alluded. The variations under the other heads need no particular notice

3. The charges of the year amounted to Rupees 2,23,146 against Rupees 2,12,603, in Fusly 1276. The net increase of Rupees 10,543 is the result of the gross increase of Rupees 38,667 under Commission, Refunds, and other minor items, and the gross decrease of Rupees 28,124 under cost of water marked paper and other sundry items. The increase under Commission and Discount is the result of the larger quantity of paper sold during the year. No explanation is given for the increase under Refunds.

| *Increase.* | RS. | |
|---|---|---|
| Commission and Discount ... ... | 19,459 | |
| Refunds under Act XVII of 1868 ... | 12,839 | |
| Other Items ... ... ... ... ... | 6,369 | |
| Total ... | 38,667 | |
| *Decrease.* | RS. | |
| Cost of water marked paper ... | 23,656 | 28,124 |
| Other minor items ... ... | 4,468 | |
| Net ... | 10,543 | |

4. The Government have attentively perused the reports of the Collectors on the supposed evasion of the Stamp Law relating to mercantile transactions, and

they concur with the Board in considering any further special inquiry on the subject unnecessary. The Collectors should, however, take prompt notice of such infringements of the Law as may come under the notice of themselves or their subordinates.

5. The usual Statements, one of Receipts and the other of Charges, shewing in comparison the operations of the Stamp Department in Fuslies 1276 and 1277, are appended to this order.

(True Extract.)

(Signed) R. A. DALYELL,

*Acting Secretary to Government.*

To the Board of Revenue.
„ the Accountant General.

Lnd. G. A. Turton.



*Comparative Statement of the receipts on account of Stamps in the Madras Presidency in Fuslies* 1276 *and* 1277.

| Description of Stamps. | Fusly 1276. | Fusly 1277. | Difference. Increase. | Difference. Decrease. |
|---|---|---|---|---|
| Sale of papers. | Rs. | Rs. | Rs. | Rs. |
| Foreign Bill Stamps ... ... ... ... | 11,183 | 11,315 | 132 | ... |
| Transfers and Custom application do. ... | 5,801 | 4,788 | ... | 1,013 |
| Adhesive do. ... ... ... ... | 29,852 | 31,500 | 1,648 | ... |
| Bill of Lading do. ... ... ... ... | 3,777 | 3,296 | ... | 481 |
| Bills of Exchange and Hoondy do. ... ... | 39,566 | 41,458 | 1,892 | ... |
| Judicial do. ... ... ... ... ... | 27,91,926 | 33,32,041 | 5,40,116 | ... |
| Total... | 28,82,105 | 34,24,398 | 5,42,294 | ... |
| Duty on Stamps impressed on prepared documents. | | | | |
| By Collectors and Superintendent of Stamps... | 1,02,292 | 1,03,550 | 1,258 | ... |
| „ Civil Courts ... ... ... ... | 3,241 | 3,685 | 444 | ... |
| Deficient duty received in the stamping of documents in lieu of spoiled ones ... ... | 1,285 | 3,343 | 2,058 | ... |
| Recovery of the value of stamps erroneously issued gratis to Abkarry Sale renters ... | ... | 1,078 | 1,078 | ... |
| Total... | 1,06,818 | 1,11,656 | 4,838 | ... |
| Total Stamp Revenue... | 29,88,923 | 35,36,054 | 5,47,131 | ... |
| Miscellaneous. | | | | |
| Penalties under Section XV of the Act ... | 1,615 | 1,580 | ... | 35 |
| „ under Section XVII. of do. ... | 60,751 | 48,348 | ... | 12,403 |
| Adjudication fee under Section XIX of do. ... | 20 | 30 | 10 | ... |
| Value of papers issued in lieu of spoiled or unused paper and other sundry receipts ... | 5,337 | 2,989 | ... | 2,348 |
| Total... | 67,723 | 52,947 | ... | 14,776 |
| Grand Total of Stamp Revenue ... | 30,56,646 | 35,89,001 | 5,32,355 | ... |

*Comparative Statement of the disbursements on account of Stamps in Fuslies* 1276 *and* 1277.

| Items. | Fusly 1276. | Fusly 1277. | Difference. Increase. | Difference. Decrease. |
|---|---|---|---|---|
| | Rs. | Rs. | Rs. | Rs. |
| Establishment including commission and discount ... ... ... ... ... ... | 1,27,562 | 1,51,012 | 23,450 | ... |
| Refunds of Penalties ... ... ... ... | 390 | 70 | ... | 320 |
| „ of Stamp duty on Plaints ... ... | 30,456 | 43,294 | 12,838 | ... |
| „ of value of damaged stamps ... | 12,183 | 8,035 | ... | 4,148 |
| Miscellaneous, including value of water marked paper supplied from England ... ... | 42,012 | 20,735 | ... | 21,277 |
| Total. | 2,12,603 | 2,23,146 | 10,543 | ... |

No. 4,549.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 19th June 1868.

Read the following Proceedings of the Madras Government, dated 16th May 1868, No. 1,575, No. 396.

Read the following Proceedings of the Board of Revenue, dated 9th March 1868, No. 1,977.

Read the following letter from the Superintendent of Stamps, to the Secretary to the Board of Revenue, dated Madras, 12th October 1867, No. 676, of Fusly 1277:—

1. I have the honour to submit my Annual Report on the operations of the Stamp Department during the past Fusly 1276, commencing from 1st July 1866, and ending 30th June 1867. The usual explanatory Statements accompany.

2. STATEMENT No. 1.—The first of these Statements shows the total value of Stamps of all description received into, and issued from, the Stamp office. The aggregate receipts amounted to Rupees 37,93,754-5-0, and the aggregate issues to Rupees 30,88,645-6-0, as particularized below:—

| | Judicial Stamps. | Mercantile Stamps. | | | | | | Total. |
|---|---|---|---|---|---|---|---|---|
| | | Bills of Exchange. | Adhesive Receipt Stamps. | Foreign Bill Stamps. | Bank Share Transfer Stamps. | Bills of Lading. | Custom Application Stamps. | |
| | Rs. A. | Rs. A. | Rs. A. | Rs. A. | Rs. A. | Rs. | Rs. | Rs. A. |
| Balance of Stock brought forward from last year's account ..... | 76,918 8 | 29,578 8 | 1,15,875 0 | 68,03,332 4 | 1,47,512 4 | 50 | 15,000 | 71,88,266 8 |
| *Receipts.* | | | | | | | | |
| From the Mint..... | 33,25,015 6 | 18,403 6 | ... ... | ... ... | ... ... | 2,725 | ... | 33,46,143 12 |
| ,, additionally stamped | ... ... | 6,980 2 | ... ... | ... ... | ... ... | ... | ... | 6,980 2 |
| Returned from the districts | 22 0 | 3,295 10 | 12,028 9 | 4,24,876 0 | 408 4 | ... | ... | 4,40,630 3 |
| Total... | 33,25,037 6 | 28,679 2 | 12,028 9 | 4,24,876 0 | 408 4 | 2,725 | ... | 37,93,754 5 |
| Grand Total... | 34,01,955 14 | 58,257 10 | 1,27,903 9 | 72,28,208 4 | 1,47,920 8 | 2,775 | 15,000 | 109,82,020 13 |
| *Issues.* | | | | | | | | |
| To districts ..... | 26,53,116 14 | 29,679 12 | 22,515 0 | 1,238 0 | 1,173 0 | 2,775 | 1,500 | 27,11,997 10 |
| ,, Coorg, Bombay, Calcutta, &c., as detailed in the Memorandum of particulars appended to Statement No. 1... ... | 85,304 0 | 424 12 | 33,585 0 | 2,54,521 8 | ... ... | ... | ... | 3,53,835 4 |
| For conversion into Service Postage Stamps..... | ... ... | ... ... | 9,652 8 | 8,250 0 | ... ... | ... | ... | 17,902 8 |
| To the Mint to be impressed with additional Stamps... | ... ... | 4,344 4 | ... ... | ... ... | ... ... | ... | ... | 4,344 4 |
| Written off, as per sanction of the Board of Revenue, dated 14th January 1867, No. 234 ..... | 77 5 | 0 6 | 486 1 | ... ... | ... ... | ... | ... | 563 12 |
| Total... | 27,38,498 3 | 34,449 2 | 66,238 9 | 2,44,009 8 | 1,173 0 | 2,775 | 1,500 | 30,88,643 6 |
| Balance... | 6,63,457 11 | 23,808 8 | 61,665 0 | 69,84,198 12 | 1,46,747 8 | 13,500 | ... | 78,93,377 7 |

Government Press, Madras.

Proceedings of the Board of Revenue, dated 19th June 1868, No. 4,549.
Report of the Board of Revenue for Fusly 1277.
Ordered.

3. The 22 Rupees worth of Judicial Stamps, entered as returned from districts, was sent back by the Collector of Guntur as damaged. The Bills of Exchange, and the Receipt, Foreign Bill and Bank Share Transfer Stamps appearing under the same head, were either returned by Collectors or withdrawn, under the orders noted in the margin, as surplus stock which had accumulated and which was not needed to meet the ordinary requirements of the districts.

Vide paragraph 21 of the Proceedings of the Board of Revenue, dated 7th February 1867, No. 740.

4. The issues to districts were less, under each head, than in the previous Fasly, apparently because there was a large stock in the hands of the Collectors at the beginning of the year.

5. It will be seen that stamps of the value of Rupees 3,53,828-12-0 were issued to Coorg, to the Superintendents of Stamps at Calcutta and Bombay, and to the Director General of Post Offices in India, for which no value was received at this office. Half-Anna Adhesive Stamps of the value of Rupees 1,652-8-0, and Foreign Bill Stamps of the value of Rupees 8,250, were converted, under the sanction mentioned in the margin, into Service Postage Stamps. Bills of Exchange of the value of Rupees 69,000 were converted into Bills of the value of Rupees 6,980-2-0, by impressing them with additional stamps. This was done to utilize a stock of particular values in store. Rupees 763-12-0 worth of Judicial and other stamps were written off as damaged under the sanction of the Board, dated 14th January 1867, No. 234.

Vide letter from Superintendent of Stamps, dated 16th January 1867, No. 1,510, recorded in the Proceedings of the Board of Revenue, dated 24th idem, No. 1,705—1,744.

6. The balances, after deducting the issues, amounts to Rs. 78,93,377-7-0, but this includes stamps of the value of Rupees 2, which were reported to be deficient in a consignment sent to Cuddalore, dated 24th August 1867, No. 3,527 (paragraph 3). Enclosed in a letter, dated 4th February last, and which I request the further sanction for writing off as accounts. Stamps of the value of Rupees 5,26,920 were despatched to districts, but no return has hitherto been lodged by the Collectors within the Fasly, and form therefore an inconsiderable balance. Deducting these sums, the actual stock on hand amounts to Rupees 73,67,354-7-0, the greater portion of which consists of Foreign Bill Stamps for which there is no demand, and which have formed the subject of my letter of the 27th June 1867, No. 1,572.

7. Statement No. 2.—The transactions in the several districts will be next noticed. At the beginning of the year there was a balance in the Collectorate Treasuries of Rs. 35,73,275-2-6. The receipts and sales of each denomination of stamps during the Fasly are shown in the following abstract:—

| | Judicial Stamps. | Mercantile Stamps. | | | | | | Total. |
|---|---|---|---|---|---|---|---|---|
| | | Bills of Exchange. | Adhesive Receipt Stamps. | Foreign Bill Stamps. | Bank share Transfer Stamps. | Bills of Lading. | Custom Application Stamps. | |
| | Rs. A. P. | Rs. A. P. | Rs. A. P. | Rs. A. | Rs. A. | Rs. A. | Rs. A. | Rs. A. P. |
| Balance at the commencement of Fasly | 27,01,457 10 0 | 1,30,546 0 0 | 38,755 14 6 | 6,51,587 8 | 43,907 13 | 5,255 8 | 1,764 13 | 35,73,275 2 6 |
| *Receipts.* | | | | | | | | |
| From the Superintendent of Stamps | 26,53,116 14 0 | 29,679 12 0 | 22,515 0 0 | 1,238 0 | 1,173 0 | 2,775 0 | 1,500 0 | 27,11,997 10 0 |
| Do. Abkarry Renters to whom Stamps had been erroneously issued gratis | 1,863 0 0 | ... ... ... | ... ... ... | ... ... | ... ... | ... ... | ... ... | 1,863 0 0 |
| Borrowed by the Collector of Tanjore from Pudukottah, pending receipt of supply from Madras | 600 0 0 | ... ... ... | ... ... ... | ... ... | ... ... | ... ... | ... ... | 600 0 0 |
| Excess found in Stock | 4 4 0 | ... ... ... | 0 1 0 | ... ... | ... ... | ... ... | ... ... | 4 5 0 |
| Total | 26,56,584 2 0 | 29,679 12 0 | 22,515 1 0 | 1,238 0 | 1,173 0 | 2,775 0 | 1,500 0 | 27,14,464 15 0 |
| Grand Total | 53,57,041 12 0 | 1,60,225 12 0 | 61,270 15 6 | 6,52,825 8 | 45,080 13 | 8,030 8 | 3,264 13 | 62,87,740 1 6 |
| *Sales.* | | | | | | | | |
| To the public | 27,01,925 7 0 | 39,563 4 0 | 29,852 6 0 | 11,182 15 | 3,255 14 | 3,776 12 | 2,545 3 | 28,82,104 13 0 |
| Supplied to Abkarry Renters and for Government Law Suits, etc. | 12,056 9 0 | ... ... ... | ... ... ... | ... ... | ... ... | ... ... | ... ... | 12,056 9 0 |
| Returned to the Superintendent of Stamps | 22 0 0 | 3,295 10 0 | 12,028 9 0 | 4,43,959 8 | 408 4 | ... ... | ... ... | 4,59,713 15 0 |
| Value of unserviceable and damaged Stamps destroyed by Collectors, and of those issued in lieu of spoiled Stamps | 8,049 5 0 | 136 13 0 | 16 9 6 | 233 7 | ... ... | 34 12 | ... ... | 8,470 14 6 |
| Total | 28,12,053 5 0 | 42,998 11 0 | 41,897 8 6 | 4,55,375 14 | 3,664 2 | 3,811 8 | 2,545 3 | 33,02,346 3 6 |
| Balance | 25,44,988 7 0 | 1,17,227 1 0 | 19,373 7 0 | 1,97,449 10 | 41,416 11 | 4,219 0 | 719 10 | 29,25,393 14 0 |

8. The excess of Rupees 4-4-0, found in the stock of Judicial Stamps, has occurred in the Kistna district, and is explained by the Deputy Collector in charge of the Treasury to have arisen from the vendors, and the public having been short supplied to that extent at the time of issue and sale. The excess of one anna in the stock of Adhesive Stamps has been reported from the Kurnool district, where also it is said to have arisen from the same cause.

