THE INDIAN STAMP RULES, 1925

[AS IN FORCE IN THE STATE OF TAMIL NADU']

CHAPTER I

PRELIMINARY

1. Short title.— These rules may be called the Indian Stamp Rules, 1925.

1-A. They extend to the whole of Tamil Nadu including the Kanyakumari District and Shencottah Taluk of the Tirunelveli District and the territories specified in the second Schedule to the Andhra Pradesh and Tamil Nadu (Alteration of Boundaries) Act, 1959 (Central Act 156 of 1959).

[G.O.Ms. No. 2133; Rev. dated-19-8-1964]

2. Definitions.—- In these rules.—

(a)*"The Act"* means the Indian Stamp Act, 1899 (II of 1899);

(b)*"Section"* means a section of the Act;

(c)*"Schedule"* means Schedule I of the Act;

(d) *"Superintendent of Stamps"* means the Superintendent of Stamps, Madras or any officer appointed by the Government to perform the functions of "Superintendent of Stamps";

(e) *"Government"* means, unless there is anything repugnant in the subject or context, the "Government of Tamil Nadu".

[GO. Ms. No. 3197, Rev. dated 17-12-1938]

3. ***Description of Stamps.—*** Except as otherwise provided by the Act or by these rules,— instrument by use of franking machines and such stamp duty shall be deemed to be the payment of proper duty payable on the instrument for the purpose of the Indian Stamp Act, 1899.]

(ii) A stamp which by any word or words on the face of it is appropriated to any particular kind of instrument, shall not be used for an instrument of any other kind.

(iii) Stamps purchased in Tamil Nadu State shall alone be used for instruments chargeable with duty under the Act as in force in that State.

[G.O. Ms. No 1365, Rev. dated 28.4.1955]

(2) There shall be two kinds of stamps for indicating the payment of duty with which instruments are chargeable, namely—

(a)Impressed stamps, and

(b)Adhesive stamps.

CHAPTER II

OP IMPRESSED STAMPS

4. Hundis.— (1) Hundis, other than hundis which may be stamped with an adhesive stamp under section 11, shall be written on paper as follows, namely:—

(a) A hundi payable otherwise than on demand, but not at more than one year after date or sight and for an amount not exceeding rupees thirty thousand in value, shall be written on paper on which a stamp of the proper value bearing the word "hundi" has been engraved or embossed.

(b) A hundi for an amount exceeding rupees thirty thousand in value payable at more than one year after date or sight, shall be written on paper supplied for sale by the Government to which a label has been affixed by the Superintendent of Stamps, and impressed by him in the manner prescribed by rule 11.

[G.O. Ms. No. 3197, Rev. dated 17-12-1938].

1. Inserted by G.O. Ms. No.106, Commercial Taxs and Registration (J1), 11-6-2008, pub. in'Tamil Nadu Government Gaz., Part III, S. 1(a), Issue No.47, Page. 118, dated 3-12.2008.

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(2) Every sheet of paper on which a hundi is written shall be not less than 22 cm long and 13 cm wide and no plain paper shall be joined thereto.

(3) The provision of sub-rule (1) of rule 7 shall apply in the case of hundis.

5. Promissory notes and bill of exchange

A Promissory note or bill of exchange shall except as provided by section 11 or by rule 13 be written on paper on which a stamp of the proper value, with or without the word "hundi" has been engraved or embossed.

6. Other instrument

(1) Every other instrument chargeable with duty shall, except as provided by section 11 or by rules 10, 12 and 13 be written on paper on which a stamp of the proper value, not bearing the word "hundi" has been engraved or embossed.

[(2) Every paper, on which the stamp has been engraved or embossed purchased by a person or his duly constituted attorney either by act of parties or by operation of law or by status, shall be used only for the purpose of executing a document in which that person or his duly constituted attorney is a party.]

[Rule 6 sub-rule (2) was omitted by G.O. Ms. No. 42602/6-2/1983, dated 20-8-1983, *KG.* 1985/December/page 350].

7. Provision where single sheet of paper is insufficient

(1) Where two or more sheets of paper on which stamps are engraved or embossed are used to make up the amount of duty chargeable in respect *of* any instrument, a portion of such instrument shall be written on each sheet so used.

(2) "Where a single sheet of paper, not being paper bearing an impressed hundi stamp, is insufficient to admit of the entire instrument being written *on* the side of the paper which bears the stamp, so much plain paper may be subjoined thereto as may be necessary for the complete writing of such instrument:

Provided that in every such case a substantial part of the instrument shall be written on the sheet which bears the stamp before any part is written on the plain paper subjoined.

8. Ten, fifteen, twenty, twenty-five and forty paise impressed stamps

The duty on any instrument which is chargeable with a duty of ten paise under the Act, of fifteen paise under Articles 37, 49 and 52 of twenty paise under Articles 19 and 36, of twenty-five paise under Articles 43(b), or of forty paise under Articles 5 and 43(a) of Schedule I, may be denoted by a coloured impression marked on a skeleton form of such instrument by the Superintendent of Stamps.

[G.O. Ms. No. 367. Rev. dated 27-1-1962].

Explanation — With effect on and from the date of commencement of the Tamil Nadu Stamp (Increase of Duties) Act, 1962 (Tamil Nadu Act 8 of 1962), the rates specified in this rule shall stand altered in accordance with the provisions of the said Act, wherever necessary.:

9. The Proper Officer

The officers specified in *[1* Appendix-I and any officer appointed in this behalf by the Government are' empowered to affix and impress or perforate labels, and each of them shall be

deemed to be the "proper officer" for the purposes of the Act, and of these rules. [G.O. Ms: No. 3197, Rev dated 17-12-1938].

10. Affixing and Impressing of labels by proper officer permissible in certain cases Labels may be affixed and impressed or perforated by the proper officer in the case of any of the following instruments, namely:—

(i) Those "specified in Appendix-II, and the counter parts thereof other than instruments on which the duty is less than fifteen and;

(ii) those .specified in Appendix-Ill, when written in any European language*. ano/ accompanied, if language is not English, by a translation in English :

Provided that the Government may direct that this rule shall apply, subject to any conditions which it may prescribe to any of the instruments specified in appendix III, other than Bills of Exchange, when written in any oriental language.

11. Mode of affixing and impressing labels

(1) The proper officer shall, upon any instrument specified in rule 10 being brought to him before it is executed and upon application being made to him, affix thereto a label or labels of such value as the applicant may require and pay for and impress of perforate such label or labels by .means of a stamping machine or, a perforating machine, and also stamp or write on the face of the label or labels the date of impressing or perforating the same. In the case of instruments written on parchment, the labels shall be further secured by means of metallic eyelets.

Explanation.— An instrument drawn in the name of several persons of whom only some execute the document, when the intention drawn from the documents is that all should sign, is not a document "executed" within the meaning of this sub-rule.

[G.O. Ms. No. 367 Rev. dated 27-1-19621

(2) On affixing any label or labels under this rule, the proper officer shall, where the duty amounts to rupees five or upwards, write on the face of the label or labels his initials, and where the duty amounts to 2 [rupees One thousand or upwards] shall also attach his usual signature to the instrument immediately under the label or labels.

(3) Any principal assistants of the proper officer may discharge the functions of the proper officer under sub-rule (2) if empowered by the Government in this behalf.

[G.O. No. 3197, Rev. dated 17-12-1938]

12. Certain instrument to be stamped with impressed labels

(1) Instruments executed out of the State and requiring to be stamped after their receipt in the

1. Substituted for the expression "rupees twenty or upwards" by G.O. Ms. No.41, CT(J), dt. 29.4.2003 State other than instruments which, under section 11 or rule 13, may be stamped with adhesive stamps shall be stamped with impressed labels.

[G.O. Ms. No. 3197, Rev. dated 17-12-1938].

(2) Where any such instrument as aforesaid is taken to the Collector under section 18 sub-section (2), the Collector unless he is himself the proper officer, shall send the instrument to the proper officer, remitting the amount of duty paid in respect thereof; and the proper officer shall stamp the instrument in the manner prescribed in rule 11 and return it to the Collector for delivery to the person by whom it was produced.

CHAPTER III
ADHESIVE STAMPS

13. Useof adhesive stamps on certain instruments

The following instrument may be stamped with adhesive stamps namely: (a) Transfers of debentures of public companies and associations.

(b) Copies of maps or plans, printed copies .and copies of or extracts from registers given on printed forms when chargeable with duty under Article 24 of Schedule I.

(c) "Instruments chargeable with stamp duty under Article 5(a) and (b) and" 43 of Schedule I.

(d) Instruments chargeable with stamp duty under Article 47 of Schedule I.

(e) Instruments chargeable with stamp duty under Articles 19, 36, 37, 49(a)(ii) and (iii) and 52 of Schedule I.

