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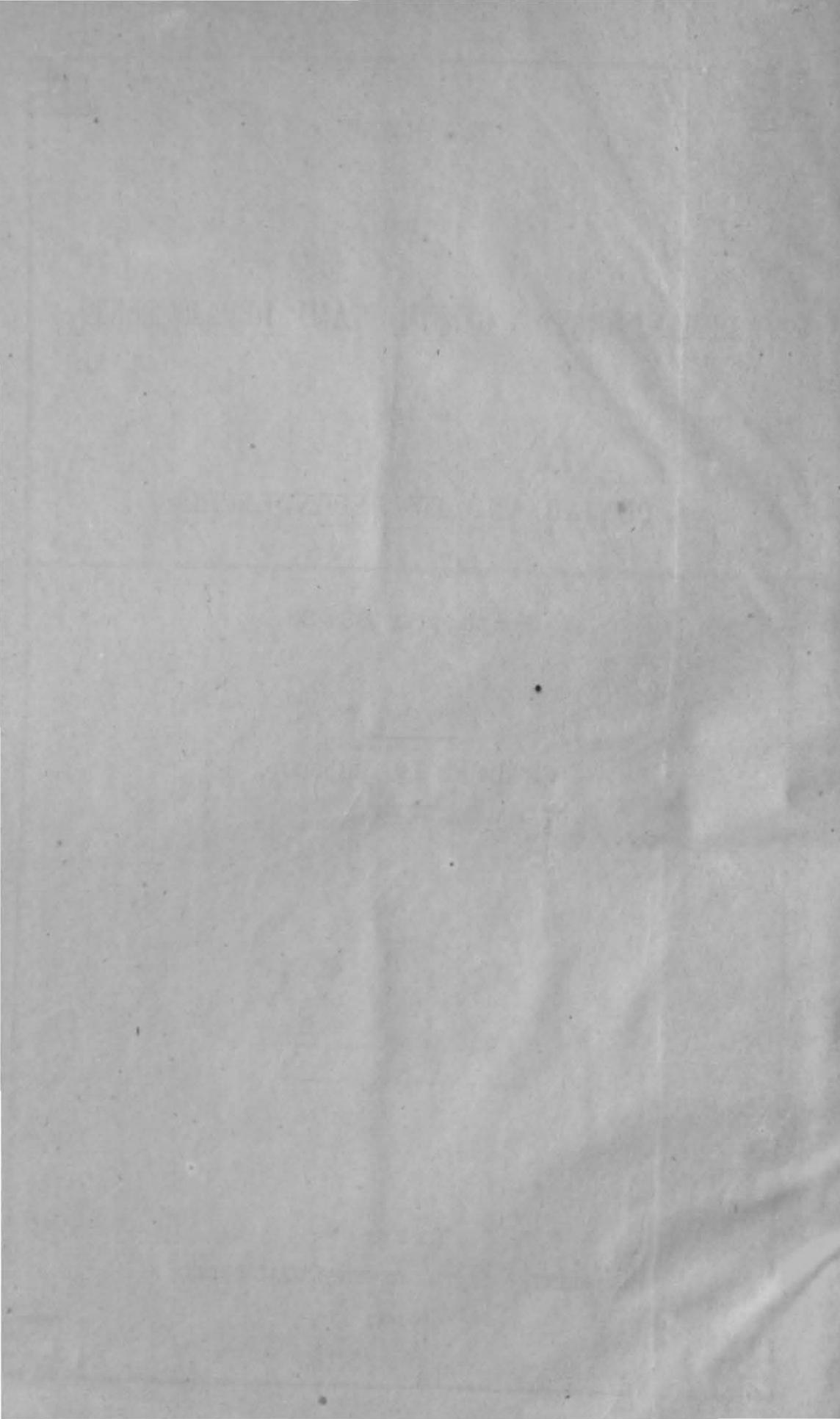
PUNJAB STAMP REPORT,

1882 -1883.

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REPORT

OF THE

ADMINISTRATION OF THE STAMP DEPARTMENT

OF THE

PUNJAB AND ITS DEPENDENCIES,

For the year 1882-83.

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Published by Authority.
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Lahore:

PRINTED AT THE CENTRAL JAIL PRESS,

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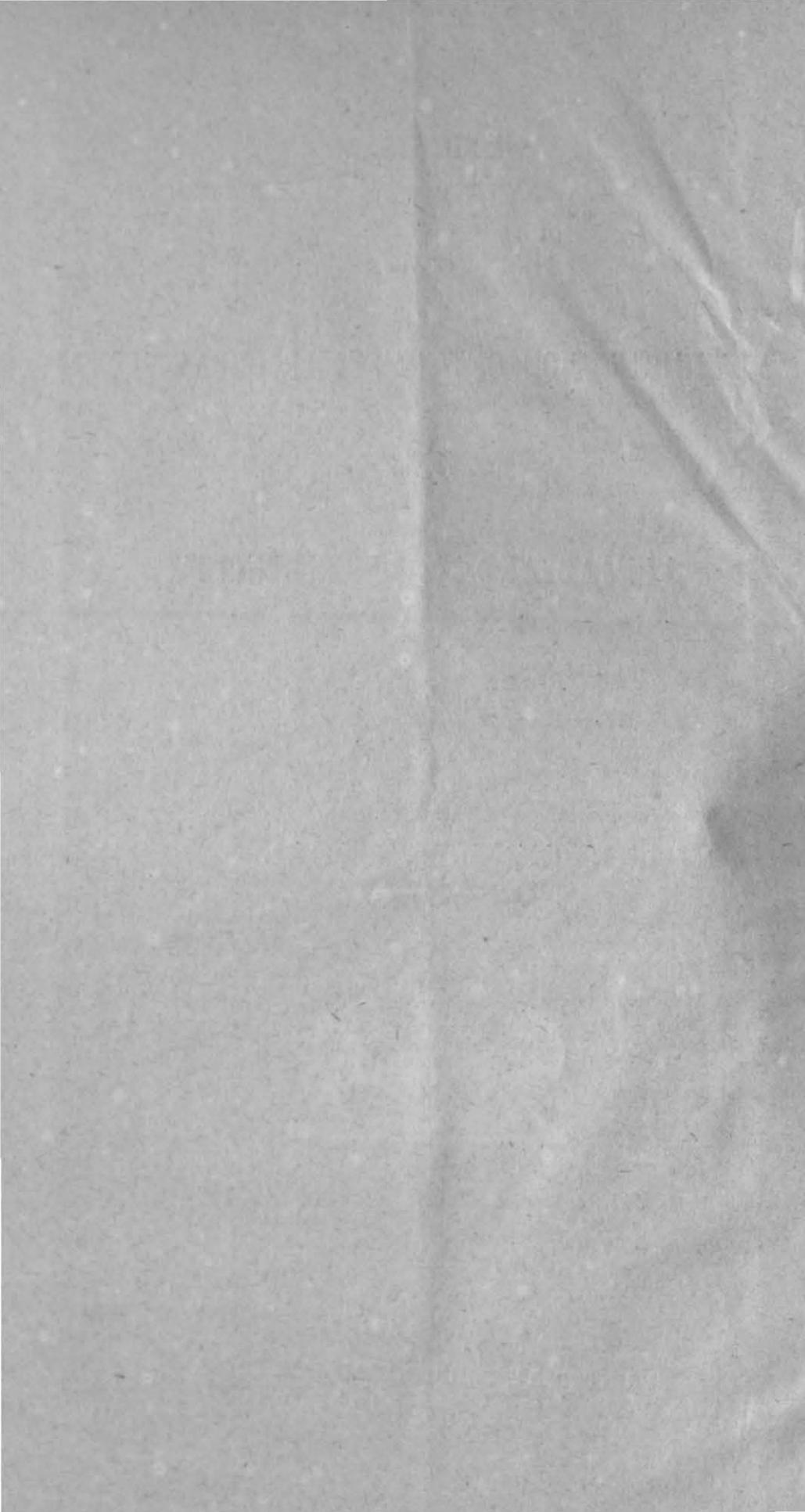
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REPORT
ON THE
ADMINISTRATION OF THE STAMP DEPARTMENT
OF THE
PUNJAB AND ITS DEPENDENCIES,
For the year 1882-83.

1. GENERAL RESULTS.—The prescribed statistical tables illustrating the working of the Stamp Department in each district of the Punjab during the year 1882-83 are attached, viz.:—

Appendix A.—Showing receipts, charges, and other particulars ;

Appendix B.—Showing collections and balances of Stamp duty in pauper suits.