9. JUDICIAL STAMPS.—The sales of Judicial Stamps amounted to Rupees 27,91,925-7-0, which is Rupees 40,892 below those of the previous year. This decrease occurs in Tanjore, Madura, Kurnool, Trichinopoly, Salem, Kistna, Vizagapatam, and Ganjam, and is ascribed principally to the sales in Fusly 1275 having been exceptionally large under the operation of the Registration Act then in force, that is, to documents executed prior to the 1st of January 1866 having been largely renewed on stamp paper for the purpose of being registered. The decrease occurs almost entirely in the higher values from two Rupees upwards.

| | Rs |
|---|---|
| Fusly 1275 ... ... ... ... ... | 28,32,817 |
| ,, 1276 ... ... ... ... ... | 27,91,925 |
| | 40,892 |

10. MERCANTILE STAMPS.—There is a considerable falling off in the sale of Mercantile Stamps also. It occurs almost wholly in the receipts from Foreign Bill and Bank Share Transfer Stamps, and is ascribed to the year having been characterized by great depression of trade.

| | Rs |
|---|---|
| Fusly 1275 ... ... ... ... ... | 1,01,197 |
| ,, 1276 ... ... ... ... ... | 90,190 |
| | 11,007 |

11. I am not satisfied that the Stamp duty on Bills of Exchange, both Inland and Foreign, is not evaded to a large extent. In Tanjore and Madura, the Nattoocah Chetties deal very largely in Hoondies; but I question whether the receipts from the sale of Bills of Exchange in those districts* is commensurate with the known extent of the transactions. The receipts in Cuddapah also seem comparatively small. Again Tanjore, Madura, and Tinnevelly carry on a large export trade in grain with Ceylon, and the value of the exports is remitted in part at least by Bills or Hoondies, and these being foreign ought to be stamped before being negotiated, and yet the sale of Foreign Bill Stamps in these districts is, it will be seen, insignificant. In fact, the revenue from Foreign Bill Stamps seems to me to be in an unsatisfactory state.

| | Rs. A. P. |
|---|---|
| *Tanjore ... ... ... ... ... | 339 8 0 |
| Madura ... ... ... ... ... | 734 10 0 |

*Rupees 343

| | Rs. |
|---|---|
| †Tanjore ... ... ... ... ... | 34 |
| Tinnevelly ... ... ... ... | 26 |
| Madura ... ... ... ... ... | 14 |

| | Rs. |
|---|---|
| ‡Fusly 1273 ... ... ... ... ... | 17,[illegible] |
| ,, 1274 ... ... ... ... ... | 14,[illegible] |
| ,, 1275 ... ... ... ... ... | 11,[illegible] |
| ,, 1276 ... ... ... ... ... | 10,[illegible] |

| | Rs. |
|---|---|
| §Fusly 1273 ... ... ... ... ... | 2,[illegible] |
| ,, 1274 ... ... ... ... ... | 2,[illegible] |
| ,, 1275 ... ... ... ... ... | 2,[illegible] |
| ,, 1276 ... ... ... ... ... | 2,[illegible] |

12. The sale of Adhesive Receipt Stamps is steadily progressing, as [illegible] Chapter 2,* shows below. It is strange that with its extensive transactions in Bullion, Madras, and Tinnevelly [illegible] Should it not prove that [illegible] and Collectors of [illegible] Surcharge [illegible] Stamps for Receipts [illegible]

| | Rs. |
|---|---|
| Fusly 1273 ... ... ... ... ... | 2,335 |
| ,, 1273 ... ... ... ... ... | 4,811 |
| ,, 1274 ... ... ... ... ... | 3,163 |
| ,, 1275 ... ... ... ... ... | 3,808 |
| ,, 1276 ... ... ... ... ... | 3,777 |

13. The receipts* from the sale of Bills of Lading do not show any marked variation. The following table gives the revenue from this source in each Maritime district, together with the value of the export trade of each:—

| | Value of Exports for 1865-66. | Bills of Lading sold in Fusly 1276. |
|---|---|---|
| Ganjam ... ... ... | 16,32,847 | 184 |
| Vizagapatam ... ... | 18,19,286 | 177 |
| Godavery ... ... ... | 72,94,154 | 754 |
| Kistna ... ... ... | 1,84,185 | 211 |
| Nellore ... ... ... | 17,235 | 11 |
| Fort Saint George ... | 3,89,41,896 | 1,119 |
| South Arcot ... ... | 6,02,318 | 45 |
| Tanjore ... ... ... | 57,90,466 | 274 |
| Madura ... ... ... | 5,64,498 | 10 |
| Tinnevelly ... ... .. | 1,46,30,202 | 339 |
| South Canara ... ... | 45,97,652 | 50 |
| Malabar ... ... ... | 1,39,40,326 | 522 |
| | 9,00,15,155 | 3,776 |

| | Rs. |
|---|---|
| †Fusly 1273 ... ... ... ... ... | 1,586 |
| ,, 1274 ... ... ... ... ... | 1,993 |
| ,, 1275 ... ... ... ... ... | 2,156 |
| ,, 1276 ... ... ... ... ... | 2,545 |

14. I find that the revenue† from the sale of Custom Application Stamps is annually increasing. I have ascertained that the average number of applications liable to Stamp duty, received by the Collector of Sea Customs at Madras, is 2,592 in a month. The number received by the Municipal Commissioners is stated at about 338, total 2,930 per month, or $2,930 \times 12 = 35,160$ applications in a year, which, at one Anna each, gives Rupees 2,197, and this, it will be seen, nearly corresponds with the average receipts from the sale of Customs Adhesive Stamps.

15. STATEMENT No. 3.—The particulars of establishment and other charges incurred in the working of the Stamp Department are shown below:—

| | | | | Rs | A. | P. |
|---|---|---|---|---|---|---|
| Superintendent's salary and Establishment ... ... ... ... | | | | 23,762 | 8 | 0 |
| *Contingent Charges.* | Rs. | A. | P. | | | |
| Cost of water-marked paper ... ... ... ... | 38,567 | 6 | 0 | | | |
| Packing, carriage, and other charges incurred in the Stamp office ... ... ... ... ... ... | 2,135 | 5 | 0 | | | |
| | | | | 40,702 | 11 | 0 |
| Establishment at the Mint ... ... ... ... ... ... ... | | | | 2,842 | 3 | 1 |
| Commission and discount to Vendors ... ... ... ... ... | | | | 1,00,957 | 5 | 1 |
| Contingent charges in the districts ... ... ... ... ... | | | | 1,303 | 4 | 0 |
| Total ... | | | | 1,69,567 | 15 | 2 |

The aggregate cost, during the Fusly under report, was thus Rupees 1,69,567-15-2, or Rupees 30,417-0-1 more than the similar charge in Fusly 1275. The increase is owing chiefly to the larger quantity of water-marked paper from England, which was brought to account during the year, and also in part to the larger amount paid on account of commission and discount to vendors. This latter is, I conclude, due to the more complete introduction of the discount system. The small increase in the cost of the establishment of this office is only nominal, as there were some savings

from casualties in the previous year, which was not the case in Fusly 1276. The increase in the cost of the Mint Establishment is owing to the entertainment of certain additional hands under the sanction of Government, dated 17th April 1867, No. 904.

16. Statement No. 4.—The general receipts and disbursements for the entire department are shown in Statement No. 4. It will be seen that the Stamp duty collected on papers stamped on the application of private parties, presents a considerable decrease compared with the previous year. This item of the revenue is, as the Board are aware, essentially dependent on the export and import trade, which in Fusly 1276 was very much below that of Fusly 1275. The penalties levied in the districts under the Stamp Act, during the past year, were nearly 14,000 Rupees below those collected in the previous year, and may perhaps be taken so far as an indication that the law is better understood, and less violated

| | Rs. |
|---|---|
| Fusly 1275 ... ... ... ... | 1,34,633 |
| ,, 1276 ... ... ... ... | 1,06,818 |
| Decrease ... | 27,815 |

| | Value of Exports. | Value of Imports. |
|---|---|---|
| | Rs. | Rs. |
| Fusly 1275 ... | 391,91,875 | 310,51,244 |
| ,, 1276 ... | 160,55,160 | 295,40,175 |
| Decrease ... | 231,36,215 | 15,11,069 |

17. The gross receipts, including those derived from the stamping of private documents and extra revenue, amounted to Rupees 30,56,645-10-2. Deducting from this the gross disbursements, Rupees 2,12,602-15-7, there was a net revenue of Rupees 28,44,042-10-7, which is Rupees 1,25,572-11-7 below that of the preceding year. If we exclude from this the increase of nearly 32,000 Rupees in the charges arising chiefly from the larger quantity of water-marked paper brought to account during the past year, and from the large amount paid on account of commission and discount to vendors, the real falling off in the revenue is about 93,000 Rupees, of which, as already seen, about 52,000 Rupees occur in the actual sales of Judicial and Mercantile Stamps; 28,000 Rupees in the duty collected on private documents; and about 13,000 Rupees in extra revenue occurring in the item of penalty collected for breach of the Stamp Law. This falling off is, perhaps, not more than was to be expected, considering that the year under review was one of great physical and commercial distress. But although the revenue is thus below that of Fusly 1275, it is higher than that of any previous year since Fusly 1269; the year immediately preceding that in which Act No. XXXVI. of 1860 came into force.

| | Gross receipts. | Gross charges. | Net revenue. |
|---|---|---|---|
| | Rs. | Rs. | Rs. |
| Fusly 1269 ... ... ... ... | 9,25,410 | 1,24,816 | 8,00,594 |
| ,, 1270 ... ... ... ... | 19,71,339 | 1,32,968 | 18,38,372 |
| ,, 1271 ... ... ... ... | 28,23,124 | 2,13,213 | 26,09,911 |
| ,, 1272 ... ... ... ... | 21,13,382 | 1,52,094 | 19,61,288 |
| ,, 1273 ... ... ... ... | 23,98,611 | 1,73,495 | 22,25,117 |
| ,, 1274 ... ... ... ... | 27,65,584 | 1,82,962 | 25,82,621 |
| ,, 1275 ... ... ... ... | 31,49,328 | 1,79,713 | 29,69,615 |
| ,, 1276 ... ... ... ... | 30,56,646 | 2,12,603 | 28,44,043 |

18. Statements Nos. 5, 6, and 7 are submitted as usual, but it seems to me that one of the two latter may well be dispensed with, as No. 6 contains all that is shown in No. 7, and more.

---

Enclosure No. 1.

Abstract.—General Statement of stamped papers, etc., received into, and issued from, the Stamp Office during Fusly 1276.

---

Enclosure No. 2.

Abstract.—General Statement of the value of stamped papers, etc., received and sold by Collectors during Fusly 1276.

---

Enclosure No. 3.

Abstract.—Statement of establishment and other charges incurred in Fusly 1276, as compared with those of Fusly 1275.

---

Enclosure No. 4.

Abstract.—General Statement of Receipts and Disbursements on account of the Stamp Revenue during Fusly 1276.

---

Enclosure No. 5.

Abstract.—Statement showing the sale of each description and value of stamps in the Madras Presidency, for the year 1866-67.

---

Enclosure No. 6.

Abstract.—Statement showing the sale of each description and value of stamps in the districts, for Fusly 1276, or the year ending 30th June 1867.

---

Enclosure No. 7.

Abstract.—Statement showing the Receipts and Disbursements on account of stamps in the Madras Presidency for Fusly 1276, or the year ending 30th June 1867.

---

1. In the foregoing letter is embodied a report from the Superintendent of Stamps, on the operations of the Stamp Department during Fusly 1276, or the year ending 30th June 1867. The usual explanatory Statements, five in number, accompany the report. The two special returns for transmission to the Government of India have also been received, but to avoid delay they have already been forwarded to Government with the Board's letter, dated 21st November 1867, No. 7,599.

2. From the abstract of Receipts and Disbursements during the past eight years, given below, it will be observed, that there is a falling off of Rupees 92,683 in the Stamp revenue during the Fusly under review, as compared with that of the preceding year. If the absence of the exceptional circumstances which were in operation in the preceding Fusly, and which tended to swell the Stamp receipts of the year largely, as will be shown hereafter, be taken into consideration, it will be seen that the Stamp revenue of Fusly 1276 is larger than that of any previous year, Fusly 1275 alone excepted.

| Fuslies. | Total receipts. | Disbursements. | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Refunds under Act No. XVII. of 1848. | Charges. | Refunds to applicants under orders of Sudder Adawlut Court. | Total disbursements. | Net revenue. |
| | Rs. A. P. | Rs. A. P. | Rs. A. P. | Rs. A. P. | Rs. A. P. | Rs. A. P. |
| 1269 | 9,25,409 14 5 | 66,876 0 0 | 50,609 5 10 | 7,330 8 0 | 1,24,815 13 10 | 8,00,594 0 7 |
| 1270 | 19,71,339 6 6 | 70,234 8 0 | 60,483 5 10 | 2,250 0 0 | 1,32,967 13 10 | 18,38,371 8 8 |
| 1271 | 28,23,124 3 1 | 95,108 10 0 | 1,18,104 3 2 | ..... | 2,13,212 13 2 | 26,09,911 5 11 |
| 1272 | 21,13,382 10 0 | 42,946 0 0 | 1,09,148 6 1 | ..... | 1,52,094 6 1 | 19,61,288 3 11 |
| 1273 | 23,98,611 3 7 | 27,521 0 9 | 1,45,973 10 0 | ..... | 1,73,494 10 9 | 22,25,116 8 10 |
| 1274 | 27,65,583 12 5 | 26,130 0 0 | 1,56,832 5 5 | ..... | 1,82,962 5 5 | 25,82,621 6 10 |
| 1275 | 31,49,328 1 4 | 30,321 8 0 | 1,49,391 3 2 | ..... | 1,79,712 11 2 | 29,69,615 6 2 |
| 1276 | 30,56,645 10 2 | 30,455 10 0 | 1,82,147 5 7 | ..... | 2,12,602 15 7 | 28,44,042 10 7 |

3. The transactions in the Stamp Office are detailed in Statement No. 1. The balance of stock at the commencement of the Fusly was Rs. 71,83,266-8-0; stamps of the value of Rs. 37,93,745-5-0 were received the during Fusly, thus augmenting the stock to Rupees 1,09,82,020-13-0. Out of this stock, stamps to the value of Rs. 30,88,643-6-0, were issued, and there was a balance of Rupees 78,93,377-7-0 at the end of the year, which was greater than that of the previous year, by Rupees 7,05,110-15-0. It will observed from the marginal abstract, that in the issues are included Rs. 3,53,828-12-0, the value of stamps despatched to Coorg, to the Superintendents of Stamps at Calcutta and Bombay, and to the Director General of Post Office; Rs. 6-8-0, the cost of Adhesive Stamps lost by the late Colonel Temple, which was recovered from him in cash and credited in the accounts; Rs. 17,902-8-0, the value of Half-Anna Adhesive Stamps and Foreign Bill Stamps converted into Service Postage Stamps under the Orders of Government, dated 8th August 1866, No. 1,995; and Rs. 4,344-4-0, the value of Bills of Exchange converted into Bills of the value of Rs. 6,980-2-0 by impressing them with additional stamps, in order to meet the growing demand for certain descriptions of Stamps. Stamps of the value of Rupees 563-12-0 were written off the accounts under the orders of the Board, and the net issues to districts amounted to Rupees 27,11,997-10-0.

| | Rs. | A. | P. | Rs. | A. | P. |
|---|---|---|---|---|---|---|
| Balance of Stock at the commencement of the Fusly ... ... ... ... ... | | | | 71,83,266 | 8 | 0 |
| *Receipts.* | | | | | | |
| From the Mint ... | 33,46,143 | 13 | 0 | | | |
| Do. additionally stamped ... ... ... | 6,980 | 2 | 0 | | | |
| Received from districts ... ... ... | 4,40,620 | 7 | 0 | | | |
| | | | | 37,93,754 | 5 | 0 |
| | | | | 1,09,82,020 | 13 | 0 |
| *Issues.* | | | | | | |
| To districts ... ... ... | 27,11,997 | 10 | 0 | | | |
| ,, Coorg and the Stamp Superintendents at Calcutta and Bombay, and to the Director General of Post Office ... ... ... | 3,53,828 | 12 | 0 | | | |
| ,, Colonel Temple ... | 6 | 8 | 0 | | | |
| ,, For conversion into Postage Stamps | 17,902 | 8 | 0 | | | |
| To Mint to be impressed with additional stamps ... | 4,344 | 4 | 0 | | | |
| Amount written off, as per sanction of the Board, dated 14th January 1867, No. 234 ... ... ... | 563 | 12 | 0 | | | |
| | | | | 30,88,643 | 6 | 0 |
| | | | | 78,93,377 | 7 | 0 |

4. Out of the balance of Rupees 78,93,377-7-0, stamps of the value of Rupees 5,26,023, issued to Collectors during the Fusly, were not received by them before the close of the Fusly.

5. A deficiency of the value of three Rupees in a consignment sent to Cuddapah in February last is brought to notice, and sanction is solicited for writing it off in his accounts. In referring to the insufficient protection against errors in counting stamps, the Superintendent in his letter of 18th June 1867, No. 1,510, observed that similar deficiencies in consignments to Cuddapah were reported in two consecutive years. In disposing of the matter, the Government observed, that as deficiencies have occurred in Cuddapah alone, Mr. Smith's attention should be drawn to the point. The Board do not doubt that if proper care had been exercised in counting the stamps when the consignments were opened, these apparent errors would have been avoided. The excess of Rupees 4-5-0 found in the stocks of the districts of Kistna and Kurnool, is admittedly the result of careless counting. The Board recommend that sanction be granted for expunging the sum of Rs. 3, being the Cuddapah deficiency, from the accounts.

6. Deducting these sums, the actual balance of stock at the close of the Fusly under review, was Rupees 73,67,351-7-0, and was an excess of that of the preceding year by nearly two lacs and a half, as will be seen from the marginal statement. Nearly three-fourths of this increase occurs under Foreign Bill Stamps, the stock of which consists of nearly seventy lacs. The Superintendent of Stamps has reported, that if this large stock cannot be utilized by converting them into those of other descriptions, for which the demand is greater, it will be expedient to destroy them and relieve his

| Description of Stamps. | Fusly 1275. | Fusly 1276. | Difference. |
|---|---|---|---|
| Judicial Stamps ... ... ... | 14,021 | 1,40,548 | + 1,26,527 |
| Bills of Exchange ... ... ... | 29,147 | 21,646 | — 7,501 |
| Adhesive Stamps ... ... ... | 1,11,273 | 60,340 | — 50,933 |
| Foreign Bill Stamps ... ... | 68,08,332 | 69,84,079 | + 1,80,747 |
| Bank Transfer Stamps ... | 1,47,512 | 1,46,748 | — 764 |
| Custom Application stamps ... | 15,060 | 13,561 | — 1,500 |
| Total ... | 71,25,237 | 73,67,351 | + 2,42,114 |

office from a good deal of unnecessary responsibility, keeping in reserve, however, a sufficient quantity to meet the consumption of ten years. After much deliberation and correspondence with the Mint Master, the Superintendent, and the Government of India, the Government in their Order of 31st October 1867, No. 2,563, directed finally, that the surplus stock should be retained pending the introduction of the consolidated Stamp Act now under contemplation.

7. Statement No. 2 exhibits the transactions in the districts during the year under review. The balance of Collector's stocks at the beginning of the Fusly was Rupees 35,73,275-2-6. The receipts during that period amounted to Rupees 27,14,464-15-0, and the sales, etc., to Rupees 33,62,346-3-6, so that there was a net balance of Rupees 29,25,393-14-0 at the close of the year.