(f) Instruments of transfer of shares of public companies or associations.

(g) Bonds executed under any law relating to a Central duty or excise or any rules made there under.

[G.O. Ms. No. 2726, Rev. dated 11-9-1963].

(i) Security bonds to be furnished by an appellant or an applicant in revision under the provisions of section 31(5), 33(4), 35(4), 36(5), 36(6) or 38(6) and authorisation to be furnished under section 52 of the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act I of 1959).

[G.O. Ms. No. 5562, Rev. dated 30-12-1961].

13-A. Notwithstanding anything contained in these rules whenever the stamp duty payable under the Act in respect of any instrument cannot be paid exactly by reason of the fact that the necessary stamps are not in circulation, the amount by which the payment of duty shall on that account be in deficit shall be made up by the affixing of fifteen paise and ten paise adhesive stamps, such as are described in rule 16, provided that the Government may direct that instead of such stamps, adhesive court fee stamps shall be used for the purpose.

14. Supply of deficient duty on transfer of shares

When any instrument of transfer of shares in a Company or Association is written on a sheet of paper on which a stamp of the proper value is engraved or embossed or on which special adhesive stamps of the proper value bearing the words "share transfer" are affixed, and the value of the stamp or stamps so engraved, embossed or affixed is subsequently in consequence of a rise in the value of such shares found to fall short of the amount of the duty chargeable under Article 62(a) of Schedule I, one or more adhesive stamps bearing the word "share transfer" may be used to make up the amount required.

[G.O. Ms. No. 1821, Rev. dated 4-6-1943].

15. Enrolment of Advocates, Vakils or Attorneys.—

When adhesive stamps are used to indicate the duty chargeable on entry as ,an Advocate, Vakil or Attorney on the roll of any High Court, such stamps shall be affixed under the superintendence of a Gazetted Officer of the High Court, who shall obtain the stamp from the Superintendent of Stamps or other officer appointed in this behalf by the Government and account to him for it. Such Gazetted Officer shall, after affixing the stamp, write on the face of it his usual signature with the date thereof.

[G.O. Ms. No. 3197, Rev. dated 17-12-1938].

16. Adhesive stamps or stamps denoting duty df twenty-five, fifteen or ten paise, etc.

Except as otherwise provided by these rules, the adhesive stamps used to denote duty shall be the requisite number of stamps bearing the words "India Revenue" and the words "Twenty-five paise" or "Fifteen paise or Ten paise".

[GO. Ms. No. 367, Rev dated 27-1-1962].

17. Special adhesive stamps to be used in certain cases

The following instruments when stamped with adhesive stamps shall be stamped with the following descriptions of such stamps, namely—

(a) Separate instruments of transfer of shares and transfers of debentures of Public Companies and Associations: Stamps bearing the words "Share Transfer".

(b) Entry as an Advocate, Vakil or Attorney on the roll of any High Court: with stamps bearing the word "Advocates", "Vakil" or "Attorney" as the case may be.

(c) Notarial acts : with foreign bill stamps bearing the word "Notarial".

(d) Copies of maps or plans, printed copies and copies of extracts from registers given on printed forms certified to be true copies; with court fee stamps.

(e) Instruments chargeable with duty under Article 5(a) and (b) or 43 of Schedule I: with stamps bearing the words "Agreement" or "Brokers Note" respectively.

(f) Instruments chargeable with stamp duty under Article 47 of Schedule I with stamps bearing the word "Insurance".

(g) Instruments chargeable with stamp duty under the rules framed under section 8 of the Diplomatic and Consular Officers (Oaths and Fees) Act, 1948 with stamps bearing the word "Consular".

(h) Security bonds to be furnished by an appellant or an applicant in revision under the provisions of sections 31(5), 33(4), 35(4), 36(5), 37(6) or 38(6) and authorisation to be furnished under section 52 of the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act, I of 1959): with adhesive non-judicial stamps or court-fee stamps.

[G.O. Ms. No. 367 Rev. dated 27-1-1962]

(i) Authorisation to be furnished under Section 288(1) of the Income Tax Act, 1961 (Central Act 43 of 1961): with adhesive non-judicial stamps or court fee stamps.

[G.O. Ms. No. 846 Rev. dated 4-5-1967].

(j) Instruments to be used as provisional duty bonds in matters connected with Customs : with stamps bearing the words "Customs".

[G.O. Ms. No. 1814, Rev. dated 24,4-1971]

CHAPTER IV

MISCELLANEOUS

Provisions for cases in which improper description of stamps is used.— When an instrument bears a stamp of proper amount but of improper description the Collector may on payment of the duty with which the instrument is chargeable, certify by endorsement that it is duly stamped :

Provided that where the stamp borne on the instrument is a postage stamp and the proper description of stamp is a stamp bearing the words "India Revenue" the Collector shall so certify if the instrument was executed before, and shall not so certify, if it was executed on or after the 1st April 1935!

[G.O. Ms. No. 3197, Rev. dated 17-12-1938].

18-A. Where an instrument is not duly stamped and the deficit stamp duty is paid, a note shall be added on the instrument regarding the payment of deficit stamp duty, if a certificate contemplated under section 42 could not be added.

[No. SRO A-103/83 dated 10th April 1983].

19. Evidence as to circumstances of claim to refund or renewal

The Collector may require any person claiming a refund or renewal under Chapter V of the Act, or his duly authorised agent, to make an oral deposition on oath or affirmation or to file an affidavit, setting forth the circumstances under which the claim has arisen, and may also, if he thinks fit, call for the evidence of witnesses in support of the statement set forth in any such deposition of affidavit.

19-A Furnishing of Affidavit regarding instrument executed out of India

The Collector may require any person or his duly authorised agent presenting an instrument executed out of India for stamping under Sec 18 or for opinion under section 31 to furnish an affidavit or other evidence as to the date of its first receipt in India.

[G.O. Ms. No. 2133, Rev. dated 19.8.1964].

20. Payment of allowances in respect of spoiled or misused stamps or on the renewal of debentures

When an application is made for the payment under Chapter V of the Act, of an allowance in respect of a stamp which has been spoiled or misused for which the applicant has no immediate use or on the renewal of a debenture, and an order is passed by the Collector sanctioning the allowance or calling for further evidence in support of the application, then, if the amount of the allowance or the stamp given in lieu thereof is not taken, or if the further evidence required is not furnished, as the case may be, by the applicant within one year of the date of such order, the application shall be struck off and the spoiled or misused stamp (if any) sent to the Superintendent of Stamps or other officer appointed in this behalf by the Government for destruction.

[G.O. Ms. No. 3197, Rev. dated 17-12-1938]._/

21.Mode of cancelling original debenture on refund under S.55

When the Collector makes a refund under section 55 he shall cancel the original debenture by writing on or across it the word "cancelled" and his usual signature with the date thereof.

22.Rewards

On the conviction of any offender under the Act, the Collector may grant to any person who appears to him to have contributed thereto, a reward not exceeding such sum as the Government may fix in this behalf.

[GO. Ms. No. 3197, Rev. dated 17-12-1938].

APPENDIX I
"PROPER OFFICERS" WITHIN THE MEANING OF RULE 9

1. The Superintendent of Stamps, Madras, the Assistant Superintendent of Stamps, Madras and during the absence of the Assistant Superintendent of Stamps, Madras, on leave any Sub-Treasury Officer, who is placed incharge of the post of the Assistant Superintendent of Stamps, Madras.

2. All Treasury Officers and in the absence of a Treasury Officer, on leave the Assistant Treasury Officer, who is placed incharge of the Treasury Officer concerned.

[G.O. Ms. No. 551, Rev. dated 10.3.1969]

3. The Sub-Treasury Officer, Tuticorin and in his absence on leave, the officer who is placed incharge of the post of Sub-Treasury Officer, Tuticorin.

[B.P. Ferm. No. 26(L), dated 4.1.1973].

4. The Principal, Cadet Training School, Adyar in regard to agreements executed by a cadet of the school or by his father or guardian, regarding the cadet's obligation to remain in the School until the end of the course.

[G.O. Ms. No. 397, Rev. dated 27.1.1962].

5. Divisional or Branch Managers of the Life Insurance Corporation of India in respect of agreements of the Life Insurance Corporation.

[G.O. Ms. No. 823, Rev. dated 25.6.1971].

6. All Sub-Treasury Officers and in the absence of a Sub-Treasury Officer, the officer who is placed incharge of the post of the Sub-Treasury Officer concerned.

[GO. Ms. No. 26, C.T. & R.E. Dept, dated 9.1.1975].