I give below in the usual form a summary of the principal heads of receipts and charges during the past two years :—

				1881-82	1882-83	Difference
				Rs.	Rs.	Rs.
RECEIPTS.						
JUDICIAL ...	{	Sale of Stamps	...	23,32,694	22,37,496	- 95,198
		Recoveries in pauper suits	...	4,689	7,956	+ 3,267
		Miscellaneous	...	1,230	974	- 256
				23,38,613	22,46,426	- 92,187
NON-JUDICIAL	{	Sale of Stamps	...	9,97,161	9,70,387	- 26,774
		Stamp duties taken in cash	...	9,819	11,132	+ 1,313
		Penalties	...	9,736	11,034	+ 1,298
		Miscellaneous	...	761	764	+ 3
		10,17,477	9,93,317	- 24,160		
Total Receipts				33,56,090	32,39,743	- 1,16,347
CHARGES.						
JUDICIAL ...	{	Discount on sales	...	33,750	31,912	- 1,838
		Refunds	...	18,750	18,700	- 50
		Process-serving establishments	...	1,74,466	1,78,423	+ 3,957
		Miscellaneous	...	4,831	3,837	- 994
		Office of Superintendent of Stamps, Punjab (share of)	...	7,042	6,863	- 179
		2,38,839	2,39,735	+ 896		
NON-JUDICIAL	{	Discount on sales	...	37,685	37,420	- 265
		Refunds	...	5,388	5,670	+ 282
		Miscellaneous	...	3,036	2,601	- 435
		Office of Superintendent of Stamps, Punjab (share of)	...	3,011	2,977	- 34
		49,120	48,668	- 452		
Total Charges				2,87,959	2,88,403	+ 444
NET-REVENUE.						
Judicial	...	...	20,99,774	20,06,691	- 93,083	
Non-Judicial	...	...	9,68,357	9,44,649	- 23,708	
Total Net Revenue				30,68,131	29,51,340	- 1,16,791

2. RECEIPTS.—This is the tenth annual report of the Superintendent of Stamps for the Punjab, the office having come into existence on the 1st April 1873, and during the decade, the present is the first occasion on which there has not been a progressive increase of Stamp revenue as compared with the receipts of the year preceding. The table just given shows that the total receipts of 1882-83 came to Rs. 32,39,743 as against Rs. 33,56,090 in 1881-82, being a falling-off to the serious extent of Rs. 1,16,347, and this falling-off took place under the heads both of Judicial and Non-Judicial. But, from causes explained at length in my last report, the income of 1881-82 was abnormally high, and, as remarked by the Hon'ble the Lieutenant Governor in reviewing that report, "to arrive at safe conclusions it is not enough to compare merely the figures of one year with those of the preceding twelve months, but their variation from the average results of a term of past years should be taken into account"; and when this is done the condition of the Stamp revenue will be found to be healthy, as the following table demonstrates:—

					Gross Stamp Revenue		
					Judicial	Non-judicial	Total
					Rs.	Rs.	Rs.
In 1872-73	...	...	...	...	17,28,587	5,80,313	23,08,900
" 1873-74	...	...	...	...	17,20,260	6,02,141	23,22,401
" 1874-75	...	...	...	...	18,02,216	5,84,123	23,86,339
" 1875-76	...	...	...	...	18,01,923	6,56,079	24,58,002
" 1876-77	...	...	...	...	18,24,033	6,88,580	24,62,613
" 1877-78	...	...	...	...	19,50,666	7,97,552	27,48,218
" 1878-79	...	...	...	...	20,04,598	8,03,552	28,08,150
" 1879-80	...	...	...	...	20,70,855	9,28,691	29,99,546
" 1880-81	...	...	...	...	22,20,914	10,18,372	32,39,286
" 1881-82	...	...	...	...	23,38,613	10,17,477	33,56,090
<hr/>							
In 1882-83	...	...	...	...	22,46,426	9,93,317	32,39,743
Average of previous 5 years	...	...	...	...	21,17,129	9,13,129	30,30,258
Do. do. 10 years	...	...	...	...	19,46,266	7,62,688	27,08,954

Thus the total Stamp revenue of the year under report is higher than that of any year in the decade, 1881-82 alone excepted; it exceeds the average of the previous five years by Rs. 2,09,485, and of the previous ten years by Rs. 5,30,789; and the revenue has expanded from Rs. 23,08,900 in 1872-73 to Rs. 32,39,743 in 1882-83, representing a growth in ten years of Rs. 9,30,843, or at the rate of nearly a lakh of rupees *per annum*.

3. INCOME—JUDICIAL.—The total income of the year under the head Judicial comes to Rs. 22,46,426, or Rs. 92,187 less than in 1881-82; but it is larger than in any previous year; it exceeds the average of the past five years by Rs. 1,29,297, and of the previous ten by Rs. 3,00,160; while contrasted with the income of ten years ago there has been the very considerable increase of Rs. 5,17,839. As remarked by the Financial Commissioner when reviewing my last report—"1879-80 was the last of a cycle of bad years, and 1880-81 and 1881-82 have been marked by a great revival of prosperity. The earliest of a series of good years ensuing on a period of depression might be thought likely to produce a very abundant crop of legal disputes. It is useless for the money-lender to sue a man who has nothing wherewithal to pay, but when prosperity returns he is sure to press for the recovery of advances made in years of scarcity." The year under report was quite as favorable from an agricultural point of view as its predecessor, but in the meanwhile the crop suits which had been accumulating during the cycle of bad years had probably been for the most part settled by the Courts or by compromise, for litigation diminished to the extent of nearly 8,000 suits, resulting in the diminished revenue above noticed.

4. *Sale of Court Fee Stamps.*—The following table contrasts the sale of Court Fee Stamps during the past two years with the amount of litigation :—

				1881-82	1882-83	Difference
Sale of Stamps	...	...	Rs.	23,32,694	22,37,496	—4.08
Suits instituted	...	Number	...	282,673	274,831	—2.77
		Value	Rs.	1,50,95,735*	1,53,80,469	+1.88

There is the same kind of discordance in these results as has been noticed in previous reports, although not in the same degree. It would appear that the falling-off in the number of institutions took place chiefly in suits for small amounts, and that there were more institutions of the higher values, for there has been a decrease of 7,842 in the number of suits, and an increase of Rs. 2,84,734 in their value. These results seem to correspond with the sales of labels of each value exhibited in the following table :—

Value of label	Number of labels sold	
	1881-82	1882-83
Rs. A.		
0 1	703,281	645,436
0 2	73,229	69,642
0 3	494	486
0 4	678,817	663,388
0 6	65,262	60,414
0 8	1,144,067	1,084,351
0 12	115,397	109,752
1 0	199,602	192,417
2 0	86,523	80,491
4 0	24,466	22,740
5 0	27,598	25,879
7 0	19,599	18,298
10 0	22,858	21,975
20 0	8,500	7,978
40 0	2,474	2,342
70 0	700	615
100 0	625	647
200 0	158	204
400 0	51	68
700 0	10	24
1,000 0	13	8

Thus there has been an increased demand for labels of the values of Rs. 100, 200, 400 and 700, but a smaller sale of every other value. As before, the chief demand has been for 8-anna labels, and next for 1-anna and 4-anna labels, followed at a long distance by 1-rupee labels. The re-introduction of stamped paper during the current year to represent fees of court of Rs. 10 and upwards in value will destroy to a great extent the usefulness of this table for purposes of comparison in future years.

* In my last report, owing to an error of addition, which I much regret, the aggregate value of suits instituted during 1881-82 was shown as Rs. 1,32,95,735 only, or Rs. 18,00,000 less than the correct amount. This error of course vitiates my remarks in that report deduced from these figures.

Increase.		Rs.
Delhi ...	...	4,456
Gurgaon ...	...	1,455
Simla ...	...	3,408
Lahore ...	...	17,368
Gujránwála ...	...	3,498
Ferozepore ...	...	157

Increase.		Rs.
Mooltan ...	...	2,447
Dera Ismail Khan ...	...	279
Bannu ...	...	1,311
Pesháwar ...	...	1,581
Kohát ...	...	294

In the 11 districts marginally named there was an increased sale of Court Fee Stamps; in all the other districts the demand fell off, principally in the following :—

Decrease.		Rs.	Decrease.		Rs.
Karnál ...	...	11,403	Rawalpindi ...	...	3,343
Hissar ...	...	7,496	Jhelum ...	...	6,037
Rohtak ...	...	8,023	Gujrat ...	...	4,599
Umballa ...	...	13,772	Shahpur ...	...	6,884
Ludhiána ...	...	11,956	Jhang ...	...	6,115
Jullundur ...	...	8,388	Muzaffargarh ...	...	6,494
Hoshiárpur ...	...	14,413	Hazára ...	...	4,318
Siálkot ...	...	11,091			

In the remaining 6 districts the decrease was unimportant. I proceed, as usual, to extract the remarks of district officers on these variations.