8. The district transactions are briefly indicated in the following abstract:—

| | Rs. | A. | P. | Rs. | A. | P. |
|---|---|---|---|---|---|---|
| Balance at the commencement of the Fusly ... ... ... ... | | | | 35,73,275 | 2 | 6 |
| *Receipts.* | | | | | | |
| From the Superintendent of Stamps ... ... | 27,11,997 | 10 | 0 | | | |
| From the Abkarry Sub-renters, to whom stamps were issued gratis erroneously ... | 1,863 | 0 | 0 | | | |
| Borrowed by the Collector of Tanjore from Trichinopoly pending the receipt of supply from Madras ... ... ... ... | 600 | 0 | 0 | | | |
| Excess found in the stock of the districts ... | 4 | 5 | 0 | | | |
| | | | | 27,14,464 | 15 | 0 |
| | | | | 62,87,740 | 1 | 6 |
| *Sales.* | | | | | | |
| Stamped-papers ... ... ... ... ... ... | 27,91,925 | 7 | 0 | | | |
| Bills of Exchange ... ... ... ... ... | 39,566 | 4 | 0 | | | |
| Adhesive Stamps ... ... ... ... ... | 29,852 | 6 | 0 | | | |
| Foreign Bill Stamps ... ... ... ... ... | 11,182 | 15 | 0 | | | |
| Transfer of Bank Shares ... ... ... ... | 3,255 | 14 | 0 | | | |
| Bills of Lading ... ... ... ... ... | 3,776 | 12 | 0 | | | |
| Custom Application Stamps ... ... ... ... | 2,545 | 3 | 0 | | | |
| | 28,82,104 | 13 | 0 | | | |
| Supplied to Abkarry Renters and Government law suits ... ... ... ... ... ... | 12,056 | 9 | 0 | | | |
| Returned to the Superintendent of Stamps ... | 4,59,713 | 15 | 0 | | | |
| Value of unserviceable and damaged stamps destroyed, and those issued in lieu of spoiled ones ... ... ... ... ... ... ... ... | 8,470 | 14 | 6 | | | |
| | | | | 33,62,346 | 3 | 6 |
| | | | | 29,25,393 | 14 | 0 |

9. The Board are glad to be able to observe, that the stamp collections, including Miscellaneous items, as given in the Superintendent's return, tally exactly with the entries in the Demand, Collection, and Balance Statement for June 1867, except in the two districts of Bellary and Kurnool. The Collectors of these districts have been called upon to explain the discrepancies.

10. Statement No. 3 exhibits the particulars of establishment and other charges connected with the Stamp Department. The aggregate cost at which the Stamp Act was worked, during the Fusly under review, was Rupees 1,69,567-15-2, and was more than in the previous year by Rupees 30,417. By far the greatest portion of this increase is only nominal, and is owing to the debiting in the accounts of a large quantity of water-marked paper received from England and not brought to account in Fusly 1275, because the accounts were not received in time. There is also an increase of Rupees 5,176-7-5 under the head "Commission and Discount to licensed Vendors," and this is ascribed to the further introduction of the discount system under the instructions of the Board contained in paragraph 18 of their Proceedings, dated 7th February 1867, No. 750.

11. There is a decrease of Rupees 1,437-10-2 in the charge for the salary of the Superintendent of Stamps, which results from the fact that no salary was disbursed during the interval between the demise of the late Colonel Temple and the appointment of the present incumbent. The decrease of Rs. 195-9-7 in the contingent charges may be ascribed to greater economy observed in expenditure.

12. The particulars of expenditure are given in the subjoined abstract:—

| | | | | Rs. | A. | P. |
|---|---|---|---|---|---|---|
| Superintendent's salary and Establishment | | | | 23,762 | 8 | 0 |
| *Contingent charges.* | | | | | | |
| Cost of water-marked paper | 38,567 | 6 | 0 | | | |
| Contingent charges, such as hire for conveying stamp-papers, making boxes, etc., incurred in the Stamp office | 2,135 | 5 | 0 | | | |
| | | | | 40,702 | 11 | 0 |
| Establishment at the Mint Office | | | | 2,842 | 3 | 1 |
| Commission and Discount to Vendors | | | | 1,00,957 | 5 | 1 |
| Contingent charges in the district | | | | 1,303 | 4 | 0 |
| | | | | 1,69,567 | 15 | 2 |

13. A general abstract of Receipts and Disbursements is given in Statement No. 4. The gross receipts on account of Stamp revenue amounted to Rupees 30,56,645-10-2. Deducting from this the gross disbursements aggregating Rupees 2,12,602-15-7, there remains a net balance of Rupees 28,44,042-10-7, which is less than that of the previous year by Rupees 1,25,572. The items in which fluctuations occur, are given in margin. About one-fourth of the decrease in the revenue, is owing to the large increase in two items of charge, viz., Commission and Discount to Vendors, and cost of water-marked paper, and the remaining three-fourths occurs in the sales of Judicial and Mercantile Stamps, and in that part of "Extra Revenue" which consists of penalties collected for breach of Stamp Laws.

| *Receipts.* | Rs. | Rs. |
|---|---|---|
| Sales of papers of all descriptions | −51,900 | |
| Private documents | −28,726 | |
| Penalties for breach of Stamp Laws | −14,212 | |
| Sundry items | +2,510 | |
| | | −92,612 |
| *Charges.* | | |
| Commission and Discount to licensed Vendors | + 5,175 | |
| Cost of water-marked paper | +26,520 | |
| Establishments and other charges in the Stamp office | −1,279 | |
| Sundry items | +2,473 | |
| | | +32,890 |
| | | 1,25,572 |

14. The decrease in Judicial Stamps is spread over the marginally noted districts, and is ascribed to the receipts of Fusly 1275 being exceptionally large on account of the great number of documents which had to be renewed within the period allowed under the Registration Act.

| | |
|---|---|
| Canjam. | Tanjore. |
| Vizagapatam. | Trichinopoly. |
| Kistna. | Madura. |
| Kurnool. | Salem. |

15. The decrease in Mercantile Stamps occurs wholly in Foreign Bill Stamps and Bank Share Transfer Stamps, and is ascribed to the depression of trade.

16. The Superintendent of Stamps expresses his apprehension that the law is still evaded to a great extent in respect of Bills of Exchange both Inland and Foreign. Though the merchants of Cuddapah, Tanjore, and Madura carry on these transactions extensively, and deal in Hoondies largely, the sales in those districts bear no proportion to the value of their trade. The districts of Tanjore, Madura, and Tinnevelly export large quantities of grain to Ceylon, but the sales do not appear to be commensurate with the extent of their transactions. The revenue from Foreign Bill Stamps has never been satisfactory, and year after year, the Collectors' attention has been drawn to the very inadequate sale of these descriptions of stamps. Yet, in the year under review, there has been a decrease of Rupees 5,905, and the revenue has fallen off by nearly a third. The attention of the Collectors concerned will again be drawn to the point, and they

| | Rs. |
|---|---|
| Cuddapah | 583 |
| Tanjore | 549 |
| Madura | 781 |

| | |
|---|---|
| Tanjore | 24 |
| Tinnevelly | 30 |
| Madura | 114 |



will be requested to use all the resources in their power to discover and punish breaches of the Stamp Laws. The Board cannot doubt that attention and vigilance on the part of Collectors will go far to put a stop to these evasions.

17. The sales of Adhesive Stamps are steadily progressing, and call for no remarks except in Cuddapah, where again the sales* are very small. It is strange that notwithstanding the commercial importance of this district, it is behind other districts in the case of Bills of Exchange also. The Board are convinced that the Stamp Laws have been extensively infringed. The Collector will report in detail on the causes to which he considers the present unsatisfactory state of this branch of the revenue is due.

* Rupees 568.

18. The sales of Bills of Lading are not characterized by any marked variation, and those of Custom Application Stamps are steadily progressing.

19. The usual abstract of Receipts and Disbursements is given below:—

| | | | | Rs. | A. | P. |
|---|---|---|---|---|---|---|
| Sale of Stamp-papers, Bills of Exchange and Lading, Adhesive Stamps, Transfer and Custom Application Stamps, as shown in paragraph 8 | | | | 28,82,104 | 13 | 0 |
| Receipts in the Stamp office on documents presented by private parties | | | | 1,01,259 | 14 | 0 |
| Do. in the Collectors' offices | | | | 1,032 | 4 | 0 |
| Do. through Courts | | | | 3,240 | 15 | 3 |
| Do. on deficient duty on documents stamped in lieu of spoiled stamps | | | | 1,284 | 13 | 6 |
| | | | | 29,88,922 | 11 | 9 |
| *Miscellaneous.* | | | | | | |
| Penalties levied under Act No. X of 1862 in the districts and at Stamp office | 62,365 | 9 | 3 | | | |
| Amount recovered in pauper suits | 5,183 | 7 | 6 | | | |
| Fines and forfeitures | 1 | 8 | 5 | | | |
| Adjudication fees collected in the Stamp office and districts | 20 | 0 | 0 | | | |
| Amount recovered, being the cost of Adhesive Stamps lost by the late Colonel Temple | 6 | 8 | 0 | | | |
| Sundry receipts in the districts | 14 | 13 | 3 | | | |
| | | | | 67,722 | 14 | 5 |
| | | | | 30,56,645 | 10 | 2 |
| *Disbursements.* | | | | | | |
| Establishment and other charges in the Stamp office and at out-stations, as per particulars given in paragraph 12 | 1,69,567 | 15 | 2 | | | |
| Amount refunded under Act No. XVII. of 1848 | 30,455 | 10 | 0 | | | |
| Do. on account of unused stamps refunded | 12,182 | 14 | 5 | | | |
| Amount of penalties refunded | 390 | 8 | 0 | | | |
| Miscellaneous charges | 6 | 0 | 0 | | | |
| | | | | 2,12,602 | 15 | 7 |
| Net revenue | | | | 28,44,042 | 10 | 7 |

20. The amount of duty on private and executed documents is put down in the Mint Master's Statement at Rupees 1,02,225-4-0, while the amount, as given in the Superintendent's Statement No. 4, is Rupees 1,02,292-2-0. There is thus a difference of Rupees 66-14-0, which is attributed to the crediting, in Fusly 1276, of a sum of Rupees 5 for documents stamped in Fusly 1275, and to payments made in Fusly 1276, in the districts of Godavery and Madras, for documents stamped in Fusly 1277. The Superintendent will in future distinguish between private and executed documents, as is done in the Mint Master's accounts. The Mint Master has put down the value of spoiled stamps at Rupees 12,284-12-0, but from the note B in Statement No. 4, the Board observe that this amount is made up partly of the value of spoiled and unused stamps

| | Rs. | A. | P. |
|---|---|---|---|
| Private documents | 1,00,806 | 3 | 0 |
| Executed do. | 1,419 | 1 | 0 |
| | 1,02,225 | 4 | 0 |
| In the Stamp office | 1,01,259 | 14 | 0 |
| Districts | 1,032 | 4 | 0 |
| | 1,02,292 | 2 | 0 |

presented for renewal, and partly of deficient duty levied at the Stamp office. These items should be distinguished in the Mint Master's Statement.

21. The sales of the different descriptions of the higher values of the stamps is given in the subjoined abstract:—

*Stamped papers.*

| | | RS. | | RS. | A. | P. |
|---|---|---|---|---|---|---|
| 1 | Roll at... ... | 2,000 | ... | 2,000 | 0 | 0 |
| 6 | Do. at... ... | 1,000 | ... | 6,000 | 0 | 0 |
| 9 | Do. at... ... | 700 | ... | 6,300 | 0 | 0 |
| 26 | Do. at... ... | 500 | ... | 13,000 | 0 | 0 |
| 3 | Do. at... ... | 400 | ... | 1,200 | 0 | 0 |
| 34 | Do. at... ... | 350 | ... | 11,900 | 0 | 0 |
| 5 | Do. at... ... | 300 | ... | 1,500 | 0 | 0 |
| 62 | Do. at... ... | 250 | ... | 15,500 | 0 | 0 |
| 35 | Do. at... ... | 200 | ... | 7,000 | 0 | 0 |
| 89 | Do. at... ... | 150 | ... | 13,350 | 0 | 0 |
| 8 | Do. at... ... | 125 | ... | 1,000 | 0 | 0 |
| 261 | Do. at... ... | 100 | ... | 26,100 | 0 | 0 |
| 9 | Do. at... ... | 80 | ... | 720 | 0 | 0 |
| 31 | Do. at... ... | 75 | ... | 2,325 | 0 | 0 |
| 57 | Do. at... ... | 60 | ... | 3,420 | 0 | 0 |
| 3,419 | Do. at... ... | 50 | ... | 1,70,950 | 0 | 0 |
| 34,49,375 | Do. below ... | 50 | ... | 25,09,660 | 7 | 0 |
| | | | | 27,91,925 | 7 | 0 |

*Bills of Exchange.*

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | Roll at... ... | 24 | ... | 24 | 0 | 0 |
| 4 | Rolls at ... ... | 18 | ... | 72 | 0 | 0 |
| 53 | Do. at... ... | 12 | ... | 636 | 0 | 0 |
| 6 | Do. at... ... | 8 | ... | 48 | 0 | 0 |
| 297 | Do. at... ... | 6 | ... | 1,782 | 0 | 0 |
| 130 | Do. at... ... | 4 | ... | 520 | 0 | 0 |
| 1,274 | Do. at... ... | 3 | ... | 3,822 | 0 | 0 |
| 282 | Do. at... ... | 2 | ... | 564 | 0 | 0 |
| 5,108 | Do. at... ... | 1½ | ... | 7,662 | 0 | 0 |
| 385 | Do. at... ... | 1 | ... | 385 | 0 | 0 |
| 1,35,557 | Do. below ... | 1 | ... | 24,051 | 4 | 0 |
| | | | | 39,566 | 4 | 0 |

*Adhesive Stamps.*

| | | | | | |
|---|---|---|---|---|---|
| 4,17,979 | Rolls at 1 Anna ... ... | | | 26,123 | 11 | 0 |
| 1,19,318 | Do. at ½ do. ... ... | | | 3,728 | 11 | 0 |
| | | | | 29,852 | 6 | 0 |

*Foreign Bill Stamps.*

| | | RS. | | RS. | A. | P. |
|---|---|---|---|---|---|---|
| 7 | Rolls at ... ... | 12 | ... | 84 | 0 | 0 |
| 13 | Do. at ... ... | 8 | ... | 104 | 0 | 0 |
| 195 | Do. at ... ... | 6 | ... | 1,170 | 0 | 0 |
| 49 | Do. at ... ... | 4 | ... | 196 | 0 | 0 |
| 783 | Do. at ... ... | 3 | ... | 2,349 | 0 | 0 |
| 192 | Do. at ... ... | 2 | ... | 384 | 0 | 0 |
| 1,658 | Do. at ... ... | 1½ | ... | 2,487 | 0 | 0 |
| 343 | Do. at ... ... | 1 | ... | 343 | 0 | 0 |
| 11,519 | below ... ... | 1 | ... | 4,865 | 15 | 0 |
| | | | | 11,182 | 15 | 0 |

*Bank Share Transfer Stamps.*

| | | RS. | | RS. | A. | P. |
|---|---|---|---|---|---|---|
| 14 | Rolls at ... ... | 20 | ... | 280 | 0 | 0 |
| 10 | Do. at ... ... | 10 | ... | 100 | 0 | 0 |
| 3 | Do. at ... ... | 7½ | ... | 22 | 8 | 0 |
| 2 | Do. at ... ... | 6¼ | ... | 12 | 8 | 0 |
| 4 | Do. at ... ... | 5 | ... | 20 | 0 | 0 |
| 502 | Do. at ... ... | 3¾ | ... | 1,882 | 8 | 0 |
| 111 | Do. at ... ... | 2½ | ... | 277 | 8 | 0 |
| 121 | Do. at ... ... | 1¼ | ... | 151 | 4 | 0 |
| 100 | Do. at ... ... | 1 | ... | 100 | 0 | 0 |
| 964 | below ... ... | 1 | ... | 409 | 10 | 0 |
| | | | | 3,255 | 14 | 0 |

*Bills of Lading.*

| | | | |
|---|---|---|---|
| 15,107 | Rolls, at 4 Annas ... | 3,776 | 12 | 0 |

*Custom Application Stamps.*

| | | | |
|---|---|---|---|
| 40,723 | Rolls, at 1 Anna ... | 2,545 | 3 | 0 |
| | Grand Total ... 28 | 82,104 | 13 | 0 |



22. In the last paragraph of his report, the Stamp Superintendent suggests that Statement No. 7 may be discontinued in future, as all the information contained there is also contained in Statement No. 6. This, however, cannot be done, as Statement No. 7, which is an abstract of No. 6, is required for transmission to the Government of India.

No. 397. ORDER THEREON, 16th May 1868, No. 1,375.

| Separate Revenue, No. 18. |
|---|
| *Stamps.* |

1. With these Proceedings the Board of Revenue submit the Annual Report of the Superintendent of Stamps on the operations of the Stamp Department during Fusly 1276 (1866-67.)