7. Managers and Agents of the Nationalised Banks and the State Bank of India and its subsidiaries.

[G.O. Ms.No. 778, C.T. & R.E. Dept. dated 17.6.1976; G.O.Ms.No. 1210, C.T. & R.E. dated 29.10.1981].

8. Joint and Deputy Managers of the Reserve Bank of India, Madras, in respect of agreements of the Reserve bank of India.

[Letter No. 26308 / VI - 2/80-8, CT & RE. & No. SRO A- 129/82 dated 19.5.1982]. 9. All Sub-Registrars (including District Registrars acting as Sub-Registrars in the upgraded Sub-Registry offices).

[No. SRO A-160/87 dated 24.6.1987].

APPENDIX II

LIST OF INSTRUMENTS REFERRED TO IN RULE 10(I)

	Number of Articles in Schedule I
1. Administration Bond	2
2. Affidavits	4
3. Appointments made in execution of a power	7
4. Articles of Association of Company	10
5. Articles of Clerkship	11
6. Bills of Lading	14
7. Charter of Parties	20
8. Declaration of Trust	64-A
9. Instruments evidencing an agreement relating to (1) the deposit of title deed of instruments constituting or being evidence of the title to any property whatever (other than a marketable security) or (2) the pawn or pledge or hypothecation of movable property	6
10. Leases partly printed or lithographed in an oriental language : When the written matter does not exceed one-fourth of the printed matter	35
11. Memoranda of Association of Companies	39
12. Mortgages of Crops	41
13. Notes of protest of masters of Ships	44
14. Revocations of trusts	64-B
15. Share warrants issued by a company in accordance with section 114 of the Companies Act, 1956 (Act 1 of 1956)	
16. Warrants for goods	65
17. Note or Memorandum when the duty payable exceeds fifty paise	43(b)
18. Transfers of the descriptions mentioned in Article 62(a) and (b) of Schedule I when the duty payable exceeds Rs. 30.	62(a&b).

[G.O. Ms. No. 367, Rev. dated 27.1.1962]

APPENDIX III

LIST OF INSTRUMENTS REFERRED TO IN RULE LO(II)

Number of Articles in Schedule I

1.	Agreements or memoranda of agreements which, in the opinion of the proper officer, cannot conveniently be written on sheets of paper on which the stamps are engraved or embossed.	5
2.	Instruments engrossed on parchment and written in the English style which in the opinion of such officer cannot conveniently be written on sheets of paper on which the stamps are engraved or embossed.	
3.	Awards	
4.	Bills of Exchange payable otherwise.. than on demand and drawn in Sets	13(b)&(c)
5.	Bonds 26,34 56 & 57	15,16,
6.	Certificate of sale	18
7.	Composition deeds	22
8.	Conveyances	23
8-A.	Debentures	27
9.	Instruments imposing a further charge on mortgaged property	32
10.	Instruments of apprenticeship	9
11.	Instruments of Co-partnership	46-A
12.	Instruments of dissolution of partnership	46-B
13.	Instruments of exchange	31
14.	Instruments of gift	33
15.	Instruments of partition	45
16.	Leases	35
17.	Letters of Licence	38
18.	Mortgage deeds	40
19.	Powers of Attorney	48
	19-A. Promissory notes payable otherwise than on demand [SRO A-314/82, dated 19.11.1982]	49(b)
	20. Reconveyance of mortgaged property	54
	21. Releases	55
	22. Settlements	58
	23. Transfers of the description mentioned in Articles 62, & (e) clauses (c)(d)(e) of Schedule I	62(c)(d)

[G.O. Ms. No. 367, Rev. dated 27.1.1962]

PREVENTION OF UNDERVALUATION OF INSTRUMENTS

RULES THE TAMIL NADU STAMP (PREVENTION OF UNDERVALUATION OF INSTRUMENTS) RULES, 1968 169

[G.O.P.* iVo. *861, Revenue, 22nd April, 1968]

S.R.O. No. A-262 of 1968.— In exercise of the powers conferred by sections 47-A and 75 of the Indian Stamp Act, 1899 (Central Act II of 1899), the Governor of Madras hereby makes the following rules :—

1. Short title

These rules may be called the Tamil Nadu Stamp (Prevention of Undervaluation of Instruments) Rules, 1968.

2. Definitions.— In these rules, unless the context otherwise requires,—

(a) **"Act"** means the Indian Stamp Act, 1899 (Central Act II of 1899);

(b) **"authorised agent"** means

(i) a person holding a power of attorney authorising him to act on behalf of his principal; or

(ii) an agent empowered by written authority under the hand of his principal;

(c) **"form"** means a form appended to these rules;

(d) **"registering officer"** means the registering officer appointed under the Indian Registration Act, 1908 (Central Act XVI of 1908);

(e) **"section"** means a section of the Act.

3. **Furnishing of statement of market value**

(1) If an instrument relates to a number of items of property, the market value of each of the items shall be specified separately. For this purpose, the party executing th'e document or his legal representative, assignee or authorised'. agent shall attach a separate statement to the instrument, Mduly signed by the party executing the instrument] furnishing therein information about the various items of properties involved in the transaction and his own assessment of the market value of each of those items separately.

Explanation I If an instrument covers lands, comprising several survey numbers or sub-division numbers, the market value shall be specified for the land covered by each survey number or sub-division number, as the case may be, separately.

Explanation II The statement of market value as required in this rule shall apply only to the instruments of conveyance, exchange or gift, a [release of benami right or settlement] as mentioned in section 47-A.

(1-A) If an instrument relates to only one item of property and that property is a building, or if an instrument relates to more than one items of property and one or more such items is or are a building or buildings, the following particulars shall be specified in respect of the building or each of such buildings:—

(i) the type of building i.e., whether tiled or reinforced concrete roofed or Madras Terraced or otherwise;

(ii) the number of storeys in "the building; (iii) the plinth area of each floor or storey in the building with area of each storey or floor of storey;

(iv) the nature of structure of the building specifying whether the walls are built in brick and cement, brick and lime mortar or otherwise;

(v) the year of construction of the building;

(vi) the kind of materials used in the construction of the building;

Inserted by G.O. Ms. No. 1317, CT & RE, dated 27.11.1982.

(vii) a brief description of the nature of the sanitary, electrical and other fittings in the building and their quality;

(viii) the size and depth of the well if any in the property; and

(ix) any other special feature affecting the value of the building.

For this purpose, the party executing the document shall attach a separate statement to the instrument ɹ[duly signed by the party executing the instrument] furnishing the particulars specified above and his own assessment of the market value of each such building.

(2) The registering officer shall, before registering an instrument, satisfy himself that the party or his legal representative, assignee or authorised agent has attached with the instrument a statement, ɹ[attached with the instrument duly signed by the party executing the instrument] giving the market value for each of the properties separately as required by sub-rules (1) and (1-A).

(2-A) If the market value of the property as required by section 27 of the Indian Stamp Act, 1899 (Central Act II of 1899) is not set forth in the instrument where the property dealt with therein is a single item or the statement giving the market value of each property separately as required by sub-rules (1) and (1-A) above is not attached to the instrument ![duly signed by the party executing the instrument] the registering officer shall refuse the registration of the document.

(3) The registering officer may, for the purpose of finding out whether the market value has been correctly furnished in the instrument, make such enquiries as he may deem fit. He may elicit from the parties concerned any information bearing on the subject and call for and examine any records kept with any public officer or authority.

Inserted by G.O. Ms. No. 1317, CT & RE, dated 27.11.1982.

(4) The registering officer may also look into the "Guidelines Register" containing the value of properties supplied to them for the purpose of verifying the market value.

Explanation The "Guidelines Register" supplied to the officers is intended merely to assist them to ascertain *prima facie,* whether the market value has been truly set forth in the instruments. The entries made therein regarding the value of properties cannot be a substitute for market price. Such entries will not foreclose the enquiry of the Collector under section 47-A of the Act or fetter the discretion of the authorities concerned to satisfy themselves on the reasonableness or otherwise of the value expressed in the documents.] **4.**

Procedure on receipt of reference under section 47-A (1) On receipt of a reference under subsection (1) of section 47-A, from a registering officer, the Collector shall issue a notice in

Form I, (a) to every person by whom, and (b) to every person in whose favour the instrument has been executed, (c) informing him of the

receipt off the reference and asking him to submit to him his representations, if any, in writing to show that the market value of the property has been truly set forth in the instrument, and also to produce all evidence that he has in support of his representation, within 21 days from the date of service of the notice.

(2) The Collector may, if he thinks fit, record a statement from any person to whom a notice under _ sub - rule (1) has been issued.,

(3) The Collector may for the purpose of his enquiry—

(a) call for any information or record from any public office, officer or authority under the Government or any local authority;

Sub-rule (4) & explanation was added by G.O. Ms. No. 1192, CT & RE, dated 21.11.1986.