The Deputy Commissioner of Delhi (Mr. G. Smyth) attributes his increased sales to increase in the value of suits instituted, although they diminished in number; the increased demand was in labels of Rs. 100 and upwards in value. The increase at Gurgaon is explained by Mr. Roberts to be entirely in 8-anna stamps, and he adds—"there are 1,260 villages in the district, and these presented an average of 3 petitions a piece for remission of balances, reduction of *jama*, grant of *takávi*, assistance for digging a tank, &c., each on an 8-anna stamp which would account for an increase of at least 3,000 stamps over the normal number." In Karnál the reduced sales are ascribed partly to fewer institutions of civil suits, and partly to an exceptional purchase of stamps to the value of Rs. 5,000 in 1881-82 by two of the Nawábs of Karnál. In Hissar there was a falling-off in the sales, with a corresponding decrease of litigation, on which the Deputy Commissioner (Mr. Ogilvie) remarks :—"On the theory that an increase of litigation denotes an improvement in condition (*vide* para. 3 of Local Government review of Stamp Report for 1881-82), this falling-off in civil suits may perhaps have been partly due to the poverty of the last *kharif* harvest. It is also, however, in part ascribable to the stoppage of suits to recover debts on those commercial gambling transactions called *badni*, the illegality of which is now generally known. Compared with the average income of the years prior to 1881-82 no falling-off is observable." In Rohtak and Umballa the diminished sales are briefly accounted for as due to decreased litigation. The decrease in Ludhiána is explained by Mr. Wakefield to arise partly from "less litigation, owing probably to there being no considerable dealing in grain which is so often a fruitful source of litigation"—and partly to the grant of Government Order No. 1361, dated 10th June 1881. Mr. Wakefield says that about 7,000 unstamped copies were issued during the year, which would formerly have each borne a stamp of 8 annas. The increase of sales in Simla is not explained; the number of suits instituted was smaller, but they were of a larger value. In a place like Simla, where the institutions are numerically few compared with other districts, while the value fluctuates greatly, variations in the demand for Court Fee Stamps are to be expected. In Jullundur the decrease of income is said to arise from the institution of suits of lesser value, although in point of number they are rather more than in the previous year. From Hoshiárpur, where the falling-off in sales has been very considerable, the following remarks by the Treasury Officer, Sardár Gardiál Singh, have been forwarded by the Deputy Commissioner :—"As for Court Fee Stamps it is to be observed that notwithstanding the increase in litigation the sale of Court Fee Stamps was less. The reason I think is that the increase in litigation has been caused by the suits between land-owners and their tenants, on most of which the stamp duty is only 8 annas, whilst the suits are of considerable value.

Excluding this class of suits I think we will find a decrease in litigation as compared to the last year." These remarks, however, do not tally with the statistics of litigation furnished by the District Officer, which show a decrease in the number of suits instituted from 18,601 to 17,981, while the amount litigated has increased from Rs. 9,08,937 to Rs. 9,71,836—nor do these variations seem to me to be sufficient to account for the remarkable falling-off in the sales of stamps. In Siálkot, likewise, there has been a large diminution in the sale of stamps, on which the Deputy Commissioner (Colonel Birch) remarks—"The increase and decrease in the sale of Court Fee Stamps follows increase and decrease of litigation. During the year under report there was a large falling-off in civil suits. Last year the number was 17,479, this year it is 15,699, or over 10 per cent. less, whilst the value of such suits shows a still further decrease of nearly 20 per cent. The decrease is attributable partly to good harvests which enabled the debtors and creditors to come to a settlement of claims without resort to the courts. The falling-off is noticeable in April and May 1882, and particularly in February 1883. Another reason for the decrease in sales is, that under Chief Court's Circular 3 of 3rd February 1882, defendants' written statements filed in civil suits at or before the first hearing are now received on plain paper. Before the issue of this circular they were required to be stamped with an 8-anna label. This would account for about a third of the decrease." In Lahore, an increase both in the amount and value of litigation has been followed by an accession of stamp income. The increase in Gujránwála is said to arise from increased litigation as well as from an increase in the number of vendors during the year. Of the decrease of sales in Rawalpindi, the Deputy Commissioner (Major Lang) writes:—"This decrease is apparently due to the completion of railway works which in the past year were almost the chief cause of the increase in the institution of suits either by or against contractors employed on the construction of the railway line from Jhelum to Pesháwar. . . . During the year, compared with the previous year, there is an increase of 113 in the number of civil suits instituted, but a decrease of Rs. 29,310 in the value. This is no doubt due to suits of smaller value having been instituted than in the year 1881-82, in which year, as noticed above, some large suits connected with the railways were brought into our courts." In Jhelum the decrease in sale of Court Fee Stamps has followed a decrease in litigation, attributable (says Colonel Parsons) "to sundry cases connected with the Commissariat Department and Settlement operations being disposed of in the preceding year." The decrease of Rs. 4,599 in the sales in Gujrat is said to be due to the small number of civil suits instituted; but in point of fact there is very little difference in the number of institutions during the past two years, while the value litigated has actually increased. From Shahpur, Major Corbyn reports that his decreased sales are "due to the prevalence of sickness throughout the district during the greater part of the year which resulted in a decrease of litigation"; the number and value of civil cases both fell off. Similar remarks come from Major Bartholomew at Jhang—"The decrease in sales of Court Fee Stamps is solely due to the sickness (fever) that prevailed chiefly in the Vichand and Kachhi tracts of the district, which stopped the people from coming to the courts." Also from Mr. Gladstone at Muzaffargarh—"The falling-off is owing to the decrease in the number of suits; this decrease in the number of suits has been mainly due to the unusual sickness throughout the district during the year under report." Colonel Hastings ascribes the falling-off of sales in Hazára to "fewer judicial cases during the year." The variations in other districts are too small to need particular notice in this place.

I think it right to extract, for the consideration of higher authority, the following remarks from the report of Mr. Wakefield, Deputy Commissioner of Ludhiána, without, however, committing myself to the opinions therein expressed. Mr. Wakefield is evidently wrong in speaking of stamps taken for service of process as being of a different class from stamps used for institutions, the self-

same kind of stamp, viz., an adhesive Court Fee Label, having been used for both purposes; the distinctive *talabána* stamp was abolished many years ago.

"The double system of taking one class of stamp for institution fee and another for process has always appeared to me to be an anomaly and not suited to secure a simplicity of procedure which all may understand. We want a simpler system of levying the costs of litigation. It may and will appear a startling emendation to propose but I feel convinced that our stamp system is based on ideas gathered from the system in vogue in England where a very small proportion of the population comes in contact with the civil courts and is unsuited for India. Here almost every land-holder and tenant, however small, banks as it were with some *bania* and goes constantly to the courts, often only to verify claims slipping beyond limitation.

"I see no serious objection to doing away with both institution and Court Fee Stamps altogether and take a lump percentage in money on institutions, say 10 per cent. That would simplify matters and make it patent to all, that resort to the law costs 10 per cent. in institution, and the fraudulent debtor would know that he would have to pay a penalty of 10 per cent. for repudiating a just claim. Anyhow the two stamps should be amalgamated and one stamp taken for both the institution and the process-serving fee."