2. The gross revenue of the year amounted to Rupees 30,56,646, and this, though less than the similar revenue of Fusly 1275 by Rupees 92,682 from exceptional causes, is larger than that of any other previous year. The comparison between the receipts of Fuslies 1275 and 1276 is shown in the subjoined table:—

| | Fusly 1275. | Fusly 1276. | Decrease. |
|---|---|---|---|
| | RS. | RS. | RS. |
| Mercantile Stamps... ... ... | 1,01,187 | 90,180 | 11,007 |
| Judicial do. ... ... ... | 28,32,817 | 27,91,925 | 40,892 |
| Duty on impressed Stamps ... | 1,35,169 | 1,06,818 | 28,351 |
| Miscellaneous... ... ... ... | 80,155 | 67,723 | 12,432 |
| Total ... ... | 31,49,328 | 30,56,646 | 92,682 |

The decrease is the result of the extraordinary renewal of a large number of documents in Fusly 1275 to be registered under the new Act, and the great depression of trade in Fusly 1276.

3. The expenditure of the year, inclusive of refunds, shows an increase of Rupees 32,890 above the charges of Fusly 1275.* This result, notwithstanding the decrease in the gross revenue, is stated by the Board to be chiefly owing to the debiting in the accounts of a large quantity of water-marked paper received from England and brought to account in Fusly 1276, as also to the extension of the "discount" system for the sale of stamps, the rates allowed under which are higher than those which prevailed under the "commission" system. The figures given in the margin prove the correctness of the Board's explanation. The Government have, in paragraphs 2 and 6 of their Proceedings, dated 9th April 1867, No. 819, alluded to the superior advantages of the discount system, although involving a slightly increased expenditure.

| | RS. |
|---|---|
| * Fusly 1276 ... ... ... ... ... ... ... ... | 2,12,603 |
| „ 1275 ... ... ... ... ... ... ... ... | 1,79,713 |
| Decrease... | 32,890 |

| | Fusly 1275. | Fusly 1276. | Increase. |
|---|---|---|---|
| | RS. | RS. | RS. |
| Cost of water-marked paper ... ... ... ... | 12,047 | 38,567 | 26,520 |
| Commission and discount to Vendors ... ... ... | 95,731 | 1,00,957 | 5,176 |
| | | | 31,696 |

4. The net revenue of the year amounted to Rupees 28,44,043, which is less than that of the previous year by Rupees 1,25,572, for reasons already explained.

5. The Government have on former occasions noticed the probable evasion of that portion of the Stamp Act which relates to stamps to be used in mercantile transactions, and have requested the Board to call the attention of the Collectors to the subject. They pointed out in paragraph 4 of their Proceedings, dated 9th April 1867, No. 819, the disproportion between the sales of mercantile stamps and the trade of several districts. The Board now reiterate their instructions to the Collectors on the subject, and remark that "they cannot doubt that attention and vigilance on the part of Collectors will go far to put a stop to these evasions." The Government deem it necessary

to call upon the Collectors to report what steps have been taken by them from time to time to check these evasions of the law, and how many cases of breaches of the Act have been brought to light during the last three years, and in how many of them the offenders were convicted and punished. The Board will be requested to issue a Circular accordingly.

6. The Board will submit to Government the report required from the Collector of Cuddapah, in paragraph 17 of their Proceedings, in regard to the small sales of Bill of Exchange and Adhesive Stamps in that district.

7. The Government notice with pleasure the extent to which the Superintendent's Returns tally with the Demand, Collection, and Balance Statements for June 1867, received from the Provinces. The explanation required from the Collectors of Bellary and Kurnool on the discrepancies in those districts should be submitted to Government when received.

8. Sanction is granted for expunging from the accounts the sum of Rupees 3, being the deficiency found in a consignment of stamps sent to Cuddapah.

9. Two statements, one of receipts and the other of charges, showing in comparison the operations of the Stamp Department in Fuslies 1275 and 1276, are appended to this Order.

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.

*Comparative Statement of the receipts on account of Stamps in the Madras Presidency in Fuslies 1275 and 1276.*

| Description of Stamps. | Fusly 1275. | Fusly 1276. | Difference. Increase. | Difference. Decrease. |
|---|---|---|---|---|
| | Rs. | Rs. | Rs. | Rs. |
| *Sale of Papers.* | | | | |
| Foreign Bill Stamps ... ... ... ... ... ... | 17,088 | 11,183 | ..... | 5,905 |
| Transfers and Custom application do ... ... | 10,345 | 5,801 | ..... | 4,544 |
| Adhesive do. ... ... ... ... | 29,544 | 29,852 | 308 | ..... |
| Bill of Lading do. ... ... ... ... | 3,808 | 3,777 | ..... | 31 |
| Bills of Exchange and Hoondy do. ... ... ... | 40,402 | 39,566 | ..... | 836 |
| Judicial do ... ... ... ... ... ... | 28,32,817 | 27,91,926 | ..... | 40,891 |
| Total... | 29,34,004 | 28,82,105 | ..... | 51,899 |
| *Duty on stamps impressed on prepared documents.* | | | | |
| By Collectors and Superintendent of Stamps ... | 1,30,459 | 1,02,292 | ..... | 28,167 |
| ,, Civil Courts ... ... ... ... ... ... ... | 3,800 | 3,241 | ..... | 559 |
| Deficient duty received in the stamping of documents in lieu of spoiled ones ... ... ... | 910 | 1,285 | 375 | ..... |
| Total... | 1,35,169 | 1,06,818 | ..... | 28,351 |
| Total Stamp Revenue... | 30,69,173 | 29,88,923 | ..... | 80,250 |
| *Miscellaneous.* | | | | |
| Penalties under Section XV of the Act ... ... | 1,813 | 1,615 | ..... | 198 |
| ,, under Section XVII of do. ... ... | 74,766 | 60,751 | ..... | 14,015 |
| Adjudication fee under Section XIX of do. ... | 40 | 20 | ..... | 20 |
| Value of papers issued in lieu of spoiled or unused paper and other sundry receipts... ... | 3,536 | 5,337 | 1,801 | ..... |
| Total... | 80,155 | 67,723 | ..... | 12,432 |
| Grand Total of Stamp Revenue... | 31,49,328 | 30,56,646 | ..... | 92,682 |

*Comparative Statement of the disbursements on account of Stamps in Fuslies 1275 and 1276.*

| Items. | Fusly 1275. | Fusly 1276. | Difference. Increase. | Difference. Decrease. |
|---|---|---|---|---|
| | Rs. | Rs. | Rs. | Rs. |
| Establishment including commission and discount ... ... ... ... .. ... ... ... ... | 1,25,764 | 1,27,562 | 1,798 | ..... |
| Refunds of Penalties... ... ... ... ... ... | 95 | 390 | 295 | ..... |
| ,, of Stamp duty on Plaints ... ... ... | 30,322 | 30,456 | 134 | ..... |
| ,, of value of damaged Stamps ... ... | 9,308 | 12,183 | 2,875 | ..... |
| Miscellaneous, including value of water-marked paper supplied from England... ... ... ... | 14,224 | 42,012 | 27,788 | ..... |
| Total ... | 1,79,713 | 2,12,602 | 32,890 | |

1. Communicated to all Collectors and to the Superintendent of Stamps.

2. Adverting to paragraph 5 of the Order, Collectors are desired to report what measures have been adopted by them from time to time to check the evasion of that portion of the Stamp Act which relates to Stamps to be used in Mercantile transactions, how many cases of breaches of the Act have been brought to light during the last three years, and in how many of such cases the offenders have been convicted and punished.

3. The Acting Collector of Cuddapah is requested to expedite the explanation called for by the Board in paragraph 17 of their Proceedings in regard to small sales of Bills of Exchange and Adhesive Stamps.

(True Extracts.)

(Signed) J. GROSE,
Sub-Secretary.

(True Copy.)

(Signed) J. T. MAYNE,
First Assistant.

To all Collectors.
,, the Superintendent of Stamps.

Exd. T. Cartledge.

1868. Department.

No.

PROCEEDINGS OF THE BOARD OF REVENUE,

*Dated* 19*th June* 1868.

*Received*

No. 4,549.

Communicating to all Collectors and to Superintendents of Stamps, Orders of Government on report of latter on operations of Stamp Department during Fusly 1276, and requesting Collectors to report what measures have been adopted by them to check evasion of that portion of Stamp Act which relates to Stamps to be used in mercantile transactions.

From H. S. THOMAS, Esq., Acting Collector of South Canara, to the Acting Secretary to the Board of Revenue, dated Mangalore, 4th August 1868, No. 715.

With reference to paragraph 2 of the Proceedings of the Board, dated 19th June last, No. 4,549, I have the honour to state that the revenue from the sale of Mercantile Stamps in this district does not show any falling off for Fusly 1276, (A. D. 1866-67,) but rather an improvement, as may be gathered from the figures given in the margin. In Bills of Lading, the deficiency is nominal, as will be explained hereafter.

| | Fusly 1274. | Fusly 1275. | Fusly 1276. |
|---|---|---|---|
| Bills of Exchange. | 1,142 | 1,193 | 1,386 |
| Receipt Stamps .. | 796 | 881 | 889 |
| Bills of Lading ... | 69 | 69 | 50 |

2. The sale of Bills of Exchange, though showing a progressive increase to some extent, appears to have been of late much repressed by the introduction of the Paper Currency and the Money Order system. Currency Notes in particular are now largely used in lieu of, and in preference to, Hundis. Consequently much improvement in the issue of the Bill Forms provided by Government can scarcely be looked for hereafter.

3. The use of Receipt Stamps is becoming familiar to the people, as the revenue from this source has been increasing, though not to any large extent.

4. The other item of Mercantile Stamps requiring explanation is in Bills of Lading. As remarked by the Superintendent of Stamps, their use may be taken to be very unequal to the export trade of the district quoted by that officer for 1865-66, at the value of Rupees 45,97,652. More than a third of this amount appertains to trade with the foreign ports of Arabia, Turkey, Persian Gulf, and Goa, carried on in self-owned vessels by tradesmen of those countries, who have no necessity of using our forms. The remainder, or upwards of thirty lacs, may be looked on as the trade upon which the use of Bills of Lading is to be calculated, and an issue of these forms is in comparison very incommensurate.

5. Bills of Lading are chiefly used by European Merchants and the Agents of the Coasting Steamers. The generality of petty tradesmen who are natives do not look upon these forms as necessary documents for the safe delivery of their goods; indeed, they never have, nor do they appear to take from the Tindals of the vessels any other acknowledgment for the goods entrusted to them, as they look upon the Custom House Manifests as sufficient protection against breach of trust. Hence the great difference between the value of trade and the sale of stamped Bills of Exchange, which amounts to only Rupees 50 in the year under review, and yet I do not think it can be fairly said that the Stamp Law has been evaded in this respect. I should also add that European Merchants are in the habit of having their own forms impressed with the seal of the Stamp Office. The revenue derived from this source amounts to Rupees 40, making a total of Rupees 90 during the year, or an excess of Rupees 21 above the outturn of the two previous years.

6. Notifications to check infringements of the Stamp Law have been of late published in the District Gazette, as shown in the margin. No instances of actual breaches were detected, and no offenders have been punished during the three years referred to in the Proceedings under reply.

| | |
|---|---|
| Law Stamp ... ... ... ... ... | 30th March 1867. |
| Hundi Stamps ... ... ... ... ... | 25th May ,, |
| Receipt Stamps ... ... ... ... ... | 5th October ,, |
| Magisterial Complaints ... ... | 9th Novr. ,, |

It seems, as above explained, that the Stamp Law is working fairly enough without any particular evasion.

**Exd. T. Cartledge.**

From J. I. MINCHIN, Esq., Collector of Vizagapatam, to the Acting Secretary to the Board of Revenue, dated 6th July 1868, No. 580.

1. I have the honour to acknowledge the receipt of the Board's Proceedings, dated 19th ultimo, No. 4,549, and in reply to state that the only measures which have been adopted from time to time to check the practice of evading the use of Mercantile stamps, has been the publishing of notices in the District Gazette, warning the public of the penalties they will incur if they commit breaches of the Stamp Act.

2. No cases of any breach of the Act in this respect have as yet come to light.

3. With reference to the apparently small sale of Bills of Lading for the district, compared with the exports, I may mention that the Agents of the Coasting Steamers, and the European Mercantile Community procure their Bills of Lading from Calcutta and Madras.

4. There is no reason to believe that the provisions of the Stamp Law in mercantile proceedings is evaded in this district.

Jxd. J. Wright.

From J. H. MASTER, Esq., Acting Collector of the Godavery district, to the Acting Secretary to the Board of Revenue, dated Cocanada, 9th July 1868, No. 170.

1. With reference to paragraph 2 of the Board's Proceedings, No. 4,549, dated 19th ultimo, I have the honour to report that the requirements of the Stamp Law and the rulings thereon have been published in the District Gazette from time to time for the information of the public. The European merchants get their own forms impressed with a stamp either at Madras or Calcutta.

2. During the past three Fusly years, seventeen breaches of the Stamp Law appear to have come to notice, and the offenders in each case were prosecuted successfully before a Magistrate.

Exd. J. Wright.

From C. T. LONGLEY, Esq., Acting Collector of Tellicherry, to the Acting Secretary to the Board of Revenue, dated 17th July 1868, No. 139.

1. With reference to paragraph 2 of the Proceedings of the Board, dated 19th June 1868, No. 4,549, passed on the Proceedings of the Madras Government, dated 16th May 1868, No. 1,375, calling on a report as to what measures have been adopted, from time to time, to check the evasion of that portion of the Stamp Act which relates to stamps to be used in mercantile transactions, how many cases of breaches of the Act have been brought to light during the last three years, and in how many of such cases the offenders have been convicted and punished, I have the honour to submit that the sale of Bills of Exchange in this district does not appear to be small. I have given in the margin the sales of this description of stamps during the past three years, from which it will be seen that the receipts under this head are steady; and it is probable that the sale is equal to the transactions carried on in the district, and there is no reason to suppose that the law in this respect is evaded, as the people seem to be well-acquainted with the provisions of the Stamp Act. They were once warned in 1866 by the Collector against any evasion of the law by a notice in the District Gazette offering rewards to informers regarding frauds of this kind. Any further step to check its infringement appears to have been considered unnecessary.

| Fusly. | Sales |
|---|---|
| 1274 ... ... ... ... ... | 613 11 0 |
| 1275 ... ... ... ... ... | 605 4 0 |
| 1276 ... ... ... ... ... | 687 6 0 |

2. In last Fusly (1277) there was a considerable increase in the sale* which is owing to the establishment of the Branch Bank where all Promissory Notes are taken on stamps. As the business of the Bank increases, the sales of Bills of Exchange will also increase. I cannot but observe, however, that this progress is productive of a large reduction in the sale of stamp papers provided for bonds for the payment of money. In illustration of this, I beg to point out that a man can raise a loan of Rupees 500 on executing a Promissory Note on a Bill of Exchange of six Annas value, while he could not do so if he had to borrow that sum from Sowcars, unless he gave *a bond on a four Rupees stamp;* but considering the advantages resulting from the existence of a Bank, the sacrifice of some revenue under this item cannot be avoided.

* 926-12

3. No cases of breaches of the Act have been brought to light during the last three years.

**Exd. J. Wright.**

From G. VANSAGNEW, Esq., Acting Collector of North Arcot, to the Acting Secretary to the Board of Revenue, dated Chittoor, 7th August 1868, No. 274.

1. With reference to paragraph 2 of the Board's Proceedings, No. 4,549, of the 19th June last, I have the honour to state that the Mercantile transactions of this district being very limited, and there being very little variation in the amount of the annual sales of Bills of Exchange and Adhesive Stamps, which are the only kinds of Mercantile Stamps sold in this district, there has been no reason to suppose that the requirements of the Stamp Act in this respect have been evaded, and consequently no special measures have been adopted to check evasion.

2. During the last three years, only five cases of breach of the Stamp Act were brought before the Magistracy. In four of these, the offenders, eleven in number, were convicted and punished by fines amounting to Rupees 121.

3. But in all these cases, the offence was the evasion of the law relating to Judicial, and not to Mercantile Stamps. A Notice will, however, now be published in the District Gazette, drawing the attention of the Magistracy to this subject, warning the public against such evasions, and offering reward to informers.

**Exd. T. Cartledge.**

From D. F. CARMICHAEL, Esq., Collector of Ganjam, to the Acting Secretary to the Board of Revenue, dated Chetterpore, 11th August 1868, No. 813.

In reply to paragraph 2 of the Board's Proceedings, dated the 19th June last, No. 4,549, I beg to state that Sections 3, 54, and 55 of Act No. X. of 1862, were re-printed in the District Gazette, and Notices in English, Telugu, and Oriyah placarded in all the important towns and villages throughout the district; and, from a reference to the Magistracy, I find that, during the past three years, no cases of the nature referred to by the Board ever came up for trial before them.

Exd. T. Cartledge.

From T. A. N. CHASE, Esq., Collector of Kurnool, to the Acting Secretary to the Board of Revenue, dated 14th August 1868, No. 297.

1. In reply to Proceedings of the Board, No. 4,549, dated 19th June 1868, I have the honour to inform you that, during these last three years, two cases of breaches of the Stamp Act, as regards Mercantile transactions, have been tried at Pyapalli, and three at Nundial, in all of which the offenders were convicted. Besides these, no other trials have been carried on under this head in this district.

2. Fearing breaches of the Act might take place, I published Sections 9, 10, 11, and 55, of Act No. X. of 1862, in the District Gazette, page 238, dated 18th May 1867.

3. Very few Mercantile transactions come to the notice of the district authorities, and I am not aware what means can be more effectually adopted with reference to them than those already put in force.

4. If the Board will suggest any other means for checking the evasion of Stamps in Mercantile transactions, I shall be very happy to apply them.