(b) examine and record statements from any member of the public, officer or authority under the Government or the local authority; and

(c) inspect the property after due notice to the parties concerned.

(4) After considering the representations, if any, received from the person to whom notice under sub-rule (1) has been issued, and after examining the records and evidence before him, the Collector shall pass an order in writing provisionally determining the market value of the properties and the duty payable. The basis on which the provisional market value was arrived at shall be clearly indicated in the order.

5. Principles for determination of market value

The Collector shall, as far as possible, have also regard to the following points in arriving, at the provisional market value,—

(a) In the case of lands—

(i) classification of the land as dry, manavari, wet and the like;

(ii) classification under various tarams in the settlement register and accounts;

(iii) the rate of revenue assessment for each classification;

(iv) other factors which influence the valuation of the land in question;

(v) points, if any, mentioned by the parties to the instrument or any other person which requires special consideration;

(vi) value of adjacent lands or lands in the vicinity;

(vii) average yield from the land, nearness to road and market, distance from village site, level of land, transport facilities, facilities available for irrigation such as tank, wells and pumpsets;

(viii) the nature of crops raised on.the land; and

(ix) the use of land, domestic, commercial, industrial or agricultural purposes and also the appreciation in value when an agricultural land is being converted to a residential, commercial or an industrial land.l

(b) In the case of house sites—

(i)

the general value of house sites in the locality; (ii) nearness to roads, railway station, bus route;

(iii) nearness to market, shops and the like;

(iv) amenities available in the place like public offices, hospitals and educational institutions;

(v) development activities, industrial improvements in the vicinity;

(vi) land tax valuation of sites with reference to taxation records of the local

authorities concerned;

(vii) any other features having a special bearing on the valuation of the site; and (viii) any special feature of the case represented by the parties.

(c) In the case of buildings

(i) type and structure;

(ii) locality in which constructed;

(iii) plinth area;

(iv) year of construction;

(v) kind of materials used;

(vi) rate of depreciation;

(vii) fluctuation in rates; .

(viii) any other features that have bearing on the value;

(ix) property tax with reference to taxation records of local authority concerned; 1. Item (ix) in rule 5(a) was added by G.O. Ms. No. 1192, CT & RE, dated 21.11.1986.

(x) the purpose for which the building is being used and the income if any, by way of rent per annum secured on the building; and

(xi) any special feature of the case represented by the parties.

(d) Properties other than lands, house sites and buildings—

(i) the nature and condition of the property;

(ii) purpose for which the property is being put to use; and

(iii) any other special features having a bearing on the valuation of the property **6.**

Procedure after arriving at provisional marketvalue

The Collector shall communicate a copy of his order provisionally determining the market value of the properties and the duty payable, to all the persons who are liable to pay the duty along with the notice in

Form II and call upon the parties to lodge their objections, if any, to such determination of the market value within the time specified in the notice. The Collector shall also hear the parties on the date specified in the notice or on such other day as may be fixed by him.

7. Final order determining the market value

(1) The Collector shall, after considering the representations received in writing and those urged at the time of hearing or in the absence of any representation from the parties concerned or their failure to appear in person at the time of hearing in any case after careful consideration of all the relevant factors and evidence available with him [1][pass an order within three months from the date of first notice] determining the market value of the properties and the duty payable on the instrument, and communicate the order so passed to the parties and take steps to collect the difference in the amount of stamp duty, if any.

(1) The above expression was substituted by G.O. Ms. No. 69, CT&RE, dated 26.2.1997. (2) A copy of the order shall be communicated to the registering officer concerned for his record.

(3) The difference in the amount of duty determined by the Collector shall be paid within two months from the date of final order passed under sub-section (2) or sub-section (3) of section 47-A.

(4) The Collector shall, after collecting the difference in amount of stamp duty and interest, if any, under section 47-A, give a certificate in

Form III by endorsement on the instrument.]

8. Appearance through advocate or authorised agent

In an enquiry under the foregoing rules any party to an instrument may appear either in person or through an advocate or an authorised agent.

9 Appeals

(1) The appellate authority for the purpose of sub-section (5) of section 47-A shall be the Chief Controlling Revenue Authority (hereinafter referred to as appellate authority).

Such an appeal shall be preferred within two months from the date of Collector's order determining the market value under sub-rule (1) of rule 7 :

Provided that in so far as an order passed by the Collector between the commencement of the Indian Stamp (Tamil Nadu Amendment) Act, 1998 (Tamil Nadu Act 1 of 2000) and ending with the 9th March 2001 is concerned the said period of two months shall be reckoned from the 9th March 2001.

(2) An appeal shall be made in duplicate and shall contain the following particulars namely:—

(a) full name, father's name or husband's name, occupation and address of the appellant;

(b) full name, father's name or husband's name, occupation and address of every person executing the instrument; T Sub-rules (3) & (4) of Rule 7 were substituted by G.O. Ms. No. 35, CT, dated 9.3.2001. 2. Rule 9 was substituted by G.O. Ms. No. 35, CT (J1), dated 9.3.2001.

(c) full name, father's name or husband's name, occupation and address of every person claiming under the instrument;

(d) date and nature of the instrument;

(e) registration number, date of registration and name of office where the instrument was registered;

(f) name of town or village in which the property is situated together with the name of the taluk and the registration sub-districts;

(g) number and date of the Collector's order which is appealed against;

(h) market value of the property as set forth in the instrument;

(i) market value of the property as determined by the Collector.

(3) Every appeal shall be a'ccompanied by:—

(a) the original or certified copy of the order appealed against;

(b) the original or a certified copy of the instrument; and (c) memo of grounds of appeal.

(4) Every appeal shall be presented in person or by an advocate or by an authorised agent or sent by registered post to the appellate authority having jurisdiction, which shall endorse the date of receipt.

(5a) An appeal under sub-section (10) of section 47-A shall be preferred within two months from "the date of final order passed under sub-section (5) or sub-section (6) of section 47-A : Provided that in so far as an order passed under subsection (6) of section 47-A between the commencement of the Indian Stamp (Tamil Nadu Amendment) Act, 1998 (Tamil Nadu Act 1 of 2000) and ending with 9th March 2001 is concerned, the said period of two months shall be reckoned from the 9th March 2001.

(b) such appeal shall be made in duplicate and shall contain the following particulars, namely:—

(i) full name, father's name or husband's name, occupation and address of the

appellant;

(ii) full name, father's name or husband's name, occupation and address of every person executing the instrument;

(iii) full name, father's name or husband's name, occupation and address of every person claiming under the instrument;

(iv) date and nature of the instrument;

(v) registration number, date of registration and name of office where the instrument was registered;

(vi) name of town or village in which the property is situated together with the name of the taluk and the registration sub-district;

(vii) number and date of the order of the authority which is appealed against;

(viii) market value of the property as determined by the authority;

(ix) in respect of matters not provided for in these rules, the appeal shall be preferred in the manner prescribed in the Code of Civil Procedure, 1908 (Central Act V of 1908).

(c) Every appeal under sub-section 10 of section 47-A shall be presented in person or by an advocate duly authorised.

10. Procedure for the disposal of appeals

(1) If the appellate authority admits the appeal, a date shall be fixed for hearing the appellant. The appellate authority shall issue a notice to the appellant informing him of the date on which and the time and place at which the appeal shall be heard. Such notice shall also state that if the appellant does not appear on the day so fixed or any other day to which the hearing may be adjourned, the appeal shall be liable to be dismissed for default or disposed of on merits *ex parte.*

(2) The appellate authority shall send a copy of the notice to the Collector together with a copy of the appeal and call for and obtain the records of the case from the Collector.

11. Hearing of appeal

On the date fixed or on any other date to which the case may be adjourned, the appellate authority shall hear the appellant and receive any evidence adduced on his behalf. It shall also hear the person, if any, appearing on behalf of the Collector and receive the evidence, if any adduced in support of the Collector's order.

11-A Decision of the appellate authority

The appellate authority may, for the purpose of deciding an appeal,

(a) call for any, information or record from any public office, officer or authority under the Government or any local authority;

(b) examine and record statements from any member of the public officer of authority under the Government or the local authority; and

(c) inspect the property after due notice to the parties concerned.]

12. Order in appeal

After considering all the evidence adduced and representations made on behalf of the appellant and the Collector and examing the records of-the case [2][and any other facts considered under rule 11-A] the appellate authority shall decide whether or not the market value of the properties as determined in the order of the Collector under sub-section (2) or sub-section (3) of section 47-A is correct. In case, the appellate authority does not accept the valuation of the properties made by the Collector, Rule 11-A was added by G.O. Ms. No.35, CT(J1), dt. 9.3.2001.