5. *Pauper cases.*—An account of the collections of stamp duty and unrealized balances in pauper cases will be found in detail in Appendix B. The year opened with balances aggregating Rs. 22,424* ; the new cases admitted during the year came to Rs. 14,825, or Rs. 924 less than in 1881-82, the largest amounts being in the districts marginally named; the amount recovered was Rs. 7,866, nearly double the recoveries of the previous year; Rs. 5,160 were struck off as irrecoverable under the authority of Commissioners, and Rs. 90 were paid as commission to sheriffs, so that the year closed with unrealized balances making a total of Rs. 24,133, or Rs. 1,709 more than the opening amount. The largest balances at the close of the year were in the following districts:—

Dera Ismail Khan	...	Rs. 1,882
Gujránwála	...	" 1,840
Hoshiárpur	...	" 1,412
Lahore	...	" 1,410
Pesháwar	...	" 1,382

			Rs.
Hoshiárpur	...	...	4,442
Lahore	...	...	3,521
Delhi	...	...	3,516
Karnál	...	...	2,230
Ludhiána	...	...	2,226

The Deputy Commissioner of Delhi writes—"The recoveries on account of pauper suits in 1882-83 amount to Rs. 204, and the balance at the close of the year was Rs. 3,519-3-10. A report will be submitted to the Commissioner and Superintendent regarding such items as cannot be recovered." Karnal:—"The recoveries in pauper suits were Rs. 784-6-0. There are 6 cases in balance, out of which in 5 cases there are no hopes of realization owing to the poverty of the parties; accordingly Commissioner's sanction has been solicited to strike out the balance of Rs. 1,274-6-6. In the sixth case the amount to be recovered is Rs. 955-8-0, and there are all hopes that this sum will be realized soon, as the appeal pending in the Chief Court has now been disposed of." Lahore:—"The realizations in pauper suits amounted to Rs. 327 to Rs. 108 in the previous year—the balance however was larger at the close of this year, owing to a much larger sum having become due during the year than in the previous one." The bulk of the amount admitted in Dera Ismail Khan was in a single case of large value, which was adjusted before the close of the year. The balances in Ludhiána have been considerably reduced. The Deputy Commissioner remarks:—"I think the law in this point requires amendment. Once it has been established that a man is a pauper, it appears so inconsistent and anomalous to try and realize the value of stamps, and great hardship is apt to be inflicted." No remarks on the subject of pauper cases have been made in the reports of the other districts mentioned in this paragraph. In the remainder there seems to be nothing needing special notice.

* In last report the year 1881-82 was made to close with a balance of Rs. 23,062, but it has since been ascertained that the Karnál balance included a sum of Rs. 638 on account of pleaders' fees, which has now been struck out.

6. **INCOME—NON-JUDICIAL.**—The Stamp revenue under the head Non-Judicial has fallen from Rs. 10,17,477 in 1881-82 to Rs. 9,93,317 in the year under report, or a decrease of Rs. 24,160; but for this decrease—indeed for a much larger decrease—I have in previous reports prepared the Government. Three years ago the Stamp revenue (Non-Judicial) made a sudden bound upwards from Rs. 8,03,552 in 1878-79 to Rs. 9,28,691 in 1879-80; this was followed by an income of Rs. 10,18,372 in 1880-81, which was maintained (all but a few hundreds) in 1881-82. This, as I pointed out, arose to a large extent from temporary causes, *viz.*, “the impetus given to trade and enterprise by events in Afghanistan, and by the pushing on of the works of the railway leading thereto; but I anticipated that *some* at all events of this extraordinary increase was permanent. The inciting causes mentioned having now ceased, the reaction has set in, but I am glad to see that, so far, my anticipations have been realized, for the income of the past year is still Rs. 1,89,765 in excess of what it was in 1878-79 when the sudden rise began. Moreover, a reference to the table given in paragraph 2 will show that the income of the year is Rs. 4,13,004 more than it was ten years ago, Rs. 2,30,629 more than the average of those ten years, and Rs. 80,188 more than the average of the past five years, which comprise three years of exceptional receipts; so that, on the whole, I think, I may venture to assert that this branch of the revenue is not in an unsatisfactory condition. 5/2

7. **Sale of Non-Judicial Stamps.**—The amount realized during the past two years by sale of Non-Judicial stamps, *i. e.*, stamps authorized by Act I of 1879, as distinguished from stamps authorized by the Court Fees Act, is shown below—

	1881-82	1882-83
Adhesive labels ... Rs.	88,582	Rs. 86,986
Hundi stamps ... „	44,545	„ 46,572
Impressed paper ... „	8,64,034	„ 8,36,829
Total ... „	9,97,161	9,70,387

It will be convenient, as in previous reports, to treat of these three classes of stamps separately.

8. **Adhesive Labels.**—The adhesive labels in use in the Punjab are of three kinds, the sales of each of which during the past two years are shown below—

	1881-82	1882-83
	Rs.	Rs.
One-Anna or “Receipt” ...	83,831	81,565
Foreign Bill ...	4,731	5,302
Share transfer ...	20	119
Total	88,582	86,986

There is again a decrease, although not a considerable one, in the sale of one-anna stamps, notwithstanding that a practice seems to be springing up of bankers relying on acknowledgments in their account books signed by their debtors, which requires a stamp of one anna only, rather than executing bonds the stamp on which is always more. Thus Mr. Roberts writes from Gurgaon:—“The increase in sales of receipt stamps noted last year has continued up to the present, and shows that their use is becoming more general. Many are used now for balances in money-lenders’ books. I have, in my Civil Report, noted the tendency to depend on an ‘account stated’ instead of taking bonds; and if a receipt stamp was not affixed to the balance before, the plaintiff takes care to affix one before bringing his suit.” Similar remarks occur in the reports of several other districts. But this, although it may explain a small diminution in the sale of impressed paper, ought to produce an increase rather than a decrease

in the demand for adhesive stamps. The chief variations occur in the following districts :—

	<i>Increase</i>	<i>Decrease</i>
	Rs.	Rs.
Umballa	...	572
Ludhiána	587	...
Simla	...	1,031
Rawalpindi	847	...
Jhelum	...	616

The largest falling-off is in Simla which the Deputy Commissioner is unable to account for. The following remarks of district officers are worthy of extract in this place. Mr. Ogilvie :—“The question of the use of postage stamps for receipts and the abolition of receipt stamps was discussed during the year, and the result of enquiries made as to the opinion of the trading classes was reported to the Commissioner. . . . The only objection raised was that people have acquired the habit of defacing postage labels as a security against frauds in the post office. The reasons in favor of the change altogether outweigh this objection.” Colonel Harcourt :—“There is not the slightest doubt the people in general, and the money-lending classes in particular, make very little use of one-anna receipt stamps in their daily transactions which require such stamps by law ; partly because they cannot get such stamps in or near their several villages, and partly because they know that such daily transactions are very seldom produced in Civil Courts. There is thus a considerable loss in the Government income on this head, which perhaps might be obviated by appointing every Patwári as a vendor of receipt stamps.” Colonel Birch :—“With a view to increasing sales and as a convenience to the public I would suggest that discount be allowed to any one purchasing these stamps up to Rs. 5. They should also be sold at all post offices, and a license for their sale should not be required. They should be sold freely like postage stamps. An application of the Post Master for Rs. 20 worth of receipt stamps had to be refused as he was not a licensed vendor. If these stamps could be readily obtained by the people all over the district, I am convinced that there would be a large increase in sales, and fewer evasions of the stamp law.”

There is much in the foregoing extracts in which I heartily sympathize. There can be little doubt that the law in regard to the use of one-anna stamps is very largely neglected, and that this arises in great measure from these stamps not always being at hand or readily obtainable rather than from an intention to defraud the revenue. Proposals for employing Patwáris and rural Post Masters in the sale of these stamps have been before the Financial Commissioner and Government for about two years, and still await final orders ; if sanctioned they would no doubt to some extent facilitate the dissemination of receipt stamps ; but I would be disposed to go much further. I would have only *one* kind of adhesive label to represent a duty of one anna, and would legalize its use for *all* purposes, whether as a non-judicial stamp duty, or as a fee of court, or as postage ; and, as suggested by Colonel Birch, I would allow any one applying to purchase such stamps a discount on all purchases of not less than five rupees, and to sell them freely without a license. This would not only be an immense public convenience, but it would, I feel satisfied, largely increase the revenue.

There was a slight increase in the sales of both foreign bill and share transfer labels. The demand for the former is almost exclusively confined to the districts of Delhi, Hissar, Sirsa, Amritsar and Lahore. The demand for the latter is quite insignificant.