Exd. T. Cartledge.

**From the Honourable D. ARBUTHNOTT, Collector of Madura, to the Acting Secretary to the Board of Revenue, dated 15th August 1868, No. 215.**

1. As directed by the Board in paragraph 2 of their Proceedings, dated 19th June last, No. 4,519, I have the honour to submit a Memorandum of cases of breaches of Stamp Act, in three of which the offenders have been convicted and punished. No other cases have occurred in the district during the last three years.

2. The Sub-Magistrates and Tahsildars have been directed to watch whether any evasion of the Act occurs, and to take measures to check it. I have now requested the Divisional Officers to attend to the instructions of the Board and Government.

---

ENCLOSURE No. 1.

*Memorandum of cases against Stamp Laws disposed of during* 1867.

| Calendar number. | Offence. | Names of Defendants. | Date of Sentence. | Nature of Sentence. | Remarks. |
|---|---|---|---|---|---|
| 113 of 1867. | Section 3, Act No. X. of 1862. | 1. Pereacaruppen ..... 2. Murukan ..... 3. Pereamurukan ..... 4. Muttusami Naicken. | 7/10/67 | Sentenced to pay a fine of 10 Rs. each. | Collected. |
| 118 of ,, | Do. ... | 1. Ponnu Chetty ..... 2. Rengamuthu..... | 28/10/67 | Sentenced to pay a fine of 5 Rs. each. | Do. |
| 131 of ,, | Do. ... | 1. Sundrom Chetty ... 2. Mutucarupa Pillay . | 18/11/67 | Discharged. | |
| 138 of ,, | Do. ... | 1. Nacheappa Chetty .. 2. Ramathevan ..... | 25/11/67 | Sentenced to pay a fine of 5 Rs. each. | Do. |

MADURA,
15th August 1868.

(Signed) D. ARBUTHNOTT,
Collector.

Exd. T. Cartledge.

From F. B. MOLONY, Esq., Acting Collector of Cuddapah, to the Acting Secretary to the Board of Revenue, dated 20th August 1868, No. 174.

1. On the subject of small sales of Adhesive Stamps and Bills of Exchange in this district, commented on by the Board of Revenue in their Proceedings, dated 19th June 1868, No. 4,549, I have the honour to inform you that I have been unable to ascertain that any extensive frauds on the revenue occur in this respect. Many transactions are specie transactions, for which the Railway gives great facilities, and Hoondies drawn in the Bombay Presidency on Madras are also means of conducting business to a large extent. I am unable to give any more satisfactory reasons for the small sales of these stamps than these, which, I must frankly acknowledge, to my mind scarcely account for the existing state of affairs.

2. During the last three years, twenty-six persons have been convicted of offences under the Stamp Laws, and have been punished.

3. I shall have further inquiries instituted in all parts of the district, to endeavour, if possible, to ascertain the causes which operate to keep down the revenue from these stamps.

**Exd. J. Wright.**

From W. McQUHAE, Esq., Acting Collector of the Kistna district, to the Acting Secretary to the Board of Revenue, dated Masulipatam, 29th August 1868, No. 251.

With reference to paragraph 2 of the Proceedings of the Board of Revenue, dated 19th June 1868, No. 4,549, I have the honour to report that no cases of breaches of that portion of the Stamp Act, which relates to stamps to be used in mercantile transactions, have been brought to light during the last three years. The receipts from Bills of Exchange appear to have been always small in this district, and have steadily decreased during the five years. The decrease is said to be owing to the increased use of Currency Notes, and the establishment of the Money Order system, and this may be true to some extent. I have now issued a notice warning the public against evasions of the Stamp Act, and promising rewards to informers. I have also issued orders to all Tahsildars and Sub-Magistrates calling their attention to the matter.

Exd. J. Wright.

No. 8,418.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 30th November 1868.

Read the following letters:—

From V. RAMIENGAR, Superintendent of Stamps, to the Acting Secretary to the Board of Revenue, dated Madras, 29th August 1868, No. 1,141.

I HAVE the honour to submit my Annual Report on the operations of the Stamp Department during the past Fusly 1277, commencing 1st July 1867, and ending 30th June 1868. The usual explanatory Statements accompany.

2. STATEMENT No. 1.—The first of these Statements shows the total value of Stamps of all descriptions received into, and issued from, the Stamp Office. The aggregate receipts amounted to Rupees 64,76,255, and the aggregate issues to Rupees 70,88,747, as particularized below:—

| | Judicial Stamps. | Mercantile Stamps. | | | | | | Total. |
|---|---|---|---|---|---|---|---|---|
| | | Bills of Exchange. | Adhesive Receipt Stamps. | Foreign Bill Stamps. | Bank Share Transfer Stamps. | Bills of Lading. | Custom Application Stamps. | |
| | Rs. A. | Rs. A. | Rs. | Rs. A. | Rs. A. | Rs. | Rs. | Rs. A. |
| Balance of Stock brought forward from last year's account | 6,63,457 11 | 23,808 8 | 61,665 | 69,84,198 12 | 1,46,747 8 | ... | 13,500 | 78,93,377 7 |
| *Receipts.* | | | | | | | | |
| From the Mint | 53,19,959 5 | 59,575 14 | ... | ... ... | ... ... | 4,238 | ... | 53,83,773 3 |
| Do. additionally stamped | ... ... | 609 0 | ... | ... ... | ... ... | ... | ... | 609 0 |
| Do. Calcutta | ... ... | ... ... | 30,000 | ... ... | ... ... | ... | ... | 30,000 0 |
| Returned from the Districts | 8,89,098 4 | 1,09,988 9 | ... | 19,149 13 | 28,323 4 | ... | ... | 10,46,559 5 |
| Do. Coorg | 13,418 0 | 1,895 8 | ... | ... ... | ... ... | ... | ... | 15,313 8 |
| Total | 62,22,475 9 | 1,72,068 5 | 30,000 | 19,149 13 | 28,323 4 | 4,238 | ... | 64,76,255 0 |
| Grand Total | 68,85,933 4 | 1,95,876 14 | 91,665 | 70,03,348 9 | 1,75,070 12 | 4,238 | 13,500 | 143,69,632 7 |
| *Issues.* | | | | | | | | |
| To Districts | 58,43,467 8 | 1,32,788 7 | 36,750 | 12,591 3 | 3,178 0 | 4,238 | 2,760 | 60,35,773 2 |
| ,, Coorg | 79,328 0 | 1,710 5 | 225 | ... ... | ... ... | ... | ... | 81,263 6 |
| ,, the Mint to be impressed with additional Stamps | ... ... | 406 0 | ... | ... ... | ... ... | ... | ... | 406 0 |
| ,, value of Stamps written off under the orders of the Board of Revenue | 9,11,662 0 | 59,642 4 | ... | ... ... | ... ... | ... | ... | 9,71,304 4 |
| Issued to Major Hearn on Public Service | ... ... | 0 1 | ... | ... ... | ... ... | ... | ... | 0 1 |
| Total | 68,34,457 8 | 1,94,547 2 | 36,975 | 12,591 3 | 3,178 0 | 4,238 | 2,760 | 70,88,746 13 |
| Balance | 51,475 12 | 1,329 12 | 54,690 | 69,90,757 6 | 1,71,892 12 | ... | 10,740 | 72,80,885 10 |

3. It will be seen that both receipts and issues were very much larger than in the previous Fasly. This was owing partly to the operation of the amending Act No. XXVI. of 1867, enacted last year, which has greatly increased the tax on Judicial proceedings, and partly to Embossed Stamps

vide Board's Proc., dated 5th June 1867, No. 3,115.

of the value of 20 Rupees and upwards having been withdrawn from the districts and replaced by Bi-color Stamps on the introduction of the latter early last year. From these causes, there was an increase of nearly twenty lacs in the manufacture of Judicial Stamps. The quantity of Bill or Hoondee Stamps manufactured was also larger by upwards of 40,000 Rupees; but this was owing entirely to the change from an Embossed to a Bi-color Stamp, rendered necessary last December by the discovery of some forged Currency Notes in circulation on Hoondee paper from which the Cold Steel Die impression had been cleverly obliterated. This necessitated the recalling of the Embossed Stamps from the districts, and the issuing of Bi-color Stamps instead. The 30,000 Rupees worth of Adhesive Receipt Stamps received from Calcutta were in re-payment of a loan previously obtained by the Calcutta Stamp Office.

4. The large quantities of Judicial and Hoondee Stamps, entered under the head of "Returned from Districts," were what were recalled, as already explained, consequent on the change from Embossed to Bi-color. The Foreign Bill and Bank Share Transfer Stamps were returned from the Madras and other districts, as surplus stock not needed for current requirements.

5. The issues under each head were larger than in the preceding year. The value of Judicial Stamps supplied to the districts was nearly 58½ lacs of Rupees, or about 32 lacs more than in Fasly 1276, owing to the causes mentioned, namely, partly to the greatly enhanced demands which it was expected would arise under the operation of Act No. XXVI. of 1867, and partly to the old Cold Steel Die Stamps having been superseded by Bi-color Stamps. The increase in the issue of Hoondee Stamps is entirely owing to the re-issue, in a bi-color form, of the Embossed Stamps re-called from the District Treasuries under the circumstances already stated.

6. The Judicial Stamps of 20 Rupees and upwards, withdrawn from the districts on the introduction of the Bi-color Stamp, having been eventually destroyed, accounts for the 9,11,662 Rupees entered as written off under that head. As a large portion of the Hoondee Stamps recalled for conversion into Bi-color Stamps were on other than the proper water-marked paper, they were

withdrawn and destroyed under the sanction of the

vide Board's Proc., dated 3rd May 1865, No. 2,212.

Board, and their value, Rupees 59,642-4, was written off in the accounts.

7. A one-Anna Hoondee Stamp having been supplied by me to Major Hearn in connexion with the Currency Note forgery, is debited to him in the accounts.

8. The balance after deducting the issues, amounts to Rupees 72,80,885-10, of which, however, Rupees 48,588-8, being the value of stamps despatched to districts, but the receipt of which was not acknowledged by the Collectors within the Fasly, forms an inefficient balance. Deducting this, the actual stock on hand on the last day of the Fasly, amounted to Rupees 72,32,297-2, which was examined by the Auditor appointed by Government Order, dated 1st July 1868, No. 1,835. The great bulk of this stock consists, as the Board are aware, of Foreign Bill Stamps.

9. Statement No. 2.—The transactions in the several districts will be next noticed. At the beginning of the year there was a balance, in the Collectorate Treasuries, of Stamps valued at Rupees 20,25,202-14-0. The receipts and sales during the Fasly are shown in the following tabular statement:—

| | Mercantile Stamps. | | | | | | | | | | Judicial Stamps. | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Bills of Exchange | | Adhesive Receipt Stamps. | | Foreign Bill Stamps. | | Bank Share Transfer Stamps. | | Bills of Lading. | | Custom Application Stamps. | | |
| | Rs. | A. | Rs. | A. | P. | Rs. | A. | Rs. | A. | Rs. | A. | Rs. | A. | Rs. | A. | P. |
| **Balance at the commencement of Fusly** | 1,17,227 | 1 | 19,373 | 7 | 0 | 1,07,449 | 10 | 41,416 | 11 | 4,219 | 0 | 719 | 10 | 29,25,393 | 14 | 0 |
| *Receipts.* | | | | | | | | | | | | | | | | |
| From the Superintendent of Stamps | 1,32,788 | 7 | 90,750 | 0 | 0 | 12,591 | 3 | 3,178 | 0 | 4,238 | 0 | 2,760 | 0 | 60,35,773 | 2 | 0 |
| Do. Akkarry Renters to whom stamps had been erroneously issued gratis | ... | | ... | | | ... | | ... | | ... | | ... | | 576 | 0 | 0 |
| Returned from the stock of a deceased Vendor attached to the Madras district | 5 | 7 | 2 | 3 | 0 | ... | | ... | | ... | | ... | | 220 | 2 | 0 |
| Excess found in Stock | 0 | 9 | ... | | | ... | | ... | | ... | | ... | | 0 | 9 | 0 |
| Total | 1,32,794 | 7 | 90,752 | 3 | 0 | 12,591 | 3 | 3,178 | 0 | 4,238 | 0 | 2,760 | 0 | 60,36,569 | 13 | 0 |
| Grand Total | 2,50,021 | 8 | 1,10,126 | 10 | 0 | 2,19,040 | 13 | 44,594 | 11 | 8,457 | 0 | 3,479 | 10 | 89,61,963 | 11 | 0 |
| *Sales.* | | | | | | | | | | | | | | | | |
| To the public | 41,458 | 3 | 41,409 | 12 | 0 | 11,214 | 14 | 2,018 | 8 | 3,296 | 0 | 2,769 | 8 | 34,24,398 | 2 | 6 |
| Supplied to Akkarry Renters and for Government law suits, &c. | ... | | 0 | 6 | 0 | ... | | ... | | ... | | ... | | ... | | |
| Returned to the Superintendent of Stamps | 1,09,088 | 6 | ... | | | 66 | 5 | 28,323 | 4 | ... | | ... | | 730 | 14 | 0 |
| Value of unserviceable and damaged stamps destroyed by Collectors, and of those issued in lieu of spoiled stamps | 40 | 11 | ... | | | ... | | ... | | 0 | 4 | ... | | 10,27,475 | 13 | 0 |
| Total | 1,51,487 | 0 | 41,409 | 2 | 6 | 11,281 | 3 | 30,341 | 12 | 3,296 | 4 | 2,769 | 8 | 44,54,096 | 8 | 6 |
| Balance | 98,534 | 8 | 24,625 | 7 | 6 | 1,08,059 | 10 | 14,252 | 15 | 5,160 | 12 | 710 | 2 | 45,07,867 | 2 | 6 |



10. The excess of 9 Annas in the stock of Bills of Exchange is reported from the Madras district, and is supposed to be due to the public having been short supplied to that extent.

11. JUDICIAL STAMPS.—The sales of Judicial Stamps amounted to Rupees 33,32,041, being an increase of Rupees 5,40,116 over those of the previous Fusly. This increase, being due to the operation of the new Schedule B., occurs in every district of the Presidency, though not in an equal or nearly equal degree. From 5·3 in South Canara, the per-centage of increase rises to 34 in Nellore, the result for the entire Presidency being 19·4, or an addition of about one-fifth to the revenue of Fusly 1276. If we had a separate stamp for each separate value required under the amended Schedule, the accounts of sales would show the sale of each denomination, and we should then be able to note what values sold most, and what least, and how litigation was affected by the new enactment; but in the absence of a separate die for each separate value, the same values continue to be issued as before the new Schedule came into force, leaving parties to supplement a value by the use of two or more stamps, and it is, therefore, impossible to draw, from the present accounts of sales, any useful inferences or conclusions as to the working of the Act. Taking the existing accounts, however, 8 Annas, 1 Rupee, 5 Rupees, 10 Rupees, and, in fact, all such values as are most used as additional stamps have sold best, and there has been a falling off in the sale of even values such as 2 and 4 Annas, 4, 8, 16, and 32 Rupees:—

| | Fusly 1276. | Fusly 1277. | Increase. | Per-centage. |
|---|---|---|---|---|
| | Rs. | Rs. | Rs. | Rs. |
| Ganjam | 72,805 | 83,295 | 10,490 | 14·4 |
| Vizagapatam | 1,05,800 | 1,24,831 | 19,031 | 17·9 |
| Godavery district | 1,41,334 | 1,61,707 | 20,373 | 14·4 |
| Kistna district | 94,486 | 1,13,985 | 19,499 | 20·6 |
| Nellore | 71,442 | 95,745 | 24,303 | 34·0 |
| Cuddapah | 1,17,370 | 1,44,685 | 27,315 | 23·2 |
| Bellary | 1,45,085 | 1,81,096 | 36,011 | 24·8 |
| Kurnool | 95,527 | 1,21,095 | 25,568 | 26·7 |
| Madras district | 1,49,340 | 1,87,870 | 33,530 | 25·8 |
| North Arcot | 1,04,310 | 1,33,198 | 28,888 | 27·7 |
| South Arcot | 95,163 | 1,18,232 | 23,069 | 24·2 |
| Salem | 1,21,937 | 1,42,384 | 20,447 | 16·8 |
| Tanjore | 3,33,049 | 4,02,719 | 69,670 | 21·0 |
| Trichinopoly | 77,748 | 90,466 | 12,718 | 16·3 |
| Tinnevelly | 2,19,462 | 2,46,403 | 26,941 | 12·3 |
| Madura | 2,03,385 | 2,38,623 | 35,238 | 17·3 |
| Coimbatore | 1 27,193 | 1,48,918 | 21,725 | 17·0 |
| Malabar | 3,78,856 | 4,51,818 | 72,962 | 19·2 |
| South Canara | 1,37,638 | 1,44,971 | 7,338 | 5·3 |
| Total... | 27,91,925 | 33,32,041 | 5,40,116 | 19·4 |

12. There is an increase in the sale of Mercantile Stamps also, owing doubtless to the past year having been more favourable to trade and commerce than the previous year.

| | Rs. |
|---|---|
| Fusly 1276 | 90,180 |
| ,, 1277 | 92,857 |
| Increase... | 2,477 |

13. The sales of Hoondee Stamps, both Inland and Foreign, present a slight improvement.

| | Inland. | Foreign. |
|---|---|---|
| | Rs. | Rs. |
| Fusly 1276 | 39,666 | 11,153 |
| ,, 1277 | 41,558 | 11,315 |
| | 1,892 | 132 |

A considerable increase occurs in the sale of Inland Bills of Exchange in the districts of Godavery, Bellary, Madras, Tanjore, Trichinopoly, and Malabar. On the other hand, Vizagapatam, Kurnool, South Canara, and Tinnevelly show a falling off. The decrease is largest in the last-named district, where the revenue from this source fell from Rupees 1,283 in Fusly 1276, to 284

Rupees in Fusly 1277. I think the attention of the Collector should be drawn to this circumstance.

| | Rs. | A. | P. |
|---|---|---|---|
| Fusly 1276 | 583 | 0 | 0 |
| ,, 1277 | 543 | 7 | 0 |
| Decrease | 39 | 9 | 0 |

Cuddapah, as usual, continues to show badly, the sale, which was small enough in Fusly 1276, having fallen off still more in that under notice. The small increase in the sale of Foreign Bill Stamps occurs in the Madras, Madura, and Malabar districts. In Tanjore and Tinnevelly, specially noticed in last year's report as showing an insignificant sale under this head, the sales are *nil* in Fusly 1277.