1. The above expression was inserted by G.O. Ms. No.35, CT(J1), dt, 9.3.2001. it shall determine the correct market value of the properties, and the duty payable on the instrument. The appellate authority shall embody its decision and the reasons thereof

in an order and communicate it to the appellant, the Collector and the registering officer concerned.

13. Return of records to Collector

As soon as possible after the order is passed the appellate authority shall return the records of the Collector to that officer.

14. Rules of procedures

(1) CD The appellate authority may adjourn the hearing of the appeal from time to time, as it thinks fit.

(2) The appellate authority may at any stage call for any information, record or other evidence from the appellant or the Collector.

(3) In the appeal, the appellant may appear either in person or through an advocate, or an authorised agent.

(4) In respect of matters not provided for in these rules, the provisions of the Code of Civil Procedure, 1908 (Central Act V of 1908), relating to the procedure to be followed by the appellate authority in appeals against the orders of the Civil Court shall, as far as may be, apply to appeals under 1[sub-section (5)] of section 47-A.

15. Manner of service of notice and orders to the parties

Any notice under rule 4 or order under rule 4 or 7 shall be served in the following manner, namely:

(a) in the case of any company, society or association of individuals, whether incorporated or not, be served—

(i) on the secretary or any director or other principal officer of the company, society or association of individuals, as the case may be; or

(ii) by leaving it or sending it by registered post acknowledgment due addressed to the company, society or association of individuals as the case may be at the registered 1. The expression "sub-section (5)" was substituted for the expression "sub-section (4)" by G.O. Ms. No. 35, CT (J1), dt. 9.3.2001. office, or if there is no registered office, then at the place where the company, society or association of individuals as the case may be, carries on business.

(b) in the case of any firm, be served—

(i) upon any one or more of the partners; or

(ii) at the principal place at which the partnership business is carried on, upon any person having control or management of the partnership business at the time of service.

(c) in the case of a family, be served upon the person in management of such family or of the property of such family, in the manner specified in clause (d).

(d) in the case of an individual person, be served

(i) by delivering or tendering the notice or order to the person concerned or his Counsel or authorised agent; or

(ii) by delivering or tendering the notice or order to some adult member of the family; or

(iii) by sending the notice or order to the person concerned by registered post acknowledgment due; or

(iv) if none of the aforesaid modes of service is practicable, by affixing the notice or order in some conspicuous part of the last known place of residence or business of the person concerned.

16. If the "Collector" determines market value of property under section 47-A an amount less than the amount for which the parties paid stamp duty under section 41, under protest, to the registering officer, he shall order the refund of excess stamp duty collected from the parties marking copies of such order to the Registering Officer and the Treasury / Sub-Treasury Officer concerned. The Registering Officer who originally collected the stamp duty shall prepare and endorse the bill and arrange for the refund 1. Rule 16 was added by G.O. Ms. No. 1317, CT & RE, dated 27.11.1982. of the excess amount paid within sixty days from the date on which the orders were passed by the Collector.

Illustration

In an instrument presented for registration by "A", the consideration amount of the transaction was Rs.1000/- and stamp duty was paid accordingly. The Registering Officer suspected undervaluation and arrived at a market value according to guidelines at Rs.3000/- "A" paid full stamp duty therefore under protest, and insisted referring the instrument to "Collector" under sub-section (1) of section 47-A. The "Collector" determined the market value of the instrument at Rs. 2000/- and decided that the stamp duty paid for the excess amount of Rs. 1000/- shall be refunded to "A".]

FORM UNDER RULE 3(1) OF THE TAMIL NADU STAMP

(Prevention of Undervaluation of Instruments) Rules, 1968

Serial No. Survey No. Extent Nature Executant's of estimate of Property Market Value

Signature of the executants or executants *Note:*— The particulars in the above form are necessary only in respect of lands.

FORM I

[See rule 4]

Form of notice prescribed under rule 4 of the Tamil Nadu Stamp (Prevention of Under valuation of Instruments) Rules, 1968

To,

Please take notice that under sub-section (1) of section 47-A of the Indian Stamp Act, 1899 (Central Act II of 1899), a reference has been received from the registering officer for determination of the market value of the properties covered by an instrument of conveyance/exchange/gift/ 1 [release of benami right/settlement] registered as document No dated the and the duty payable on the above instrument. A copy of the reference is annexed.

2. You are hereby required to submit your representation, if any, in writing to the undersigned within 21 days from the date of service of this notice to show that the market value of the properties has been truly and correctly set forth in the instrument. You may also produce all evidence in support of your representations within the time allowed. 3. If no representations are received within the time allowed, the matter will be disposed of on the basis of the facts available.

Office

Station Date Collector

FORM II

[See rule 6]

Form of notice prescribed under rule 6 of the Tamil Nadu Stamp (Prevention of Undervaluation of Instruments) Rules, 1968

To,

Please take notice that in the matter of the reference under sub-section (1) of section 47-A of the Indian Stamp Act, 1899 (Central Act II of 1899) relating to the determination of the market value of the properties covered by an instrument of coriyeyance/exchange/gift [1] [release of benami right/settlement] registered as document No dated received from the registering officer. I have passed an order provisionally determining the market value of the properties and the duty payable on the instrument. A copy of the order passed in the matter is annexed.

1. The above expression was inserted by G.O. Ms. No. 1317, CT & RE, dt. 27.11.1982. 2. The matter relating to the final determination of the market value of the properties and the duty payable on the instrument will be taken up for hearing on the (date) ...

camp .... at a.m/p.m. You are hereby required to lodge before the undersigned before the date of the hearing, your objections and representations, if any in writing as to why the market value of the properties and the duty as provisionally determined by me, should not be confirmed to adduce oral or documentary evidence and be present at the hearing. If YOU fail to avail yourself of this opportunity of appearing before the undersigned or adducing such evidence, as is necessary, producing the relevant documents, no farther opportunity will be given and the matter will be disposed of on the basis of the facts available.

Office

Station Date Collector

FORM III

[See rule 7 (4)]

Form of certificate prescribed under sub-rule (4) of rule 7 of the Tamil Nadu (Prevention of Undervaluation of Instruments) Rules, 1968

To,

This is to certify that a sum of Rs (Rupees only) being the difference in amount of duty and a sum of Rs (Rupees only) being the interest payable under section 47-A of the Act has been collected and it is held that the instrument has been properly stamped.

Collector 1.

Form 111 was substituted by G.O. Ms. No. 35, CT (J1), dt. 9.3.2001. T.N.

U/S. 76-A of the Indian Stamp Act, 1899

[Rules relating to Custody, Sale, Distribution of stamps, Appoint ofex-officio stamp vendors, Licenced vendors, etc.]

In exercise of the powers conferred under section 74 read with section 76-A of the Indian Stamp Act, 1899 (Act II of 1899), the Board of Revenue as the Chief Controlling Revenue Authority hereby makes the following rules :—

RULES

Rule 1 These rules may be called the "Tamil Nadu Stamp Rules".

Rule 2 These rules apply to all classes of non-judicial stamps other than postal stamps, match excise banderols, Central excise revenue stamps, tobacco excise duty lables, customs revenue stamps and copy stamp paper.

Rule 3 **In** these rules,—

(a) *"The Act",* means the Indian Stamp Act, 1899 (Central Act II of 1899) as in force in the State of Tamil Nadu.

(b) *"State" means* unless there is anything repugnant in the subject or context the "State of Tamil Nadu".

(c) ***"Superintendent of Stamps"*** means the Superintendent of Stamps, Chennai or any other officer * Notification, dated 14th December 1960, by the Board of Revenue. Published on page 13-20 of the Fort St.George Gazette in Part V, dated 4-1-1961 and at page 67-74 of Part V of the Fort St. George Gazette, dated 11 **-1** - 1961.

General Instructions

1. The Government should amend the rules according to the latest practice since the rules are not up dated and amended.
2. The powers exercised by the Board of Revenue is now delegated to Chief Controlling Revenue Authority (Inspector General of Registration) - *See* G.O. Ms. No. 2575, Revenue, 1st December 1980, pub. in T.N.G.Gaz., No. 331, dt. 1-12,1980 in P.ll, S.2.

appointed by the Government to perform the functions of a Superintendent of Stamps.

Rule 4 The General Stamp Office will be in the city of Chennai and under the charge of the Superintendent of Stamps. It will keep a stock of special adhesive stamps for affixing on instruments received to be stamped. It will also maintain a reserve stock of all classes of non-postal stamps not less than the probable consumption of four months for replenishment of stock in the Treasuries. [G.o. Ms. No. 187, Commercial Taxes and Religious Endowments (VI-2) department, dated 21st February 1975.]