9. *Hundi Stamps.*—The demand for hundi stamps has risen from Rs. 44,545 in 1881-82 to Rs. 46,572 in 1882-83. The principal increases took place in Amritsar Rs. 2,098, Lahore Rs. 646, and Ludhiána Rs. 644 ; while in Delhi there was a decreased sale to the extent of Rs. 1,128, and in Pesháwar of Rs. 892. The increase in Amritsar is reported to be due to a revival of trade on the recovery of the city from the severe epidemic which paralysed it in the previous

year. "Another reason," writes the Deputy Commissioner (Mr. Knox), "might also be that while the Cabul war was pending, supply bills were issued from this Treasury; since 1881 they are not, and this must add to the trade in hundis." The Deputy Commissioner of Lahore writes:—"A noteworthy feature is that notwithstanding the expansion of the money-order system and use of currency notes the income from hundi stamps increased by Rs. 646; this result was not anticipated, and would indicate a greater amount of commercial activity, doubtless in the wheat trade." The decreased sales in Delhi are said to have arisen from "the dullness which prevailed in this city for some time in consequence of the failures in business of certain bankers of great respectability and substance." No explanation is given of the material decrease in Pesháwar. Mr. T. Roberts, whose reports are always well-considered and interesting, writes on this subject:—"Notwithstanding all that has been written about hundis being driven out of the market by the currency notes and post office orders, the fact that the receipts from hundi paper have nearly doubled this year, and showed a large increase last year, proves that here at least there is some vitality in the hundi business still." This no doubt is true so far as Gurgaon is concerned—but the total sales in that district during the year came to the comparatively insignificant amount of Rs. 403, which is considerably less than one-third the district average. From other quarters I continue to hear that currency and stock notes and post office orders interfere seriously with the demand for hundi paper. Mr. Trafford writes from Sirsa:—"The enhancement in the income from hundi stamps is partly attributable to activity in trade in some months of the year, and partly to prohibition against the issue of currency notes for purposes of remittance, and enforcement of restrictions put upon their prompt encashment in Government Treasuries." The prohibition and restrictions above referred to were probably the result of the Financial Commissioner's observation, in reviewing my last report, on the "use or rather abuse of currency notes by native merchants for the purpose of making remittances." This remark of the Financial Commissioner was to me unexpected—and I must still own that I can discover nothing unlawful, or improper, or even objectionable in native merchants making remittances by means of currency notes if they find that mode more convenient than hundis.

Complaints have recently reached me from a few quarters in regard to the new pattern hundi stamps. It has been represented that, whatever be the value, the paper is of the same size, and the stamps of the same color and almost identical in form; while the value is indicated in English only. The consequence is that a very large proportion of the persons who use these stamps cannot tell what value they represent. Many of them no doubt can read English figures; but in these stamps the value is not indicated in figures but in English words only. There is no doubt some force in this complaint, and I have therefore recommended that when fresh supplies of these stamps are manufactured, the value be indicated both in words and figures, and in Persian and Nagri as well as in English characters. In the Punjab, however, where the demand is limited, I do not think any grave inconvenience has arisen from this cause, but to obviate it as much as possible, I have suggested that the District Treasurers, when selling hundi stamps to vendors or to the public, or when remitting them to Tahsils, be required to note the value in the vernacular on each sheet in the left hand upper corner, just above the stamp.

10. *Impressed Sheets.*—The sales of ordinary impressed paper amounted during the year to Rs. 8,36,829, which though less by Rs. 27,205 than the sales of 1881-82, and by Rs. 16,823 than those of 1880-81, is an amount much above the average, and far greater than the realizations of any year previous to 1880-81. The fluctuations have been somewhat eccentric, for out of the whole number of districts 13 show an increased and 19 a diminished sale as compared with the year before, although the increases are for the most part small, and the decreases larger. The districts in which the variations exceeded Rs. 1,000 are given below.

Increase.			Decrease.		
		Rs.			Rs.
Simla	...	1,070	Hoshiárpur	...	1,313
Jullundur	...	2,513	Kángra	...	1,518
Amritsar	...	6,000	Ferozepore	...	4,330
Lahore	...	3,389	Rawalpindi	...	6,874
Mooltan	...	1,113	Jhelum	...	2,209
	<i>Decrease.</i>		Shahpur	...	2,775
Delhi	...	2,908	Muzaffargarh	...	4,098
Hissar	...	1,005	Dera Gházi Khan	...	4,457
Sirsa	...	2,198	Bannu	...	1,068
Umballa	...	1,660	Pesháwar	...	3,870
Ludhiána	...	2,070	Hazára	...	1,709

The increased sales in Amritsar are of course due to the revival of trade on the recovery of the commercial capital of the province from the fearful sickness which prostrated it in the previous year. The termination of the Afghan war has no doubt affected the demand for stamped paper in Rawalpindi, Jhelum, Pesháwar and the frontier districts generally, as well as the grain-producing districts of Ferozepore and Ludhiána. Excessive sickness seems to have affected the sales in Shahpur, Muzaffargarh and Dera Gházi Khan; moreover the last named district was (amongst others) liberally assisted during the year with *takávi* advances which obviated recourse to the money-lender. But one general cause for the diminished demand was probably the bumper harvests which obtained almost universally.

11. *Miscellaneous Stamp Income.*—The miscellaneous Stamp revenue shows an increase of Rs. 2,614 :—

			1881-82.	1882-83.
Stamp duties taken in cash	...	...	Rs. 9,819	Rs. 11,132
Penalties	...	...	" 9,736	" 11,034
Other items	...	...	" 761	" 764
	Total	...	" 20,316	" 22,930

The first of these items includes duty paid for stamping documents with impressed labels at the press attached to my office; 3,002 documents were so impressed during the year, to a total value of Rs. 7,520; in 1881-82 the number was 2,025, and the value Rs. 6,803. The increased amount realized as penalties betokens increased vigilance on the part of Courts and Collectors in enforcing the provisions of the law, and is so far a satisfactory sign.

12. *CHARGES.*—The charges of the Stamp Department for the past two years are compared below.

			1881-82.	1882-83.
Judicial	...	...	Rs. 2,38,839	Rs. 2,39,735
Non-Judicial	...	...	" 49,120	" 48,668
	Total	...	" 2,87,959	" 2,88,403

Thus, notwithstanding that the gross receipts of the year have *diminished* by upwards of a lakh of rupees, the gross charges have *increased* by Rs. 444. It will be seen, however, from the table in the first paragraph of this report, that the increase took place in two items only, *viz.*, process-serving establishment, and refunds made under Chapter VI of the Stamp Act; under all other heads the charges were less. As regards process-servers, I need only remark that the establishment is not under my control, nor have I the means of testing the accuracy of the figures furnished by district officers; but in the present instance I understand that a considerable portion, at any rate, of the increased outlay shown is nominal, arising from the salaries of certain sheriffs not having been included in the returns of previous years. The increase in the amount refunded on account of Non-judicial stamps spoiled, misused, or not required, is not, I think, to be regretted. I think refunds of this nature should be made

liberally, and a total repayment of Rs. 5,670 out of a total sale of Rs. 9,70,387 is not a large proportion.

There is one item of charge not shown in my returns, simply because I have no means of ascertaining it, *viz.*, the initial cost of the stamps issued to the Punjab in the way of manufacture, freight from England, and all other incidental expenses up to the time they are despatched from the Central Depot at Calcutta.

13. *Office of Superintendent of Stamps, Punjab.*—The cost of my own Office may conveniently be dealt with separately. The details for the past two years are these—

	1881-82		1882-83	
	Rs.	A. P.	Rs.	A. P.
Salary of Superintendent	7,200	0 0	8,014	12 3
Office establishment	2,562	6 6	2,764	6 2
Contingencies	865	1 5	562	9 3
Printing and stationery	1,567	12 9	791	14 0
Travelling charges	861	9 5	688	4 4
House rent	384	0 0	384	0 0
Total	13,440	14 1	13,205	14 0

The increase in the first item arises from the acting allowances of Mr. J. A. E. Miller, who officiated as Superintendent of Stamps during my absence on privilege leave from 6th May to 10th July 1882; and in the second, from the incremental promotion of some of the clerks. Under the heads of office contingencies, printing and stationery, and tour charges, there has been a considerable reduction of cost, so that on the whole the cost of my office was slightly less than in the previous year.