14. I showed in my last report that the sale of Adhesive Receipt Stamps was steadily progressing. It is satisfactory to note a further increase under this head in the year under report. With the exception of Bellary, South Arcot, Tanjore, and Coimbatore, in which there is a small decrease in the sales, every other district shows an increase; and the net result is a gain upon the previous year of Rupees 1,648, which means the use of 26,368 more stamps than in the preceding Fusly. Cuddapah, which was specially noticed in the last report as showing badly, presents an increase of 93 Rs.

| | Rs. |
|---|---|
| Fusly 1276 | 29,852 |
| ,, 1277 | 31,500 |
| Increase | 1,648 |

15. The sale of Bank Share Transfer Stamps is still on the decline. In Fusly 1276, it was Rupees 4,933 less than in the previous year, and the year under report shows a further falling off of more than 1,237 Rupees. The revenue derived from this source from the commencement is shown in the margin. From one or two cases which came before me in the course of last year, and in which I insisted upon the full duty being paid, I have reason to think that the duty on transfers of Bank Shares is evaded by inserting several shares in one Transfer Deed, and stamping it only for one share, whereas the Act requires the prescribed duty to be paid on *each share* transferred. The decrease may, in some degree, be owing to this cause, but seem due chiefly to transfers not having been so numerous, in Fusly 1277, as in the preceding year, the former being a decidedly more favourable year in a commercial point of view.

| | Rs. | A. | P. |
|---|---|---|---|
| Fusly 1276 | 3,255 | 14 | 0 |
| ,, 1277 | 2,018 | 8 | 0 |
| Decrease | 1,237 | 6 | 0 |

| | Rs. | A. | P. |
|---|---|---|---|
| Fusly 1273 | 5,494 | 14 | 0 |
| ,, 1274 | 9,079 | 11 | 0 |
| ,, 1275 | 8,188 | 14 | 0 |
| ,, 1276 | 3,255 | 14 | 0 |
| ,, 1277 | 2,018 | 8 | 0 |

Vide Article 20, Schedule A., of Act No X. of 1862.

16. The receipts from the sale of Bills of Lading show a decrease of 481 Rupees compared with Fusly 1276. With the exception of Madras and Malabar, there is a falling off in the sales in every other Maritime district.

| | Rs. | A. | P. |
|---|---|---|---|
| Fusly 1276 | 3,776 | 12 | 0 |
| ,, 1277 | 3,296 | 0 | 0 |
| Decrease | 480 | 12 | 0 |

| | Rs |
|---|---|
| Fusly 1273 | 1,686 |
| ,, 1274 | 1,983 |
| ,, 1275 | 2,156 |
| ,, 1276 | 2,345 |
| ,, 1277 | 2,279 |

17. The revenue from the sale of Customs Application Stamps, which is annually increasing, shows an improvement again over the previous year.

18. Statement No. 3.—The Establishment and other charges incurred in the working of this Department, during the year under review, are shown below:—

| | | | Rs. | A. | P. |
|---|---|---|---|---|---|
| Superintendent's Salary and Establishment | ... | ... | 25,242 | 14 | 1 |
| *Contingent Charges.* | | | | | |
| Cost of water-marked paper | ... | ... | 14,911 | 6 | 8 |
| Packing, carriage and other charges incurred in the Stamp Office | ... | | 3,723 | 2 | 8 |
| | | | 18,634 | 9 | 4 |
| | | | 43,877 | 7 | 5 |
| Establishment at the Mint | ... | ... | 5,353 | 4 | 0 |
| Commission and discount to Vendors | ... | ... | 1,20,416 | 4 | 11 |
| Contingent Charges incurred in the districts | ... | ... | 2,095 | 4 | 4 |
| Total | ... | ... | 1,71,742 | 4 | 8 |

19. The aggregate cost of the Department was thus Rupees 1,71,742, and this is Rs. 2,174 more than the similar charge in Fusly 1276. This increase, as will be seen from Enclosure No. 3, would have been much larger owing chiefly to the operation of the new Schedule B., but for the smaller quantity of water-marked paper received from England during the year, which nearly neutralizes the increase which would have otherwise exhibited itself principally in the discount allowed on the greatly enlarged sales of Judicial Stamps, and in the packing, carriage, and other incidental charges. The small increase in the item of the Superintendent's pay is only nominal, as there was a saving, in Fusly 1276, in the salary for the interval between Colonel Temple's death, and the appointment of a successor, whereas the full pay was drawn for the past year. The increase in the cost of the Mint Establishment is consequent on the introduction of Bi-color stamping.

20. Statement No. 4.—The general receipts and disbursements for the entire Department are shown in Statement No. 4. The revenue derived from the stamping of private goods is, it will be seen, in advance of that of last year. The only variation worth noticing, as compared with Fusly 1276, is a decrease in the extra revenue arising from the smaller amount of penalty brought to account in the districts; and this item, it will be remarked, was smaller in Fusly 1276, than in the preceding year; but this need not be grudged if it may be taken as a proof that the Act is becoming better understood and respected.

21. The gross receipts, including the private goods and extra revenue, amounted to Rupees 35,89,001-1-8. Deducting from this the gross disbursements, Rupees 2,23,145-13-9, the net revenue derived by the State amounts to Rupees 33,65,855-3-11, or Rupees 5,21,812-9-4 *more than* in Fusly 1276. It is also higher than that of any previous year, as shown in the following table:—

| | Rs. | A. | P. |
|---|---|---|---|
| Fusly 1277 | 33,65,855 | 3 | 11 |
| ,, 1276 | 28,44,042 | 10 | 7 |
| Increase | 5,21,812 | 9 | 4 |

| Fuslies. | Gross receipts. | Gross charges. | Net revenue. |
|---|---|---|---|
| | Rs. | Rs. | Rs. |
| 1269 | 9,25,410 | 1,24,816 | 8,00,594 |
| 1270 | 19,71,339 | 1,32,968 | 18,38,372 |
| 1271 | 28,23,124 | 2,13,213 | 26,09,911 |
| 1272 | 21,13,382 | 1,52,094 | 19,61,288 |
| 1273 | 23,98,611 | 1,73,495 | 22,25,117 |
| 1274 | 27,65,584 | 1,82,962 | 25,82,621 |
| 1275 | 31,49,328 | 1,79,713 | 29,69,615 |
| 1276 | 30,56,646 | 2,12,603 | 28,44,043 |
| 1277 | 35,89,001 | 2,23,146 | 33,65,855 |

22. The special Statements Nos. 5, 6, and 7, are submitted as usual, for transmission to the Government of India.

Enclosures Nos. 1 to 7.—Returns.

From Colonel J. CARPENDALE, R. E., Mint Master, to the Acting Secretary to the Board of Revenue, dated 24th August 1868.

I have the honour to forward, herewith, the Annual Return of papers, etc., stamped at the Mint, and sent to the Superintendent of Stamps, from July 1867, to June 1868.

Enclosure No. 1.—Return.

The report from the Superintendent of Stamps, on the operations of the Stamp Department during Fusly 1277, or the year ending 30th June 1868, will be submitted to Government with the usual Statements, the two Special Returns required by the Government of India having already been sent to Government with the Board's letter, dated 20th October 1868, No. 7,502. The Superintendent of Stamps is requested to submit in future these two Returns separately with a covering letter as soon after the close of the Fusly as possible.

2. It must be observed that the gross revenue of the past year is the highest on record, and in comparison with that of the preceding year exhibits the large net increase of Rs. 5,32,356. The increase is most noticeable in the sale of Judicial Stamps amounting alone to no less than Rupees 5,40,116, and is the result of the operation of the new Schedule B., appended to Act No. XXVI. of 1867. The proportion of the increase varies greatly in the several districts for which no satisfactory cause can be assigned.

| | Rs. |
|---|---|
| Fusly 1277 | 35,89,001 |
| „ 1276 | 30,56,645 |
| | 5,32,356 |

3. Statement No. I.—The transactions of the Stamp Department, as exhibited in this Statement, are given below in abstract:—

| | | Rs. | A. | P. |
|---|---|---|---|---|
| Balance of Stock at the commencement of the Fusly | | 78,93,377 | 7 | 0 |
| *Receipts.* | | | | |
| From the Mint | 53,83,773 3 0 | | | |
| From do. additionally stamped | 609 0 0 | | | |
| From Calcutta | 30,000 0 0 | | | |
| From Districts | 10,46,559 5 0 | | | |
| From Coorg | 15,313 8 0 | | | |
| | | 64,76,255 | 0 | 0 |
| | | 1,43,69,632 | 7 | 0 |
| *Issues.* | | | | |
| To Districts | 60,35,773 2 0 | | | |
| To Coorg | 81,263 6 0 | | | |
| To Mint to be impressed with additional stamps | 406 0 0 | | | |
| To value of stamps written off under the orders of the Board of Revenue | 9,71,304 4 0 | | | |
| To the Commissioner of Police on Public Service | 0 1 0 | | | |
| | | 70,88,746 | 13 | 0 |
| Balance | | 72,80,885 | 10 | 0 |

4. The introduction of the Bi-colored Stamp rendered it necessary to recall from the districts, stamps of the value of 20 Rupees and upwards. This accounts for the large increase in the value of the stamps returned by and issued to Collectors, and also for the large sum shown as written off.

5. The value of stamps shown above, as received from the Mint, corresponds with the Return furnished by the Mint Master. As regards the items "Received from Districts and Coorg," there is a difference of Rupees 8,599-8-0 as compared with the figures in the Auditor's Report, dated 3rd August 1868. It appears from this Report, that the stamps sent to the Board of Revenue to be destroyed formed a portion of 19,808 Rolls returned by Collectors, to whom 2,456 Rupees were again returned. According to this, the rolls sent for destruction ought to be 17,352, and not 17,452 as shown in the table below paragraph 9 of the Report. The Board must, however, observe that the difference of Rupees 8,599-8-0, above alluded to, would not have occurred, had the Superintendent of Stamps followed the correct course of including it both in Receipts and Issues, as the transaction took place.

6. There are also other differences observable in the Auditor's Report. In the first instance, the balance of Judicial single Stamps, on 30th June 1867, is shown as Rupees 34,481, instead of Rupees 33,881. The value of double Stamp Bills of Exchange issued to Collectors, etc., is entered with the omission of an anna. These mistakes are to be found in the original manuscript copy submitted by the Auditor; but they appear to be clerical errors, as the figures representing the totals are correct. The value of stamps written off under orders is given in the Report of the Superintendent of Stamps as Rupees 9,11,662; while the Auditor's Report shows it as Rupees 9,11,658-8-0; a difference of Rupees 3-8-0 which is composed of the value of stamps lost in consignments sent to Cuddapah and Kistna districts.

7. Again, there is an increase of Rupees 8,603 in the Auditor's Report in the item of Judicial Stamps issued to Collectors, etc. Deducting from this the sum of Rupees 8,599-8-0, noticed in the preceding paragraph as the value of Judicial Stamps returned to Collectors out of those received from them, there remains a difference of Rupees 3-8-0, corresponding with the decrease already noticed in the item of stamps written off. The sum in question was properly written off the accounts of the Superintendent of Stamps for Fusly 1277, because the balance of stock brought forward by him, at the beginning of the Fusly, included this sum, as well as the value of stamps issued to Collectors during the latter part of Fusly 1276, the receipt of which was not acknowledged by the Collectors within the Fusly.

8. On the other hand, the balance brought forward by the Auditor excludes the latter item, as well as the sum of Rupees 3, the value of paper lost in consignment to Cuddapah, the necessity of the Auditor including the sum of Rupees 3-8-0 in the item of issues to Collectors, etc., as shown above, is not therefore apparent. In paragraph 6 of his Report for Fusly 1276, dated 12th October 1867, the Superintendent of Stamps made up the *actual stock* in hand as amounting to Rupees 73,67,354-7-0 after excluding 3 Rupees, found deficient in Cuddapah, and Rupees 5,26,020 the value of Stamps issued to Collectors. This balance is correctly brought forward in the Auditor's Report, and yet an excess of Rupees 3-8-0 has been included by the Auditor in the item of "Issues to Collectors." It is also not clear how, with the above excess, the final balance of actual stock on hand on 30th June 1868, as shown in the Auditor's Report, has been made to agree with the balance entered in the Superintendent's accounts. The Superintendent of Stamps will, in communication with the Auditor, explain the discrepancy now pointed out.

9. In the Auditor's Report, the Bills of Lading are included with Bills of Exchange; Foreign Bill Stamps with Adhesive Stamps; and Custom Applications with Bank Share Transfer Stamps. To facilitate examination, it is necessary that the different items should be treated separately. Again receipts from and issues to Coorg are included with the transactions of Collectors. They should also be shown distinctly. The Superintendent of Stamps is requested to draw attention to these instructions and remarks, on the part of the Auditor, who may be appointed on the next occasion to examine the Stock.

10. Out of the balance exhibited in the abstract attached to paragraph 3, stamps to the value of Rupees 48,588-8-0 were despatched to Collectors, the receipt of which was not acknowledged by them within the Fusly. Deducting this amount, the stock actually in hand amounts to Rupees 72,32,297-2-0, which tallies with the amount shown in the Auditor's Report as having been examined. A large portion of this balance consists of Foreign Bill stamps to the value of Rupees 69,90,757-6-0. In their Order, dated 13th October 1868, No. 2,628, the Government approved of the Board's recommendation to utilize the stock of these stamps by converting them into Adhesive Stamps for use. The Superintendent of Stamps is requested to show in future, in the abstract attached to paragraph 2 of his letter, the actual stock in hand, by entering below the balance, the value of different descriptions of papers despatched to Collectors, the receipt of which was not acknowledged by them within the Fusly.

11. Statement No. 2.—This statement shows the transactions of the districts, consisting of receipts and issues of stamps. The following is an abstract:—

| | | | | Rs. | A. | P. |
|---|---|---|---|---|---|---|
| Balance at the commencement of the Fusly... ... ... ... ... ... ... ... | | | | | | |
| | | | | 29,25,393 | 14 | 0 |
| *Receipts.* | | | | | | |
| From the Superintendent of Stamps ... ... ... ... ... | | | 60,35,773 | 2 | 0 | |
| From the Abkarry Renters to whom stamps had been erroneously issued gratis... ... ... ... ... ... ... ... | | | 576 | 0 | 0 | |
| Returned from the stock of a deceased Vendor attached to the Madras district... ... ... ... ... ... ... ... | | | 220 | 2 | 0 | |
| Excess found in the stock of the districts ... ... ... ... | | | 0 | 0 | 0 | |
| | | | | 60,36,569 | 13 | 0 |
| | | | | 89,61,963 | 11 | 0 |
| *Issues.* | | | | | | |
| Sale of different stamps .. ... ... ... ... ... ... ... | | | 34,24,398 | 2 | 6 | |
| Supplied to Abkarry Renters... ... ... ... ... ... ... | | | 45 | 0 | 0 | |
| Do. to Government law suits ... ... ... ... ... | | | 685 | 14 | 0 | |
| Returned to the Superintendent of Stamps .. ... ... ... | | | 10,27,475 | 13 | 0 | |
| Value of unserviceable and damaged Stamps destroyed .. | | | 238 | 8 | 0 | |
| Do. issued in lieu of the spoiled ones ... ... ... ... | | | 1,253 | 3 | 0 | |
| | | | | 44,54,096 | 8 | 6 |
| | | | Balance ... | 45,07,867 | 2 | 6 |

12. It will be seen that the value of stamps returned to the Superintendent of Stamps is entered here as Rupees 10,27,475-13-0, while a similar entry in the abstract attached to paragraph 9 of these Proceedings gives Rupees 10,46,550-5-0, or a difference of Rupees 19,088-8-0. This is the value of stamps returned to Madras by Collectors in Fusly 1276, and written off by them in the accounts of that year, but received and brought to account in the accounts of Fusly 1277 by the Superintendent of Stamps. This difference can, however, be explained in future, if the Collectors who return stamps at the end of the Fusly, treat their value as the credit balance in their accounts until the receipt of the acknowledgment from the Superintendent of Stamps.