Rule 5 The Stamp depot in the General Stamp Office, Chennai will be incharge of the Assistant Superintendent of Stamps, Chennai. He shall maintain a stock of the

Stamps referred to in rule 2 sufficient for a year's consumption plus a reserve stock of stamps not less than the probable consumption of four months.

Rule 6 The Assistant Superintendent of Stamps shall either personally count or cause to be counted in his presence in detail, immediately on receipt of stamps from the Controller of Stamps, verify the stamps with reference to the invoices and return the original duly signed and acknowledging their receipt after the supply has been duly taken into account in the stock books, and retain the duplicates for record in his office. He shall also observe the detailed procedure for supply and distribution of stamps prescribed in this behalf in these rules.

Rule 7 Stamps found fit for issue whether at the time of their receipt or .subsequently owing to faulty manufacture shall, as soon as their unfitness is discovered, be sent to the Controller of Stamps for replacement free of cost. Stamps found unfit for issue owing to causes, other than faulty manufacture, shall be disposed of in accordance with the procedure prescribed in these rules.

Rule 8 Every treasury shan be a local depot for the custody and sale of the stamps referred to in rule 2 and shall maintain a reserve stock of stamps not less than the probable consumption of four months, in addition to the stock required for a similar period.

Rule 9 If the supply of stamps in any local depot should run short before receipt of supply from the Central ptamp Store, the OfScer-in-charge of the local depot should ordinarily indent for a supply from a neighbouring depot, sending a copy of-the indent to the Superintendent of Stamps, Chennai. When however such an indent is made on a neighbouring depot situated in another State or administration, the general or special orders both of the State Government controlling the supplying depot and of the State Government controlling the indenting depot will be necessary. When the stock of stamps in any local depot falls below the prescribed amount, it shall be the duty of the Superintendent of Stamps to bring the fact to the notice of the Board of Revenue, Chennai.

Rule 10 As soon as possible after the arrival of the supply of stamps from the Central Stamp Store or from another local depot the Officer-in-charge of the local depot shall personally examine the outward apperance of the boxes or packets and satisfy himself that they bear *no* marks of tampering. He shall either personally count or cause to be counted in his presence in detail the contents of all boxes or packets containing stamps of higher denominations (i.e.) labels and stamps of the individual value of Rs. 25 or over; in the case of stamps of lower denominations 10 per cent of the boxes shall be opened, and the stamps contained therein counted or caused to be counted in detail as aforesaid. If the percentage opened are all found to be correct, the remainder may be left with seals unbroken to be counted as they are required on being supplied from double-lock.

The boxes or packets should invariably be placed immediately on arrival in the strong room of the treasury, and there opened, one at a time in the presence of the officer, who must be present all the time the boxes or packets are being opened and their contents examined and counted. In no case must a second packet or box be opened until the contents of the first have been completely examined and verified and placed in the proper receptacles. The number and value of stamps received shall be compared by the Officer-in-charge with the invoice submitted, and a receipt shall be sent not later than seven days

after the arrival of stamps to the Officer who sent the stamps. The Ofificer-in-charge is responsible and should satisfy himself as to the number of stamps received before signing the receipt and should see that the supply of stamp has been duly taken into account in the stock

books. The inside wrappers of packets of stamps which bear the initials of the officer through whose hands the packets passed before supply from the Central Stamp Stores, should invariably be preserved till the whole contents of the packets have been examined and found correct.

Rule 11 Officers-in-charge of local depots should send a special report to the Controller of Stamps when excesses or shortages are discovered in packets of stamps received by them in accordance with the instructions issued from time to time.

The report should contain full particulars in regard to packages in which the excess or shortages are found.

Rule 12 Stamps found unfit for issue whether at the time of their receipt or subsequently owing to faulty manufacture, shall as soon as their unfttness is discovered, be sent to the Controller of Stamps, Nasik Road, for replacement free of cost. All stamps found unfit for issue at the time of their receipt owing to causes other than faulty manufacture, such as stamps sticking together, or becoming damaged in transit, or found damaged in stock at any time after receipt, shall be destroyed by or under the orders of the Collector or the D.R.O. or by the Superintendent of Stamps in respect of the stamps in his custody and their value written off the accounts up to the value of Rs. 300. If the value of the stamps to be destroyed exceeds Rs. 300 the sanction of the Board shall be obtained for their destruction and for writing off of their value. The necessary entries on account of the above should be made in the plus and minus memoranda of stamps. The powers exercisable by the Board of Revenue are subject to the condition that the orders of the Full Board should be obtained for writing off the value of the stamps above Rs. **1,000.**

Rule 13 If the loss is caused to the Government through the negligence of Government servants, the question of enforcing pecuniary liability against such Government servants should always be considered as well as other forms of disciplinary action as laid down in Article 300 (3) of the Madras Financial Code, Volume -1.

Rule 14 All stamps spoiled or unused, admitted for refund on renewal and cancelled in accordance with the provisions of the Act, and unclaimed stamp shall be destroyed monthly in the local depots as provided in Rule 16 *in fra.* With regard to other unused stamps received from the public or from sub-depots by the Collector or the D.R.O. The Collector or the D.R.O. shall decide with reference to their condition, whether they shall be re-issued, issued or destroyed.

Rule 15 Stamps laying in a local depot for which there is little or no demand shall not be regarded as unserviceable; in such cases a report shall be made to the Superintendent of Stamps, Chennai who shall make arrangements for their transfer to other Depots where there is a demand for them. If no such transfer is possible, the stamps shall be destroyed as provided in Rule 16 *infra* after obtaining the sanction of the competent authority.

Rule 16 The stamps to be destroyed shall be entered in the registers prescribed for the purpose and shall be kept in safe custody till they are actually destroyed. The entries in the registers shall be verified with the stocks of stamps taken out for destruction by the Officer-in-charge of the local depot, and the stamps shall be burnt monthly in the immediate presence of the Treasury Officer or in the presence of the Officer-in-charge of the local depot if so ordered by the Treasury Officer. A certificate shall be recorded in the register by the officer concerned to the effect that the stamps detailed therein and of the value of Rs were destroyed and burnt in his presence. A copy of the. certificate of destruction shall be sent to the Accountant-General, Chennai on or before the 6th of every month, along with the monthly plus and minus memorandom of stamps.

Rule 17 Necessary entries on account of the destruction of stamps shall be shown in the monthly plus and minus memoranda of stamps sent to the Accountant-General, Chennai and the Superintendent of Stamps, Chennai and in the stock register and monthly accounts of the local depots. The discrepancies found between the plus and minus memoranda of stamps and the treasury accounts shall be reconciled by the Accountant-General, Chennai in direct communication with the officers concerned.

Rule 18 Immediately after the stamps received have been counted, they shall be placed in proper receptacles in the store under double-lock, in the presence of the Officer-in-charge, arranged in parcels and packets containing known quantities,

the amount and the value of each denomination being entered at the same time in a register maintained to show the receipts and issues to and from the store under the double-lock. These entries shall be checked by the Officer-in-charge at the time when the stamps are deposited, and

Rule 16 The stamps to be destroyed shall be entered in the registers prescribed for the purpose and shall be kept in safe custody till they are actually destroyed. The entries in the registers shall be verified with the stocks of stamps taken out for destruction by the Officer-in-charge of the local depot, and the stamps shall be burnt monthly in the immediate presence of the Treasury Officer or in the presence of the Officer-in-charge of the local depot if so ordered by the Treasury Officer. A certificate shall be recorded in the register by the officer concerned to the effect that the stamps detailed therein and of the value of Rs were destroyed and burnt in his presence. A copy of the certificate of destruction shall be sent to the Accountant-General, Chennai on or before the 6th of every month, along with the monthly plus and minus memorandom of stamps.

Rule 17 Necessary entries on account of the destruction of stamps shall be shown in the monthly plus and minus memoranda of stamps sent to the Accountant-General, Chennai and the Superintendent of Stamps, Chennai and in the stock register and monthly accounts of the local depots. The discrepancies found between the plus and minus memoranda of stamps and the treasury accounts shall be reconciled by the Accountant-General, Chennai in direct communication with the officers concerned.

Rule 18 Immediately after the stamps received have been counted, they shall be placed in proper receptacles in the store under double-lock, in the presence of the Officer-in-charge, arranged in parcels and packets containing known quantities, the amount and the value of each denomination being entered at the same time in a register maintained to show the receipts and issues to and from the store under the double-lock. These entries shall be checked by the Officer-in-charge at the time when the stamps are deposited, and the correctness of the arithmetical calculations of additions to the balance, as well as of the values compared with the quantities shall be verified, and initialled by him at the time.

The register shall then be placed with the stamps in the double-lock receptacles and shall not be removed there from, nor shall any entries be allowed to be made therein, except in the presence of the Officer-in-charge. The stock should be carefully examined and dried when necessary, and the place where they are stored should always be kept properly dry. The sheets should as far as possible be kept face to face and never back to back.