These charges have, as usual, been distributed *pro rata* under the three heads of (1) Judicial, (2) Non-judicial, and (3) Postage and Telegraph Stamps, in the following manner:—

	Year	Judicial	Non-Judicial	Postage and Telegraph
		Rs.	Rs.	Rs.
Gross sales	1881-82	23,32,694	9,97,161	11,22,107
	1882-83	22,37,496	9,70,387	10,97,421
Proportionate share	1881-82	7,042	3,011	3,388
	1882-83	6,863	2,977	3,366

14. **NET STAMP REVENUE.**—The net revenue of the year under report amounts to Rs. 29,51,340; of which Rs. 20,06,691 appertains to the head Judicial, and Rs. 9,44,649 to that of Non-Judicial. In the three preceding years it stood thus—

Year	Judicial	Non-Judicial	Total
	Rs.	Rs.	Rs.
1881-82	20,99,774	9,68,357	30,68,131
1880-81	19,92,898	9,68,764	29,61,662
1879-80	18,48,601	8,85,386	27,33,987

Thus, although the net revenue of the year is less by Rs. 1,16,791 than in the preceding year, it closely approximates that of 1880-81, and exceeds that of 1879-80 by Rs. 2,17,353; and is of course still greater than that of earlier years.

15. VENDOR.—The number of persons authorized to sell stamps was 1,693, of whom 174 were official and 1,519 were non-official vendors, being a satisfactory increase of 71 on the number of the previous year. The average annual earning of each official vendor has been Rs. 178, and of each non-official Rs. 25¼. The official vendors are, of course, the District Treasurers and their Photadars, and other agents at Tahsils and elsewhere. Under the orders of the Financial Commissioner a practical monopoly of the sale of Court Fee Stamps has been made over to this class of vendors; with perhaps one or two exceptions in special cases, the entire sale of these stamps is now concentrated in the hands of Treasurers and their agents. The opinions expressed by district officers as to the desirableness of this arrangement are various; thus Mr. G. Smyth (Delhi) writes—“The monopoly of the sale of Court Fee stamps was given to the Treasurer in July 1882, and the increase (*i.e.*, in the sale of such stamps) indicates that he has done his work well.” Mooltan reports that “the arrangement, while adding to the remuneration of the Treasurer, has not in any way led to any inconvenience to the public.” Gujranwála:—“It is on record that the former agent of the Divisional Treasurer who was working as the District Treasurer during 1881-82 did not make proper arrangements for the sale of stamps by his sub-agents or vendors, and this was one of the reasons for increasing the number of non-official vendors; but the present agent has managed better and increased the number of official vendors, and has provided one for each court in the *sadr* and *mufassil*.” Some officers report that several respectable non-official persons have given up the vend, as it is not worth their while to sell non-judicial stamps only; while Mr. Steel writes from Rohtak:—“In order to give the Treasurer a monopoly of the sale of Court Fee stamps, as desired by the Financial Commissioner, the number of non-official licensed vendors was reduced from 17 to 14, who all, with the exception of one vendor, are men of the Treasurer, which thus gives the Treasurer the benefit of the discount. I may note that these arrangements took place before I assumed charge of the district in November last.

I am in doubt how much of the falling-off in receipts from Court Fee stamps may be due to the appointment of the Treasurer or his nominees agents for their sale. In other districts I have advocated a more general system of licensing, notably in Ferozepore, with success. I know that in holding this opinion I am at variance with the conclusion you have come to, and merely offer it as one of the possible explanations of the reduced revenue.” The most satisfactory arrangements appear to prevail in Rawalpindi and Lahore, in both of which the sale of judicial stamps is confined to the official class of vendors, but there are, in addition, in the former district 246, and in the latter 125, non-official persons who have been licensed to sell commercial stamps.

16. PROSECUTIONS.—During the year 135 persons were punished for breaches of the Stamp Law, with one exception all by simple fine. Last year the number was returned as 320, of whom more than half appertained to the Rawalpindi District alone; but subsequent enquiry disclosed that the number returned for that district included, not merely persons punished magisterially under Chapter VIII of the Stamp Act, but also cases where validating civil penalties had been levied by Courts and Collectors under Chapter IV, the real number of persons prosecuted in Rawalpindi during 1881-82 being 4 only. Making this abatement, there is a small decrease in the number of persons punished in 1882-83. The largest number of cases occurred in Siálkot, where 34 persons were fined for executing instruments on paper not duly stamped, and 4 under Section 63 (a) for omitting to enter in the document executed all the required facts and circumstances. Shahpur comes next with 15 cases, all of licensed vendors who were prosecuted and fined for failing to renew their licenses when the term for which they were granted had expired.

17. POSTAGE AND TELEGRAPH STAMPS.—The sales of Postage and Telegraph stamps during the year under report did not vary materially from those of the year preceding. I give the figures for both years :—

		1881-82.	1882-83.
Postage, Ordinary	... Rs.	4,43,388	Rs. 4,21,458
„ Service	... „	2,49,077	„ 2,61,336
Telegraph	... „	4,29,642	„ 4,14,627

18. STOCK BALANCES.—The value of the stamps in hand at the beginning and at the end of the year under report stood as follows :—

	On 1st April 1882.	On 31st March 1883.
Judicial	... Rs. 21,60,217	Rs. 21,79,316
Non-Judicial	... „ 10,37,976	„ 12,08,363
Postage, Ordinary	... „ 5,51,528	„ 5,77,565
„ Service	... „ 2,22,112	„ 3,11,051
Telegraph	... „ 6,67,724	„ 5,36,124

The year may be said generally to have closed with a stock of stamps in hand rather more than sufficient for a year's consumption.

19. FRAUDS AND EMBEZZLEMENTS.—It affords me much gratification to be able once more to record that the year has passed without any frauds or embezzlements occurring in the Stamp Department. Considering how common these were a few years ago, and how much trouble and anxiety they occasioned to all officers concerned, I may perhaps be pardoned for inviting the special attention of Government to the present very satisfactory state of things in this respect.

20. INSPECTIONS.—In the earlier part of the year during my absence on privilege leave, my *locum tenens*, Mr. J. A. E. Miller, made a tour through parts of the Gurdáspur, Kángra and Simla Districts, inspecting *en route* 3 Sadar and 7 branch Stamp depôts, and 2 district record rooms. Later in the year I visited 11 other districts, bringing the number of inspections made (including those by Mr. Miller) to 14 Sadar and 27 branch depôts, and 24 record offices, of which 5 were Divisional, 13 District, and 6 Cantonment and Small Cause Court offices. These figures differ but little from those of the previous year. There was, of course, in addition, the usual examination of the licenses and sales-registers of stamp vendors, and of stamps on files pending in courts falling in the route of march, which can hardly be reduced to a numerical standard, although they occupied much time and proved troublesome. The pauper-suit registers have also undergone careful scrutiny in all the Sadar offices visited.

E. W. TROTTER,

Superintendent of Stamps, Punjab.

LAHORE :
Dated 14th July 1883. }

APPENDIX B.

STATEMENT OF COLLECTIONS OF STAMP DUTY ON PAUPER SUITS IN THE
PUNJAB FOR THE YEAR 1882-83.

1	2	3	4	5	6	7	8	9	10
District	Balance at the close of last year	Balance since ascertained	Total of columns 2 and 3	Amount realized in the year	Amount erased under Commissioner's sanction during the year	Amount of commission paid to Sheriff	Total of columns 5 to 7	Balance remaining due, column 4 minus column 8	REMARKS
Delhi ...	3,383	337	3,720	200	...	4	204	3,516	
Gurgaon ...	223	318	546	546	
Karnál ...	* 2,474	540	3,014	784	784	2,230	* The balance shown at the close of 1881-82 was Rs. 3,112, but this improperly included a sum of Rs. 638 on account of pleaders' fees which has now been struck out.
Hissar ...	187	4	191	4	187	...	191	...	
Rohtak ...	33	37	70	37	...	...	37	33
Sirsa ...	...	7	7	7	...	...	7	...
Umballa ...	878	433	1,311	262	679	...	941	370	
Ludhiána ...	3,013	560	3,573	550	786	11	1,347	2,226	
Simla ...	...	...	...	...	...	...	...	...
Jullundur ...	...	297	297	136	...	3	139	158
Hoshiárpur	5,446	1,412	6,858	928	1,488	...	2,416	4,442	
Kángra ...	214	188	402	54	...	1	55	347	
Amritsar ...	235	750	985	638	60	4	702	283	
Gurdáspur ...	702	51	753	51	188	1	240	513	
Siálkot ...	478	590	1,068	252	...	5	257	811	
Lahore ...	2,438	1,410	3,848	327	...	...	327	3,521
Gujránwála	...	1,840	1,840	317	...	5	322	1,518	
Ferozepore ...	...	865	865	24	795	1	820	45
Rawalpindi	162	19	181	30	151	...	181	...	
Jhelum ...	615	216	831	85	586	...	671	160	
Gujrat ...	...	...	...	...	...	...	...	...
Shahpur ...	34	18	52	32	...	...	32	20
Mooltan ...	...	533	533	161	...	...	161	372
Jhang ...	...	38	38	38	...	...	38	...
Montgomery	936	490	1,426	416	22	8	446	980	
Muzaffargarh	22	99	121	76	...	1	77	44	
Dera I. Khan	...	1,882	1,882	1,698	...	34	1,732	150	
Dera G. Khan	341	379	720	561	...	9	570	150	
Bannu ...	49	64	113	111	...	2	113	Nil	
Pesháwar ...	556	1,382	1,938	71	187	1	259	1,679	
Hazára ...	...	4	4	...	4	...	4	...
Kohát ...	...	62	62	16	27	...	43	19
Grand Total	22,424	14,825	37,249	7,866	5,160	90	13,116	24,133	

E. W. TROTTER,
Superintendent of Stamps, Punjab.

READ—

Report on the Administration of the Stamp Department for the year 1882-83, together with a letter from the Secretary to the Financial Commissioner, No. 116 C., dated 1st August 1883.