13. Statement No. 4.—This is an abstract of entire receipts and charges of the year. The receipts comprise the sale of stamps and other items. The following abstract shows the particulars of receipts in comparison with Fusly 1276:—

| Description of Stamps. | Fusly 1276. | | | Fusly 1277. | | | Difference. Increase. | Difference. Decrease. |
|---|---|---|---|---|---|---|---|---|
| | Rs. | A. | P. | Rs. | A. | P. | Rs. | Rs. |
| *Duty on Stamps impressed on prepared documents.* | | | | | | | | |
| By Superintendent of Stamps ... | 1,01,259 | 14 | 0 | 1,02,165 | 11 | 0 | 906 | ..... |
| By Collectors..... | 1,032 | 4 | 0 | 1,284 | 6 | 0 | 352 | ..... |
| By Civil Courts..... ..... | 3,240 | 15 | 3 | 3,684 | 8 | 5 | 444 | ..... |
| Deficient duty received in the stamping of documents in lieu of spoiled ones... ... ... ..... | 1,284 | 13 | 6 | 3,343 | 1 | 6 | 2,058 | ..... |
| Recovery of the value of stamps erroneously issued gratis to Abkarry Sale Renters... ... ... | ..... | | ... | 1,078 | 0 | 0 | 1,078 | ..... |
| Total... | 1,06,817 | 14 | 9 | 1,11,655 | 10 | 11 | 4,838 | ..... |
| Total Stamp Revenue.. | 29,88,922 | 11 | 9 | 35,36,053 | 13 | 5 | 5,47,132 | ..... |
| *Miscellaneous.* | | | | | | | | |
| Penalties under Act No. X. of 1862 ..... ... ..... | 62,365 | 9 | 3 | 49,928 | 3 | 8 | ..... | 12,437 |
| Amount received in pauper suits.. | 5,185 | 7 | 6 | 2,028 | 7 | 2 | ..... | 3,155 |
| Adjudication Fee collected in the districts and at the Stamp Office ..... ..... ..... | 20 | 0 | 0 | 30 | 0 | 0 | 10 | ..... |
| Sundry Receipts... ... ..... | 153 | 13 | 8 | 960 | 9 | 5 | 806 | ..... |
| Total... .. | 67,722 | 14 | 5 | 52,947 | 4 | 8 | ..... | 14,776 |
| Grand Total... ... | 30,56,645 | 10 | 2 | 35,89,001 | 1 | 8 | 5,32,356 | ..... |

14. The unusually large increase in the sale of Judicial Stamps has already been explained. In the sale of Mercantile Stamps also there is an increase to the extent of Rupees 2,178, which is attributed to the improvement in trade; but in the case of Bank Share Transfer Stamps and Bills of Lading there was a falling off. The Superintendent of Stamps thinks that the decrease in the former item may, in some degree, be owing to the evasion of the full duty on transfer of Bank Shares by several shares being inserted in one Transfer Deed, the latter being stamped as if for one share only contrary to law. The Board are, however, unaware of the grounds on which the Superintendent bases this assumption, and, in the absence of further information are not disposed to believe that the practice obtains; it is clear that the Bank would refuse to register such transfers if brought to notice.

15. Though the sales of other descriptions of Mercantile Stamps present a slight improvement on the whole, this is not the case in regard to all districts. It is shown that the decrease in the sales of Bills of Exchange was largest in Tinnevelly, and that in Cuddapah, which comes every year under particular notice, the decrease was even greater than in Fusly 1276. In Tanjore and Tinnevelly there were no sales at all of Foreign Bill Stamps in Fusly 1277.

16. While reviewing the Report for Fusly 1276, Government took particular notice of the probable evasion of Stamp Law relating to Mercantile transactions, and desired the Board to call upon the Collectors to report what steps have been taken by them, from time to time, to check these evasions of the law, and how many cases of breaches of the Act have been brought to light during the last three years, and in how many of them the offenders were convicted and punished. They also requested the Board to submit the report called for from the Collector of Cuddapah in regard to the small sales of Bills of Exchange and Adhesive Stamps in that district. A Circular was accord

ingly issued to Collectors, and replies have been received, Cuddapah included. A file of these replies will now be submitted for the information of Government.

17. It will be seen from the replies received, that in almost every district notices are issued and published in the District Gazette, warning the public against the evasions of the Stamp Act. None of the Collectors think that the law is evaded to the extent that it is supposed to be. In certain districts a few cases of breaches of the law appear to have come to notice, and the offenders to have been punished; but most of these cases appear to relate to Judicial Stamps. The short sales of the Mercantile Stamps are, in some districts, ascribed to the European Merchants getting their own forms impressed with a stamp either at Madras or Calcutta. The increased use of Currency Notes, and the establishment of the Money Order system, and various other causes generally contribute to reduce the sales of Mercantile Stamps. The Collector of Cuddapah, who was specially called upon to report, states that he has been unable to ascertain that any extensive frauds on the revenue occur in this respect. He asserts that many transactions are carried on in specie, for which the Railway gives great facilities, and that Hoondies drawn in the Bombay Presidency on Madras are also the means of conducting business to a large extent. On the whole it appears to the Board that evasion of the law is not the general cause of the reduced sales of the Mercantile Stamps, and nothing can, therefore, be gained by continuing these inquiries any longer. The Board would leave it to Collectors to take such steps as may be necessary to prevent infringement of laws as far as practicable.

18. There is an increase in the amount of duty on stamps impressed on prepared documents. The decrease under the head "Miscellaneous" occurs chiefly in the item of penalties brought to account in the districts, and may be attributed to there being less necessity for imposing penalties as the law becomes better understood and respected. The sundry items of receipts amount to Rupees 960-0-5, as particularized in the margin. The Superintendent of Stamps enters a lump sum of Rupees 872-5-4 as Miscellaneous receipts: the particulars of this should have been given by him. He will be careful to attend to this in future.

| | Rs. | A. | P. |
|---|---|---|---|
| Value of papers issued in lieu of spoiled or unused Stamps | 11 | 4 | 0 |
| Fines and forfeitures | 45 | 12 | 0 |
| Savings and Refunds | 28 | 0 | 10 |
| Miscellaneous receipts | 875 | 8 | 7 |
| Total | 960 | 0 | 5 |

19. In respect to Stamp revenue entered in the Stamp accounts there is a perfect agreement with the returns received from the Collectors, but in regard to Miscellaneous items differences are observable in the two districts noted in the margin. The Collectors concerned have already been requested to explain the difference.

| | Exhibited in Statement No. 4. | D. C. B. Statement for June 1868. | Increase. |
|---|---|---|---|
| | Rs. | Rs. | Rs. |
| Coimbatore | 2,380 | 2,453 | 73 |
| Tanjore | 3,774 | 5,163 | 1,389 |

20. The amount of duty on private and executed documents entered in the Mint Return, and in the Statement No. 4 of the Superintendent of Stamps, shows a difference of Rupees 13-3-0. This is, however, accounted for by the explanation afforded by the Superintendent of Stamps in Statement No. 4. The documents stamped in Fusly 1277, for which payments were credited in Fusly 1276 in the Superintendent's accounts, amounted to Rupees 62, while the Stamp duty recovered and credited in the accounts of Fusly 1277 by certain Collectors, but which was not brought to account by the Superintendent of Stamps in that Fusly, was Rs. 48-13-0, thus causing a difference of Rs. 13-3-0 as shown above. In paragraph 20 of the Board's Proceedings, dated 19th June 1868, No. 9, 249, the Superintendent of Stamps was directed to distinguish between private and executed documents as is done in the Mint Master's Accounts, but he has not attended to this request in preparing the Statements for Fusly 1277. His attention is, therefore, again drawn to the point.

| | As per Mint Master's Return. Rs. | A. | P. | As per Supt.'s Return. Rs. | A. | P. |
|---|---|---|---|---|---|---|
| Amount of spoiled stamps renewed | 16,452 | 1 | 0 | 13,246 | 9 | 6 |
| Amount of cash to cover deficient duty | 137 | 10 | 0 | 3,343 | 1 | 6 |
| | 16,589 | 11 | 0 | 16,589 | 11 | 0 |

The amount of spoiled stamps renewed, and of deficient duty as shown in the Mint Master's Return, agrees with the aggregate of the two items entered in the Superintendent's Return, but the particulars differ. The Superintendent of Stamps is requested to explain the difference.

21. The following is an abstract of charges for Fusly 1277, compared with Fusly 1276:—

| Items. | Fusly 1276. Rs. | A. | P. | Fusly 1277. Rs. | A. | P. | Difference. Increase. Rs. | Decrease. Rs. |
|---|---|---|---|---|---|---|---|---|
| *Stamp Office at Madras.* | | | | | | | | |
| Superintendent's salary and Establishment | 23,762 | 8 | 0 | 25,242 | 14 | 1 | 1,480 | ... |
| *Contingent Charges.* | | | | | | | | |
| Cost of water-marked paper | 38,567 | 6 | 0 | 14,911 | 6 | 8 | ... | 23,656 |
| Value of unused stamps refunded | 6,937 | 0 | 9 | 2,990 | 1 | 7 | ... | 3,945 |
| Sundry charges such as hire for conveying stamp-papers, making boxes, etc | 2,135 | 5 | 0 | 3,723 | 2 | 8 | 1,588 | ... |
| Total Stamp Office | 71,402 | 3 | 9 | 46,868 | 5 | 0 | ... | 24,533 |
| Establishment at the Mint | 2,842 | 3 | 1 | 5,353 | 4 | 0 | 2,511 | ... |
| *Districts.* | | | | | | | | |
| Commission and discount to Vendors | 1,00,957 | 5 | 1 | 1,20,416 | 4 | 11 | 19,459 | ... |
| *Contingent Charges.* | | | | | | | | |
| Amount refunded under Act No. XVII. of 1848 | 30,455 | 10 | 0 | 43,294 | 3 | 0 | 12,839 | ... |
| Value of unused stamps refunded | 5,245 | 13 | 8 | 5,043 | 12 | 6 | ... | 202 |
| Amount of penalties refunded | 390 | 8 | 0 | 70 | 0 | 0 | ... | 320 |
| Sundry charges | 1,309 | 4 | 0 | 2,100 | 0 | 4 | 790 | ... |
| Total | 1,38,358 | 8 | 9 | 1,70,924 | 4 | 9 | 32,566 | ... |
| Grand Total | 2,12,602 | 15 | 7 | 2,23,145 | 13 | 9 | 10,544 | ... |

22. The increase is large in the item of commission and discount to Vendors, owing to the large sales of Judicial Stamps in the year, under the operation of the new Schedule B. There was also an increase in the amount refunded under Act No. XVII. of 1848. The net increase is, however, only Rupees 10,544, and would have been much larger had it not been for the small quantity of water-marked paper received from England during the year.

23. The entire Stamp revenue amounted to Rupees 35,89,001-1-8, from which the charges, amounting to Rs. 2,23,145-13-9 being deducted, the net receipts amounted to Rs. 33,65,855-3-11,

*which compared with Fusly 1276, shows an increase of Rs. 5,21,812-9-4. An abstract of receipts and disbursements during the past nine years is given below:—

| Fusly. | Total receipts. | | | Disbursements. | | | | | | | | | Net revenue. | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Refunds under Act No. XVII. of 1848. | | | Charges. | | | Refunds to applicants under orders of Sudder Adawlut Court. | | | Total disbursements. | | | | | |
| | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. |
| 1269 | 9,25,409 | 14 | 5 | 66,876 | 0 | 0 | 50,609 | 5 | 10 | 7,330 | 8 | 0 | 1,24,815 | 13 | 10 | 8,00,594 | 0 | 7 |
| 1270 | 19,71,339 | 6 | 6 | 70,234 | 8 | 0 | 60,483 | 5 | 10 | 2,250 | 0 | 0 | 1,32,967 | 13 | 10 | 18,38,371 | 8 | 8 |
| 1271 | 28,23,124 | 3 | 1 | 95,108 | 10 | 0 | 1,18,104 | 3 | 2 | ... | ... | ... | 2,13,212 | 13 | 2 | 26,09,911 | 5 | 11 |
| 1272 | 21,13,382 | 10 | 0 | 42,946 | 0 | 0 | 1,09,148 | 6 | 1 | ... | ... | ... | 1,52,094 | 6 | 1 | 19,61,288 | 3 | 11 |
| 1273 | 23,98,611 | 3 | 7 | 27,521 | 0 | 9 | 1,45,973 | 10 | 0 | ... | ... | ... | 1,73,494 | 10 | 9 | 22,25,116 | 8 | 10 |
| 1274 | 27,65,583 | 12 | 3 | 26,130 | 0 | 0 | 1,56,832 | 5 | 5 | ... | ... | ... | 1,82,962 | 5 | 5 | 25,82,621 | 6 | 10 |
| 1275 | 31,49,328 | 1 | 4 | 30,321 | 8 | 0 | 1,49,391 | 3 | 2 | ... | ... | ... | 1,79,712 | 11 | 2 | 29,69,615 | 6 | 2 |
| 1276 | 30,56,645 | 10 | 2 | 30,455 | 10 | 0 | 1,82,147 | 5 | 7 | ... | ... | ... | 2,12,602 | 15 | 7 | 28,44,042 | 10 | 7 |
| 1277 | 35,89,001 | 1 | 8 | 43,294 | 3 | 0 | 1,79,851 | 10 | 9 | ... | ... | ... | 2,23,145 | 13 | 9 | 33,65,855 | 3 | 11 |

24. The Board consider it unnecessary to give as usual the sales of different descriptions of the higher value of the stamps as they are shown, both in Statements Nos. 6 and 7, the latter of which was printed and sent to Government, as stated in paragraph 1 of these Proceedings.

(True Copies and Extract.)

Sub-Secretary.

To the Acting Secretary to Government, R. D.,
with six enclosures, (to be returned,) and a list of Collectors' replies.

Copy to the Superintendent of Stamps.
,, to the Mint Master.
,, to the Accountant General.
,, to all Collectors.

Exd. J. Wright.

From J. A. C. BOSWELL, Esq., Acting Collector of Nellore, to the Acting Secretary to the Board of Revenue, dated 3rd September 1868, No. 3,125.

1. With reference to the Board's Proceedings, No. 4,549, dated 19th June 1868, I have the honour to send the following return of prosecutions under the Stamp Act in this district, during the last three years:—

| | Convictions. | Acquittals. | Total. | Remarks. |
|---|---|---|---|---|
| District Magistrate... ... ... ... | ..... | ..... | ..... | |
| Joint Magistrate ... ... ... ... | 2 | ..... | 2 | One case in 1865, and one in 1866. |
| Head Assistant Magistrate ... ... | 1 | ..... | 1 | |
| Adanki Sub-Magistrate ... ... ... | 1 | ..... | 1 | In 1867. |
| Udayagiri Sub-Magistrate ... ... | ..... | 1 | 1 | |
| | 4 | 1 | 5 | |

2. I have published in the Gazette notices offering a reward for information with regard to breaches of the Stamp Act, and, during the present year, the Police have made several seizures of bundles of unstamped documents when searching houses. The legality of this course has, however, been doubted. One Acting Joint Magistrate had two Police Constables dismissed, I am informed, for impounding such documents; while another reported the seizure to me as Collector of Stamps, and obtained my sanction to prosecute the parties executing those deeds. There were about eighty or ninety documents in this instance, chiefly mortgages executed on cadjans. The mortgagee has been convicted in several of the cases before the Joint Magistrate and fined, but were he to be prosecuted and fined for each document he would be ruined. The present Acting Joint Magistrate raises a point whether conviction is illegal in such cases, and whether there can be any breach of the Stamp Law when such documents were not intended to be used as evidence in any Court, but passed merely for the satisfaction of the parties between themselves. I shall probably have to refer this point for the decision of the High Court. Another seizure of a bundle of unstamped documents was made by the Police in Kanigherry recently, and one still later in Kavali talook. Prosecution has been authorized in both cases. In the latter case there are a number of documents executed in Cuddapah, Bellary, and Kurnool districts, besides some executed in Nellore.

Exd. J. Wright.

From H. E. SULLIVAN, Esq., Collector of Bellary, to the Acting Secretary to the Board of Revenue, dated 15th September 1868, No 224.

As directed by the Board in their Proceedings, No. 4,549, dated 19th June last, I have the honour to inform you that, during the last three years, twenty-seven cases of breaches of the Stamp Act have been brought to light, twenty-six persons convicted, and twenty-one persons acquitted. This is irrespective of the talooks of Hurpunhally, Hudgally, and Kudligbi, which make up the Deputy Collector's division, that Officer not having yet submitted his return.

2. I have no doubt that the Stamp revenue, especially in the case of mercantile stamps, is frequently evaded; but I do not see how Collectors can be held responsible. For one transaction which comes before the Revenue Officers ninety-nine never come under their notice at all. If a breach of the Stamp Laws is detected, the offender is at once brought to trial, and notices have been issued in the Gazette offering rewards to informers. I am not aware that anything more can be done.

Exd. J. Wright.

From G. L. MORRIS, Esq., Collector of Tanjore, to the Acting Secretary to the Board of Revenue, dated Negapatam, 18th September 1868, No. 186.

Dated 19th June 1868, No. 4,549.

With reference to paragraph 2 of the Board's Proceedings marginally noted, I have the honour to submit the following reply to the inquiry contained in paragraph 5 of the Order of Government therein communicated.