In all cases where stamp registers have to be checked, actual check of quantities against values is a very important one; the correctness of the calculations of value must be tested in detail either by actual multiplication or by the use of correctly prepared tables and this check should never be omitted. This remark applies also to such of the following rules as prescribe a check of

this kind. It is not necessary that the complete checking should be done by the Officer himself. It will be sufficient if the Officer personally checks 10 per cent of the entries in each class of stamps leaving the remaining entries in each class to be checked by a subordinate under his supervision.

Appointment of ex-officio stamp vendors

Rule 19 The treasurer and such other officers as the Board of Revenue or the Government may appoint, shall be ex-officio vendors in each local depot. Such persons as may be licensed by Collectors, D.R.O's or other Officers empowered by the Board of Revenue or .the Government to grant licences, shall be lincensed vendors. Ex-officio vendors shall sell only such stamps as they may be directed to sell by the Board of Revenue or the Government. Licensed vendors shall sell only such stamps as are indicated in their licences. Sales to the public or to licensed vendors shall not be made direct from the store under double-lock, such sales being made by the ex-officio vendor from the supply entrusted to him for this purpose to be kept by him under single - lock as prescribed in the following rules.

Rule 20 The Treasury Officer shall take out and supply the quantity required from the Stores under double-lock, check the correctness of the entries made in the double-lock register, initial them and return the double-lock register into the double - lock store. When it is necessary to make issues more than once in one day, the prescribed checks need be applied at each subsequent time of issue only to the particular descriptions of stamps supplied from the double-lock. There shall be a fortnightly verification of the balance of stamps in the hands of the ex- officio vendor unless the Government desire that such verification should be more frequent e.g., on everyday on which stamps are issued to the stamp vendors from the double-lock.

NOTE.- The Sub-Treasury Officer I of the Chennai Taluk Sub-Treasury should verify the balance of stamps with the Sub-Treasury Officer II once a month instead of twice a month as contemplated by Rule 20.

Rule 21 From the stock so made over to his charge and kept by him under single-lock, the ex-officio vendor shall sell stamps of the public and to licensed vendors for cash.

The value of the stamps required shall be remitted in the treasury and shall not be paid to the ex-officio vendor in cash. He shall maintain a single-lock register in English language entering therein both in quantities and values the receipts from double-locks, the daily sales and the balance in his hands of each denomination at the end of each day.

Rule 22 The account of the daily sales should be inspected and the correctness of the calculations shown therein checked every day by the Officer-in-charge of the depot. It should be submitted on the first of every month to the Treasury Officer and his counter-signature obtained to the balance after examination. At places where the treasury and the bank are in close proxymity to each other, and no inconvenience is felt in observing the procedure laid down in subsidiary Rule 19 under Treasury Rule 10, in the Madras Treasury Code, Volume I, that procedure may be followed.

Rule 23 Indents and chalans from parties requiring stamps shall be first presented to the ex-officio vendor, and the indents shall not be allowed to go to the shroff until the money has been actually paid into the treasury.

Rule 24 (1) Every ex-officio vendor selling stamps to any person who is not a licensed vendor shall, with his own hand, write on the face of every stamp paper which he sells, just below the stamp impression a serial number as determined by the orders of the Board of Revenue or Government, the date of sale, the name and residence of the

purchaser, and if the stamp is purchased for the use of any person other than the person who tenders the money for it, the name and residence of such other person also and value of stamp in full, in words and his own ordinary signature; at the same time, he shall make corresponding entries in a register to be kept by him in such form as the Board of Revenue or Government

may prescribe. Any such vendor who shall knowingly make a false endorsement on the stamp sold of a false entry in his register renders himself liable to prosecution under the Indian Penal Code : Provided that in the case of hundies, the endorsement shall be made on the back.

Note.- There is no objection to the use of a stamp by a person who has purchased through another though the name of the person who paid the money to the vendor alone appears on the stamp.

(2) Every ex-officio vendor shall, without delay, deliver any stamp which he has in his possession for sale on demand by any person tendering the value in any currency which would be accepted on behalf of the Government by the Collector of the district. (3) No ex-officio vendor shall sell any stamps, the use of which has been ordered by competent authority to be discontinued.

(4) Every ex-officio vendor shall keep and render such accounts as may be prescribed by the Board of Revenue or Government and shall allow the Collector of the district or the District Revenue Officer or any officer duly authorised by such Collector or the District Revenue Officer by the Board of Revenue or by the Government at any time to inspect such accounts and the register which he is required to keep under sub-rule (1) and to examine the stock of stamps in his possession.

(5) Every ex-officio vendor shall, at any time, on the demand of the Collector or the District Revenue Officer or other officer duly authorised by the Board of Revenue or Government deliver up all stamps remaining in his possession.

(6) When application for an impressed sheet of a particular value is made to a Treasury Officer, he shall, if possible, supply a single sheet of that particular value. If a single sheet is not available, he shall supply the fewest possible sheets that will amount to the required value.

(7) When however, the value of the stamp paper applied . for is higher than the highest value of stamp which the vendor is authorised to sell, such vendor shall not attempt to supply such stamp by the sale of a number of the stamped sheets he is authorised to sell.

(8) No ex-officio vendor shall purchase stamps at a discount nor any ex of vendor be allowed a discount on his sales. Special remuneration is to be given to official vendors in very exceptional cases only.

Appointment of Licenced Stamp Vendors

Rule 25 (i) (a) Chief Controlling Revenue Authority may at his discretion create the posts of Licensed Vendors for the Sale of Stamps]

(b) After the posts are created the Chief Controlling Revenue Authority] should fix the places where the licensed vendors are to sell stamps. Such places shall be clearly specified and be of strictly limited extent such as building or a compound and shall not be such as to interfere with any of the existing licensed vendors, (c) The number of non-official licensed vendors in each district shall ordinarily be at least one for every [3][10,000] of the population, but while creating new posts, regard shall be had to the public convenience, the commission earned by existing licensed vendors in the locality and other relevant factors.

Rule 25(H) (a) [4][District Registrar] are empowered to make appointment of licensed vendors in existing posts-which are permanently or temporarily vacant and in

newly

1. Substituted for the words "Disrict Registrar are empowered at their discretion to create posts of licensed vendors for the sale of stamps" by SRO C-10/96, pub. in T.N.G.Gaz. No.46 - P.lll, S.2, dt. 4-12-1996.

2. Substituted for the words "While creating posts of licensed vendors, District Registrar" by *ibid.*

3. Substituted for the words "20000" by *ibid.*

4. Substituted for the words 'Tahsildars and Deputy Tahsildars in independent charges' by *ibid.* created posts. They are also empowered to grant leave to licensed vendors and to fill up temporary vacancies caused by the grant of such leave. No licensed vendor shall be granted leave exceeding three months at a time. If a licensed vendor is continuously absent for over one year his license shall be liable to be cancelled. * [District Registrar] are empowered to issue licenses for the sale of stamps to persons appointed by them as licensed vendors. They may alter the place of sale for a vendor i.e., transfer him by cancelling his existing licence for sufficient reasons and licence him a fresh for another place of sale after giving him an opportunity to make his representations.

(b) Whenever the post of licensed vendor falls vacant, the[x] [District Registrar] shall notify the fact of such vacancy by affixing a copy of notification in the notice boards of [2][in the notice boards of District Registrar, taluk office, Sub-Registrar's Office, Village Chavadi and Panchayat Office concerned] inviting applications for filling up the post, within a reasonable time fixed by him. The applications received shall be considered and the candidate interviewed and the best suitable person selected for appointment, following the rules of preference specified in clause (c).

(c) While selecting persons for appointment as licensed vendors, the factors to be taken into consideration shall include residence in the locality, previous experience, good health, adequate education and solvency.

(d) While selecting persons for appointment as-Stamp Vendors the following Order of preference shall be scrupulously followed by the appointing authorities : —

1. Substituted for the words Tahsildars and Deputy Tahsildars in independent charge' by SRO C-5/83, pub. in T.N.G.Gaz., No.9, dt. 9-3-1983 in P.lll, S.2.

2. Substituted for the words 'in the notice boards of village chavadi taluk office, village chavadi, and panchayat Board concerned' by *ibid.*

3. Sub-rule (d) was added by SRO-C/17/99, pub. in T.N.G.Gaz., No.35, dt. 15-9-2004, in P.lll, S.2

(1) Phisically handicapped
(2) Adi-Dravidars andTribals
(3) Widows
(4) Ex-Servicemen
(5) i[***]
(6) General

Rule 25 (iii) Every licence granted to the vendor shall be in the form appended to this rule and shall specify the name of the licensee, the description of stamps that can be sold under the licence, the place of sale and such other matters as may be necessary. It shall be signed by the [2][District Registrar] as the case may be.