REMARKS.—The year under report is noticeable as the first occasion, since the constitution of the Stamp Department, on which a check in the progressive increase of the stamp revenue has been observed. The receipts diminished by Rs. 1,16,347 as compared with last year, the greater part of the decrease, amounting to Rs. 95,198, occurring under the head of income derived from the sale of judicial stamps; while the receipts from non-judicial were less by Rs. 26,774 than in 1881. On the other hand, there has been a slight increase in recoveries in pauper suits, in stamp duties taken in cash, and in the proceeds from penalties inflicted for evasions of the stamp laws. Notwithstanding this falling off, the receipts this year were higher than the average income for the five preceding years by Rs. 2,09,485, and more than Rs. 5,30,789 over the decennial average for the years 1872 to 1882. Throughout the latter period the growth of the stamp revenue in this Province steadily progressed, the average increment being Rs. 94,000 per annum. During the last five years the rate of progress has been more rapid than in the preceding period of five years from 1872 to 1877. For the first half of the decade, the proceeds from judicial and non-judicial stamps rose respectively by 5 and 10 per cent., and during the second half 20 and 28 per cent. Taking both kinds of stamps together, it seems that in the ten years the income from non-judicial stamps rose by 75 per cent., while for judicial stamps the increase was only 35 per cent. The rise in the total stamp revenue from 1872 to 1882 was 45 per cent. There was a sudden and remarkable increase in the receipts from non-judicial stamps in the year 1877-78, which was probably due in part to the cause assigned by the Financial Commissioner, *viz.*, the impending enactment of a new law of limitation and consequent execution of a number of instruments to save limitation. That year was also a year of general agricultural distress, and the cultivating classes borrowed money largely on bonds, thereby swelling the revenue from non-judicial stamps.

2. As regards the decrease in the income from both classes of stamps which has occurred during the year under report, it seems to be due to several causes. A series of good harvests and the increasing prosperity of the country no doubt contributed to the result by reducing loan transactions between agriculturists and money-lenders, thus affecting the sales of non-judicial stamps. Some diminution in the stamp income is said to have resulted from the issue of the Notification of the Government of India in the Judicial Department, No. 1361, dated 10th June 1881, remitting the fees payable on copies furnished by the Civil and Criminal Courts for the private use of persons applying for them. A change in practice was also initiated by the issue of the Chief Court Circular No. 3, dated 21st February 1882, in which it was pointed out that written statements tendered by parties at or before the first hearing of a suit might be written on plain paper. It is probable also that the conclusion drawn by the Superintendent of Stamps from the statistics of sales of each class of judicial stamps given in paragraph 4 of the report is correct, and that fewer suits of small value have been filed, while the value of the suits instituted has not risen in equal proportion. An examination of these figures shews that the sales of labels of the smaller values fell off, and those of the larger values, above Rs. 100, increased to some extent during the year. Compared with the returns of 1880-81, it appears that there was scarcely any diminu-

tion in the sales of judicial stamps of smaller values, and it is therefore probable that an abnormal number of suits of small value, and of miscellaneous applications, was brought during the year 1881-82.

3. Local causes of fluctuations in the income from stamps in different parts of the Province have been explained in the reports of District Officers. A question has been raised by the Deputy Commissioner of Ludhiána, regarding the amalgamation of the separate fees taken for the institution of suits and for the service of process, in the form of a consolidated percentage on the valuation of the suit. The suggestion is of too wide a scope to be discussed in an Annual Report, and is more properly a subject for consideration in connection with the administration of Civil Justice.

4. The decrease in the receipts from non-judicial stamps seems to be confined chiefly to the sales of impressed paper, and appears to indicate fewer applications for money to the banking and money-lending classes of the population. It is possible that in some districts liberal *takkávi* grants by Government have relieved cultivators from the necessity of resorting to money-lenders, and if so, the Lieutenant-Governor thinks the result is not matter for regret. In the north-western part of the Punjab, the close of the Afghán war induced a contraction of business generally and a fall in the demand for impressed sheets.

5. The sale of one-anna receipt stamps has diminished; it appears by no means to correspond to the extent of pecuniary transactions in the Province, which require to be made legally valid by affixing such stamps; and the Lieutenant-Governor agrees with the Superintendent of Stamps that until greater facilities for the purchase of receipt stamps are afforded to the people, the provisions of the law will continue to be largely neglected. Proposals for the unification of postal and receipt stamps are under the consideration of the Government, and a scheme for licensing, as vendors of non-judicial stamps, *patwáris* and sub-postmasters other than those at the head-quarters of *tahsils*, has been sanctioned by the Lieutenant-Governor since the close of the year. The Lieutenant-Governor anticipates that this arrangement will lead to an expansion of the sale of receipt stamps, and at the same time prove of much convenience to the public.

6. During 1882-83 the number of stamp vendors has increased by 71; the proposals that have been mentioned in the preceding paragraph will add considerably to their number.

7. The Lieutenant-Governor observes with satisfaction that in spite of the opportunities for transmitting money at the command of the people in the system of money orders, of postal notes, and by means of remittances of currency notes, the receipts from the sales of *hundi* stamps have risen. The Lieutenant-Governor concurs with the Superintendent of Stamps in thinking that there is no objection if merchants and bankers prefer to make remittances by currency notes rather than by *hundís*, provided the rules of the Postal Department are not transgressed by the remitters.

Some difficulty has been experienced owing to the value of *hundi* stamps being denoted in English only; and the instructions which the Superintendent proposes to issue requiring District Treasurers to note on the face of *hundi* stamps, when issued to the public, their value in Vernacular characters, are approved. A matter of greater import which has lately been brought to the notice of the Lieutenant-Governor is the inconvenience and possible risk of fraud involved in the use of the new issue of court-fee labels of low values, which are of the same size and colour for different denominations, the value being denoted only by English characters. This subject is still under consideration.

8. It is satisfactory to notice the increased vigilance of the Courts in enforcing the provisions of the stamp law, which can be traced in the rise of proceeds from penalties for insufficient stamps on documents. During the

year 135 persons have been punished for breaches of the stamp law, with one exception, by simple fine. The returns of such punishments for the Ráwalpindi District, which were remarked in last year's Review as being unduly high, were, it appears, raised by the erroneous inclusion of cases in which merely civil penalties, validating stamped documents, had been levied.

9. It is matter for satisfaction that no frauds or embezzlements have occurred in the Stamp Department during the year. The Lieutenant-Governor wishes to acknowledge the efficient control and supervision exercised by the Superintendent of Stamps.

ORDER.—Ordered, that a copy of the Report and of the Financial Commissioner's letter No. 116 C., dated 1st August 1883, and of the Review, be forwarded to the Secretary to Government of India, Financial Department, for information; also that copies be forwarded to the Financial Commissioner of the Punjab.

By order of the Honorable the Lieutenant-Governor,

W. M. YOUNG,

Secretary to Government Punjab.

From—E. B. FRANCIS, Esquire, Junior Secretary to the Financial Commissioner, Punjab.

To—The Secretary to Government Punjab.

1 AM directed to submit herewith the annual report on the administration of the Stamp Department, which was received from the Superintendent of Stamps on the 16th instant.