2. The requirements of the existing Stamp Law in respect of mercantile transactions have been repeatedly promulgated with a warning to the public, that any evasion of them on their part will be invariably followed by conviction and punishment; but it so happens that not a single case of the breach of the Act in such transactions has been brought to light during the last three years. The fact, however, is this:—It is only in respect of Bill and Hundi Stamps that there is any reason for suspecting that the law is evaded, but the mode of remitting money by means of Hundies is employed almost exclusively by Nattukottai Chetties, and the transactions of these merchants so rarely see the light, that there is no chance of any of their unstamped Hundies being found out.

3. While I am most anxious to check any infringement whatever of the Stamp Act, I am unable to see what more can be done than prosecuting the parties concerned in those cases when an unstamped document either comes under the observation of the authorities in the course of business, or its existence is brought to their notice by some person. If, however, the Board will be pleased to inform me of any particular course that they think should be adopted for bringing such cases to light, I shall be happy to adopt it.

4. I must state that I do not think that the law is evaded to the extent that it is supposed to be. I have had particular inquiries made with regard to the obvious disproportion between the value of exports and the sales of Foreign Bill Stamps, and the result, I submit, is that the former in itself forms no data for a correct conclusion being arrived at on this point. The value of rice and grain exported from this district to Ceylon is paid for generally in ready money or by other articles of merchandize imported in exchange, and it is seldom that it is received by Hundies or Bills of Exchange. When it is so received, the Bills of Exchange which are drawn either on any of the two branch Banks at Negapatam or on private firms, are stamped according to the law in force in Ceylon, and these under the existing law do not require to be stamped, as assumed* by the Superintendent of Stamps, before they are negotiated here.

* Vide para. 11 of his Annual Report for Fusly 1276.

5. So again with regard to Bills of Lading. The native merchants generally export their goods on trust without any Bills of Lading, as under existing rules it is not compulsory on the consignees to produce them at the port of importation before clearing their goods, and thus it cannot be expected that the sales of stamps for the same will correspond with the value of the goods exported.

6. I may perhaps add, that, while, as stated above, not a single case of the evasion of the Stamp Act in mercantile transactions has been brought to notice during the last three years, 81 cases of the breaches of the Act in other transactions have been discovered during this period, and in no less than 74 of those cases the offenders have been convicted and punished. I do not mean to adduce this fact as a proof of the non-evasion of the law in respect of Mercantile Stamps, but I think it ought to be admitted, to some extent at least, to show that the breaches of the law where they come under my own observation or that of my subordinates, do not pass unnoticed.

Exd. T. Cartledge.

From A. WEDDERBURN, Esq., Collector of Coimbatore, to the Acting Secretary to the Board of Revenue, dated 18th September 1868, No. 244.

In reply to the Proceedings of the Board of Revenue, dated 19th June 1868, No. 4,549, requesting to report what measures were adopted to check evasion of Stamp Act relating to Mercantile transactions, I have the honour to state that in six cases brought to light during the past three years the parties were all prosecuted to conviction. The sale of Hoondie, and Receipt, stamps has steadily increased during the last five years from 613, and 1,277, in Fusly 1272, to 1,229 and 2,010 (Fusly 1275) respectively.

Ed. J. Wright.

From J. R. ARBUTHNOTT, Esq., Acting Collector of South Arcot, to the Acting Secretary to the Board of Revenue, dated Cuddalore, 22nd September 1868, No. 235.

In reference to the Board's Proceedings, dated the 19th June last, No. 4,549, I have the honour to state that the requirements of the Stamp Law and the Rulings thereon have been published in the District Gazette from time to time, as also notices warning the public of the penalties they will incur if they commit breaches of the Act. The evasion of the law by merchants in respect to the Mercantile stamps is not one that can be easily discovered, and the only check that can be exercised is the infliction of severe punishments in cases of evasions which may come to notice; but no cases have has yet come to light.

2. It will be seen from the subjoined statement, that the sale of Receipt stamps has shown a steady increase during the last three years. The attention of the Superintendents of Sea Customs at Cuddalore and Porto-Novo has been specially drawn to the small sales of Bills of Lading. As regards Bills of Exchange it appears to me that there cannot have been much evasion of the Law. I attribute the small sales to the circumstance that mercantile remittances from this place are chiefly to Madras, and are made almost entirely in notes which are supplied from the Government treasuries.

| Fuslies. | Bills of Exchange. | | | Receipt Stamps. | | | Bills of Lading. | | |
|---|---|---|---|---|---|---|---|---|---|
| | RS. | A. | P. | RS. | A. | P. | RS. | A. | P. |
| 1274... ... ... ... ... ... ... | 9 | 4 | 0 | 537 | 0 | 0 | 65 | 0 | 0 |
| 1275... ... ... ... ... ... ... | 9 | 1 | 0 | 769 | 6 | 0 | 69 | 0 | 0 |
| 1276... ... ... ... ... ... ... | 8 | 14 | 0 | 954 | 0 | 0 | 44 | 12 | 0 |
| 1277... ... ... ... ... ... ... | 2 | 7 | 0 | 780 | 15 | 0 | 48 | 12 | 0 |

Exd. J. Wright.

From R. K. PUCKLE, Esq., Collector of Tinnevelly, to the Acting Secretary to the Board of Revenue, dated Courtalam, 22nd September 1868, No. 410.

In reply to the Board's Proceedings, No. 4,549, dated 19th June 1868, I have the honour to inform you that nothing has been done in this district to check evasion of that portion of the Stamp Act which relates to stamps to be used in mercantile transactions.

Exd. J. Wright.

From C. THORNHILL, Esq., Acting Collector of the Madras district, to the Acting Secretary to the Board of Revenue, dated Sydapet, 23rd September 1868, No. 309.

I HAVE the honour, with reference to paragraph 2 of the Proceedings of the Board of Revenue, dated 19th June last, No. 4,549, to forward a Statement showing the sales of Judicial and Mercantile Stamps in Madras, during the last three years, as compared with the sales for the same period immediately preceding it.

2. The Board will observe that although there has been in the aggregate an increase of Rupees 60,000 and odd in the Stamp revenue, yet the value of Mercantile stamps sold within the latter three years is slightly less than the outturn from the same source during the former cycle. This difference, the Deputy Collector states, is owing chiefly to the depression of the Cotton trade. The Deputy Collector also states that during the period in question, in no case had he to prosecute offenders against this portion of the Stamp Act, there having been in fact no instance of evasion

Enclosure No. 1.

*Comparative Statement showing the sales of Judicial and Mercantile Stamps in Madras during the past three Fusties.*

| | Stamp papers. | | | Receipt Stamps. | | | Foreign Bills. | | | Hundi Stamps. | | | Bills of Lading. | | | Application Stamps. | | | Bank Share Transfer Stamps. | | | Total. | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. |
| Sales of Stamps from Fusly 1275 to 1277 | 3,04,726 | 1 | 0 | 33,292 | 14 | 0 | 36,087 | 5 | 0 | 40,838 | 10 | 0 | 3,487 | 8 | 0 | 7,470 | 8 | 0 | 13,455 | 10 | 0 | 4,39,358 | 8 | 0 |
| Do. do. from Fusly 1272 to 1274 | 2,31,906 | 5 | 0 | 34,106 | 15 | 0 | 48,146 | 9 | 0 | 42,664 | 3 | 0 | 3,914 | 0 | 0 | 3,579 | 6 | 0 | 14,808 | 15 | 0 | 3,79,126 | 5 | 0 |
| | Increase. | | | Decrease. | | | Decrease. | | | Decrease. | | | Decrease. | | | Increase. | | | Decrease. | | | Increase. | | |
| | 72,819 | 12 | 0 | 814 | 1 | 0 | 12,059 | 4 | 0 | 1,825 | 9 | 0 | 426 | 8 | 0 | 3,891 | 2 | 0 | 1,353 | 5 | 0 | 60,232 | 3 | 0 |

(Signed) G. THORNHILL,
Acting Collector.

Sydapet,
23rd September 1868.

From G. A. BALLARD, Esq., Collector of Malabar, to the Acting Secretary to the Board of Revenue, dated on Pattamby, 24th September 1868, No. 272A.

Adverting to the Board's Proceedings, dated 19th June 1868, No. 4,549, I have the honour to enclose copy of a letter and statement, submitted by my Treasury Deputy Collector on the sale of Mercantile Stamps in this district.

2. I agree generally with Mr. Cole's remarks.

3. The only point on which further observation seems necessary here is the evasion of the Law under Adhesive Stamps, which I believe is considerable.

4. In ordinary transactions, I believe receipts are most frequently passed without stamps, and, I think, that if the lower Civil Courts could be moved invariably to bring to the notice of the Revenue Authorities all instances which come to their knowledge of evasion of the requirements of the Law, a good deal might be done towards checking it.

Enclosure No. 1.

From P. A. COLE, Esq., Deputy Collector, to the Collector of Malabar, dated Calicut, 22nd September 1868, No. 2,849.

With reference to your Memorandum annexed to the Proceedings of the Board of Revenue noted, I have the honour to submit a statement showing the sale of Mercantile Stamps in this district for three years ending 30th June 1868, and to offer the following remarks:—

13th June 1868, No. 4,549

*Bills of Exchange.*—The sales appear to be a fair average for the district.

*Adhesive Stamps.*—I am of opinion that the sales are not commensurate to the Mercantile transactions of the district. It appears that, in Malabar, when money passes from hand to hand among Native Merchants, stamped receipts are not, as a rule, granted to payers in cases where current accounts are maintained. A simple entry in the Merchant's Book is all that takes place. With all this, I have no doubt, that the evasion of Stamp Laws is extensive.

*Bills of Lading.*—The average will at first sight be thought unusually low for a mercantile country like Malabar, but it must be remembered that Bills of Lading are made use of only for consignments by square-rigged vessels, while for those by Pattemars and other Native Coasting Vessels never; Merchants obtain no documents from the Masters; the goods are simply entered in an Invoice and sent to the Consignee to whom it is said the Masters deliver the goods faithfully.

The greatest bar, however, to the sales of this description of Stamps is that the Law does not enforce their production on import goods. The Board's Proceedings, dated 13th April 1864, No. 2,225, contains the opinion of the Law Officer in regard to this point.

*Customs Application Stamps.*—There appears no demand for these stamps in Malabar.

(True Copy.)

(Signed) G. A. BALLARD,
Collector.

Enclosure No. 2.

(Copy.)

*Statement showing the sale of Mercantile Stamps in the District of Malabar from Fuslies 1275 to 1277, or from 1st July 1865, to 30th June 1868.*

| Items. | Fusly 1275. | | | Fusly 1276. | | | Fusly 1277. | | | Total. | | | Average. | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. | Rs. | A. | P. |
| Bills of Exchange ... | 11,487 | 9 | 0 | 9,936 | | 0 | 11,032 | 11 | 0 | 32,456 | 6 | 0 | 10,818 | 12 | 8 |
| Adhesive Stamps ... | 2,295 | 10 | 0 | 2,246 | 10 | 0 | 2,559 | 10 | 0 | 7,101 | 14 | 0 | 2,367 | 4 | 8 |
| Foreign Bill Stamps ... | 114 | 4 | 0 | 269 | 7 | 0 | 303 | 6 | 0 | 687 | 1 | 0 | 229 | 0 | 4 |
| Bank Shares ... ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Bills of Lading ... ... | 705 | 8 | 0 | 601 | 0 | 0 | 719 | 8 | 0 | 2,029 | 0 | 0 | 676 | 5 | 4 |
| Customs Application Stamps. ... ... ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Total... | 14,602 | 15 | 0 | 13,056 | 3 | 0 | 14,615 | 3 | 0 | 42,274 | 5 | 0 | 14,091 | 7 | 0 |

Calicut,
22nd September 1868.

(Signed) P. A. COLE,
Deputy Collector.

(True Copy.)

(Signed) G. A. BALLARD,
Collector.

Exd. J. Wright.

Comparative Statement of the receipts on account of Stamps in the Madras Presidency in Fasties 1276 and 1277.

| Description of Stamps | Fasly 1276 | Fasly 1277 | Difference Increase | Difference Decrease |
|---|---|---|---|---|
| Sale of Papers | Rs | Rs | Rs | Rs |
| Foreign Bill Stamps | 11183 | 11315 | 132 | |
| Freighters and Customs application do | 5801 | 4788 | | 1013 |
| Adhesive do | 29852 | 31500 | 1648 | |
| Bills of Loading do | 3777 | 3296 | | 481 |
| Bills of Exchange and Hoondy do | 39366 | 41258 | 1892 | |
| Judicial do | 2791926 | 3332041 | 540116 | |
| Total | 2382105 | 3424398 | 542294 | |
| Duty on Stamps impressed on prepared documents | | | | |
| By Collectors and Superintendent of Stamps | 102292 | 103550 | 1258 | |
| " Civil Courts | 3241 | 3685 | 444 | |
| Deficiency of duty received in the stamping of documents on re-presentation of spoiled ones | 1285 | 3963 | 2678 | |
| Discovery of the Value of Stamps for unused Stamped goods & the Value of Valuables | 106818 | 111656 | 4838 | |
| Total Stamp Revenue | 2988923 | 3530054 | 547131 | |
| Miscellaneous. | | | | |
| Penalties under Section XV of the Act | 1615 | 1580 | | 35 |
| " Under Section XVIII of do | 60751 | 48348 | | 12403 |
| Adjudication fee under Section XIX of do | 20 | 30 | 10 | |
| Value of paper issued in lieu of spoiled or unused paper and other sundry receipts | 5337 | 2989 | | 2348 |
| Total | 67723 | 52947 | | 14776 |
| Grand Total of Stamp Revenue | 3058646 | 3582001 | 532355 | |

Comparative Statement of the disbursements on account of Stamps in Fasties 1276 and 1277

| Items | Fasly 1276 | Fasly 1277 | Difference Increase | Difference Decrease |
|---|---|---|---|---|
| | Rs | Rs. | Rs. | Rs |
| Establishment including commission and discount | 127562 | 151012 | 23450 | |
| Refunds of Penalties | 390 | 70 | | 320 |
| " of Stamp duty on Plaints | 30456 | 43294 | 12838 | |
| " of value of damaged Stamps | 12183 | 8034 | | 4148 |
| Miscellaneous including value of watermarked paper supplied from England | 42072 | 20735 | | 21337 |
| Total | 212603 | 223146 | 10543 | |

No. 819.

**PROCEEDINGS of the MADRAS GOVERNMENT.**

Under date the 21st March 1869.

Read the following Proceedings of the Board of Revenue

Submitting Stamp Report for Fasly 1277 and Collector's remarks respecting evasion of Stamp Act in Mercantile transactions. } Received on 30th November 1868 No. 818

The Board of Revenue submit the usual report on the operations of the Stamp Department in Fasly 1277. Their exhaustive review of the several Statements and the report furnished by the Superintendent of Stamps under any detailed observations from Government necessary.

2 The gross receipts of the year amounted to Rupees 35,89,001 and the charges

charges to Rupees 2,23,11,6.
The net receipts, viz
Rupees 33,65,855 are
the highest on record in
any year. This large increase of revenue was
chiefly the result of the
operation of the re-
vised Schedule B
legalized by Act
XXVI of 1867. A
comparison between
the receipts of Fusilies
1275 and 1276 is given
in the subjoined table

| | Fusly 1276 Rs | Fusly 1275 Rs | Increase Rs | Decrease Rs |
|---|---|---|---|---|
| Mercantile Stamps | 90180 | 92357 | 2177 | ——— |
| Judicial Stamps | 2791925 | 3320411 | 540116 | ——— |
| Duty on impressed Stamps | 106818 | 111656 | 4838 | ——— |
| Miscellaneous | 67723 | 52947 | ——— | 14776 |
| | 3056646 | 3589071 | 532755 | |

Increase

| | | Rupees |
|---|---|---|
| Commission & Discount | | 19489. |
| Refunds under Act XVIII of 1868 | | 12,839 |
| Other items | | 6,389 |
| Total | | 38,867. |

Decrease

| | | Rupees |
|---|---|---|
| Cost of water marked paper | | 23956. |
| Other minor items | | 4,468 |
| | | 28,124 |
| Net | | 10,543 |

There was an increase of Rs
5,32,355 on the gross Revenue
of the previous year, and the
greater portion of this amount
8,40,116 occurred under the head
Judicial Stamps prescribed
in the Schedule already al-
-luded. The variations
under the other heads were
of particular notice.

3. The charges of the
year amounted to 19½ 2,23,116
against 18½ 2,12,603 in Fusly
1276. The net increase of
19½ 10,513 is the result of
the gross increase of 19 Rupees
38,867 under Commission, Re-
-funds, and other minor items
and the gross decrease of 18½
28,124 under cost of water-marked
paper and other sundry items.
The increase under Commission
and discount is the result of
the larger quantity of paper
sold

sold during the year? No explanation is given for the increase under Refunds.

4. The Cor.r have attentively perused the Reports of the Coll.rs on the proposed revision of the Stamp law relating to Mercantile transactions, and they concur with the Bd in considering any further special enquiry on the subject unnecessary. The Coll.rs should, however, take prompt notice of such infringements of the Law as may come within the notice of themselves or their subordinates.

5. The usual State-ments, one of Receipts and the other of charges, showing in comparison the operations of the Stamp Department in Pushto 12th

and

due 12th are appended to this Order.

60.

14 Copies Folio Bk of Rent Deeds 24
6 " Deeds Genl 17

40
4