2. Mr Trotter draws attention to the fact that this is the first year since his appointment was created in 1873, during which there has been a falling off in place of an increase in the revenue from Stamps. The decrease during the year under report amounted to considerably over a lakh of rupees or about Rs. 3½ per cent. on the income of the preceding year, but it is shown by a comparison with the figures of previous years that the income during 1882-83 was larger than that of any preceding year except that of 1881-82, when there was an abnormal increase of revenue due to special causes which were explained in the report for last year.

3. The statistics given by the Superintendent of Stamps in para. 2 of his report to illustrate the growth of stamp revenue since 1872-73, are interesting and deserve close examination. Taking first the whole decennial period up to 1881-82, it will be observed that the total revenue during this period has increased from Rs. 23,08,900 to Rs. 33,56,090 or by nearly 45 per cent. But the income from non-judicial stamps has increased at a pace far greater than that of the income from judicial stamps, for while the latter has grown by only 35 per cent. during the period, the former has developed by no less than 75 per cent. Next if these statistics be divided into two equal periods and compared, it will be observed how sudden and remarkable was the development of the stamp revenue under both heads during the second as compared with the first quinquennial period. Taking judicial stamps first, it appears that the increase during the first half of the decade was only 5 per cent., while in the second half it amounted to as much as 20 per cent. Passing into non-judicial stamps it will be found that the growth of the revenue during these two periods was respectively 10 and 28 per cent. The most remarkable jump made, however, was in 1877-78, the beginning of the second quinquennial period, when the total revenue from this source increased by Rs. 2,85,597 or by 11 per cent., and from judicial and non-judicial stamps respectively by 7 and 25 per cent.

4. The general development of the stamp revenue is doubtless due in a large measure to the growing prosperity of the country, but for the sudden rise in 1877-78 and for the relatively more rapid increase in the income from this source since that time, there is, I am to say, a special cause, and this the officiating Financial Commissioner believes to have been the passing of the new law of limitation (Act XV of 1877), by which shorter periods of limitation were prescribed for certain classes of suits and miscellaneous proceedings, and a period of two years was allowed from the date of the passing of the Act within which such suits and proceedings had to be instituted. This, it is believed, led to a considerable increase of litigation, and the execution of an immense number of new bonds and other instruments between agriculturists and money lenders. A misapprehension as to the meaning of a particular provision of the new law, one that was afterwards corrected, tended to aggravate this effect of the new law.

5. Turning to the figures of the last three years, it will be seen that in 1881-82, the increase of income under the head of judicial stamps was entirely due to causes explained in last year's report. These causes have to a great extent ceased to operate, and the sales of judicial stamps have fallen to a little over the amount to which they attained in 1880-81. The revenue from non-judicial stamps fell below that of the two preceding years, but it still stands above the really high figure of 1879-80, when it suddenly rose by more than a lakh and a quarter rupees over the figure of the preceding year.

6. In paragraph 4 of his report Mr. Trotter gives the statistics of civil litigation during the past two years and compares them with the income from judicial stamps, pointing out that while the number of suits instituted during the year under report decreased considerably, their value increased, and infers from this, with justice, that the falling off in institutions must chiefly have been in suits of small value. He strengthened this conclusion by giving in a table the number of Court fee labels of all kinds sold during the past two years. An examination of these shows that while the sales of labels of the smaller values fell off, those of the larger values (above 100 Rupees) considerably increased during the year under report. If the figures of this year again be compared with those of 1880-81, it will be seen that there was scarcely any diminution in the sales of labels of the smaller values, and it may therefore be confidently affirmed that an abnormal number of suits of small value, and of miscellaneous applications, must have been filed during 1881-82. The decreased use of 8 anna labels is no doubt in some measure attributable to the causes noticed by the Deputy Commissioners of Ludhiána and Siálkot, *viz.*, the privilege recently granted to the public of taking copies of judgments for private use upon plain paper, and to suitors of filing their written answers free of stamp duty. In both these cases a fee of 8 annas was formerly charged.

Seeing that 274,831 suits were instituted in the Province during the year under report, and that except in debt cases of very small amount it is the rule to put in written pleas, this one change would account for a considerable share of the whole decrease under this head. There were special causes of increase and decrease in certain parts of the Province which are explained in the reports of District Officers quoted by Mr. Trotter, but these do not require to be noticed in this general review. The question raised by the Deputy Commissioner of Ludhiána as to the advisability of amalgamating the fees now separately taken for the institution of the suits and for service of process, in the extract from his letter quoted by the Superintendent of Stamps, is not one which can be profitably discussed in an annual report in the administration of the Stamp revenue, and Colonel Davies therefore refrains from expressing any opinion on it.

7. The decrease under the head of *Non-Judicial Stamps* is entirely due to a falling off in the sales of impressed paper, for the decrease under adhesive labels is balanced by increased income under hundí stamps, and the small sums taken in cash on deeds insufficiently stamped, and as penalties, have actually increased. In paragraph 6 of his report Mr. Trotter gives what he believes to be the causes of the general decrease under this head, the re-action after the inflation due to temporary causes in 1877-78 and 1878-79, and Colonel Davies is inclined to think that Mr. Lyall was right in holding the opinion that prosperous seasons should rather check than promote the growth of revenue from the sale of "impressed sheets," and he shares in the belief that the great majority of impressed sheets sold in the Province are used for contracts connected with loans by village money lenders to agriculturists, or for deeds relating to the sale or mortgage of land. Mr. Trotter it is observed takes the same view, for at the close of paragraph 10 of his report, he says "one general cause for the diminished demand (for impressed sheets) was probably the bumper harvest which obtained almost universally."

8. Notwithstanding the measures taken last year for making the provisions of the law relating to receipt stamps more generally known, the sale of these stamps continues to decrease, and there is little doubt, as remarked by Mr. Trotter, that the requirements of the law in regard to the use of them is still much neglected. A proposal for the unification of stamps of this value is under consideration, and if carried out will do more than any thing else to put an end to the evasions of the law, in regard to the stamping of receipts, which are now so common, and at the same time be a great convenience to the public.

There has been a slight increase in the sale of hundí stamps, owing apparently to a revival of trade in Amritsar and some other chief towns of the Punjab. But the extension of the Post Office money-order system, and the use of the cheaper mode of remittance by currency and stock notes will always stand in the way of hundís being employed for this purpose, and there is little prospect of increase to the stamp revenue under this head.

9. There was a trifling increase in the charges of the Stamp Department during the year under report, due chiefly to increase in the cost of process-serving establishments over which Mr. Trotter exercises no control. From the remarks in para. 12 of his report it appears that a portion of this was nominal. The only other head under which there was any increase was refunds under Chapter VI of the General Stamp Act, the amount of which must of course fluctuate from year to year.

10. It is satisfactory to note that there has again been an increase in the number of stamp vendors. But as remarked in para. 7 of last year's report greater facilities are required by the public for the purchase of non-judicial stamps and especially of receipt stamps, and this principle having been accepted by His Honor the Lieutenant-Governor, a scheme for giving effect to it was submitted with this office No. 881 of 31st August 1882, and 252 of 26th February last, and only now requires the sanction of Government. By it non-judicial stamps of two kinds (impressed paper and adhesive labels) will be sold through sub-postmasters and receipt stamps through patwáris; both classes of vendors receiving small advances in stamps to start with, and a liberal discount on all purchases afterwards made by them in cash.

11. The arrangement by which a practical monopoly of the sale of court fee labels has been given to treasurers and their agents seems to have met with a large measure of approval. The only voice raised against it seems to have been that of the Deputy Commissioner of Rohtak, whose remarks on the subject, however, as quoted by Mr. Trotter, are somewhat ill-considered. It is not understood how this change in the system of selling court fee labels can have caused a falling off of receipts under this head, as the district treasurer, as a condition of his monopoly, is bound to provide an agent for the sale of these stamps at every place where judicial business is transacted. No extension of the distributing agency beyond this could have the effect of inducing the public to purchase more judicial stamps than they are already compelled to use.

12. It is satisfactory to be again able to record that no frauds have occurred in the Stamp Department during the year. Mr. Trotter continues to maintain the same careful supervision over the working of the Department as heretofore, and much of the smoothness and regularity with which the business of it is transacted is due to the circular instructions he has issued from time to time, and the careful inspections he has made of district and mofussil treasuries and offices.

13. The number of prosecutions during the year was not large. Altogether 135 persons were punished. Last year the number 320) so returned was unduly swelled by the inclusion in the Ráwalpindi district of persons from whom civil penalties had been levied under Chapter IV of the General Stamp Act, as explained in this Office No. 1031 of 11th October last.

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For the year 1832-83.

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