Every licence granted is revocable at any time by the authority who granted it for breach of conditions or disobedience of rules or any other valid reasons.

No such order shall be passed by that authority without giving an opportunity to the persons affected to make his representation.

Rule 25 (iv) (a) Appointment of licensed vendors made by 2 [District Registrar] shall not ordinarily be interfered with by 3[Inspector of Registration Offices] unless the persons selected are clearly unsuitable or unless some one with an obviously superior claim has been overlooked. Any person aggrieved by an order of appointment or punishment of a licensed vendor may within 30 days from the date of the order, appeal against that order to the 3[Inspector of Registration Offices]. Against an appellant order passed by the 3[Inspector of Registration Offices],

1. Clause (5) was deleted by SRO-C5/2000, pub. in T.N.G.Gaz., Jo.15, dt, 19-4-2000 in RIM, S.2.
2. Substituted for the words Tahsildars and Deputy Tahsildars in independent charge' by SRO C-5/83, pub. in T.N.G.Gaz., No.9, dt. 9-3-1983 in P.lll, S.2.
3. Substituted for the words 'Revenue Divisional Officer' by *ibid.* [the Deputy Inspector General of Registration] as the case may be, may entertain a revision petition within 60 days from the date of order. Delays in filing appeals and revisions may be condoned in the event of valid reasons being adduced.

(b) The 2 [Inspector General of Registration] in respect of an order passed by the 3[Deputy Inspector General of Registration] as the case may be and the Government in respect of an order passed by the 2[Inspector General of Registration] may, within 90 days of the date of order call for the records connected with such order, either suo moto or on a revision petition by any person aggrieved by such order, in order to satisfy itself of the legality or the propriety of such order, and may pass such orders as it may deem fit.

(c) No order to the prejudice of any person shall be passed by any of the authorities without giving an opportunity to him to make his representation.

(d) Pending disposal of an appeal or revision petition, the authority concerned shall have power to stay the execution or suspend the operation of the order of a subordinate authority.

Rule 25*(v)* (a) Licensed vendors shall sell only such nature, category and denomination of stamps and within such geographical limits as are indicated in their licenses.

(b) Licensed vendors shall maintain on hand sufficient stock of such stamps as they are licensed to sell. Licensed vendors of a taluk shall draw their requirements of stamps on indents only from the sub-treasury of that taluk.

1. Substituted for the words 'the District Collector or the District Revenue Officer1 by SRO-C.5/83 pub. in T/N.Gaz No.9. dt.9-3-1983 in Rill. S.2.
2. Substituted for the words 'Board of Revenue' by *ibid.*
3. The words 'Deputy Inspector General of Registration' was substituted for the words 'Collector or the District Revenue Officer' by *ibid.*

LICENCE TO VEND STAMPS

(See Rule 25 (iii) of the Stamp Rules)

I, District Registrar of
Registration District do hereby licence
Thiru , son of residing
at to vend stamps of the descriptions mentioned hereunder not exceeding Rs. 2000/- each in

value, at the place specified below* in (village) in the Taluk/ sub-taluk of in the district of Particulars of place of vend.

Name of the Office, if any, to which the vendor is attached
Boundaries, if any, within which sale can be made
Other condition, if any Description of stamps
Dated: Seal Signature;
Designation: District Registrar. Name of Registration District.

(Signed)
Inspector General of Registration.

1. The Form substituted by SRO-C5/83, pub. in T.N.G.Gaz., No.9, dt. 9-3-1983 in RIM, S.2.

Rule 26 Every sub-treasury shall be a branch depot for the sale of stamps.

Note In their Order Ms. No. 1671, Revenue, dated 29th August 1927 Government have relieved all the sub-treasuries in the State with the exception of the sub-treasury at Chennai from the duty of maintaining stocks of postage stamps. (B.P. Ms. No. 251, dated 7th September 1927.)

Rule 27 The sub-treasurer or such other officer as the Board of Revenue or the Government may appoint shall be the ex-officio vendor of stamp at a branch depot.

Rule 28 The officer-in-charge of the branch depot shall obtain his supplies from the local depot to which the branch depot is subordinate, in the same manner as the ex- officio vendor at the local depot obtains his supplies. Except where the officer-in- charge of the branch depot has been appointed ex-officio vendor, the ex-officio vendor shall obtain his supplies from the officer-in-charge of the branch depot in the same manner as the ex-officio vendor at the local depot obtains his supplies from the Officer-in-charge.

Rule 29 The receipt and examination of stamps on arrival from a local or other depot or from the Central Stamp Store shall *mutatis mutandis* be conducted in the manner laid down in rules 10, 11 and 18 above.

Rule 30 Except as provided in the foregoing rules sales from branch depots shall be made subject to the same rules as those from local depots.

Rule 31 Deputy Tahsildars' Offices in the State which are not sub-treasuries, are constituted sub-depots for the sale of stamps, etc., to licensed vendors and the public in the neighbourhood. The Deputy Tahsildars should obtain their supplies from the Tahsildars to whom they are subordinate, or if they are not subordinate to any Tahsildar, from the local depot, in the same manner as the Tahsildar or Deputy Tahsildar, who is the Officer-in-charge of a branch depot, obtains his supplies from the local depot. The supply to be kept in the sub-depots should be equal to the probable demand for one month. Deputy Tahsildars-in-charge of sub-depots can only sell such particular descriptions of stamps as the Collectors may authorise them to sell at their . discretion. During the absence of the Deputy Tahsildars on tour, the Sub-Registrars may hold charge of the stamps sub-depots with the approval of the Government. In such cases the instructions in subsidiary rule 3 and instructions 4 and 5 under Treasury Rule 5 in Madras Treasury Code should generally be followed by the Sub-Registrars.

Rule 32 Where the sale of stamps from any branch or sub-depot is insignificant, and equal facilities exist for the supply of stamps from a depot in the same station as the branch or sub-depot, the Treasury Officer of the District shall report the case through the Director of Treasuries and Accounts, Chennai for the orders of the Chief Controlling Revenue Authority and the Government who may thereupon direct the closing of the branch or sub-depot.

Rule 33 The Officer-in-charge of local or branch depot shall deal with the losses of stamps during transit and from stocks in the local and branch depots according to the instructions issued from time to time by the Chief Controlling Revenue Authority.

Rule 33(a) The Nationalised Banks may be appointed as licensed vendors for vending all descriptions of stamps including special adhesive stamps for sales to the public and the trading community at important centres. Revenue Divisional Officers are empowered to make appointment of Nationalised Banks as licensed vendors and issue licences for the sale of stamps to the Nationalised Banks appointed by them as licensed vendors. The Nationalised Banks so appointed as licensed vendors shall draw their requirements on indents from the Sub-Treasury in the same manner as the licensed private vendors obtain their supplies from the Sub-Treasury. The Nationalised Banks shall be allowed discount on the sale of stamps at the same rates as prescribed in the case of licensed private vendors. The Nalionalised Banks appointed as licensed vendors shall keep and render such accounts as prescribed in the case of licensed private vendors.

(G.O. Ms. No. 859, Commercial Taxes and Religious Endowments department, dated 15th July 1975.)

Rule 34 Collectors of districts or the District Revenue Officers or other officers empowered by the Chief Controlling Revenue Authority or the Government may, at their discretion, grant licences to extra-departmental sub-postmasters and extra-departmental branch postmasters in-charge of branch post offices to sell non-judicial stamps, subject to the condition that the consent of the postal authorities is obtained before the licence is issued.

Rule 35 The licences shall be issued on the application of the officials concerned, submitted through their immediate superior officers.

Rule 36 Extra-departmental sub-postmasters and extra-departmental branch-postmasters shall be licensed by their official designation and not by name. The engagement to be executed by them shall likewise be drawn up in their official designation and be signed by them.

Rule 37 Extra-departmental sub-postmasters and extra-departmental branch postmasters licensed to sell non- judicial stamps shall be subject in all respects to the rules and regulations applicable to licensed private vendors and shall purchase the stamps required by them for sale from their own private funds.

Rule 38 The stamps kept for sale, the collections realised therefrom and all registers and papers connected therewith shall, on no account, be placed in any of the receptacles of the post office or in the room in which the work of the post office is conducted, but shall be kept apart, the licensee in each case making his own arrangements for the purpose.

Rule 39 All correspondence connected with the purchase and sale of stamps being purely private, the usual postage chargeable thereon shall be borne by the licensee from his private funds.

Rule 40 A licence issued *in* the official designation of an extra-departmental sub-postmaster or extra-departmental branch postmaster shall, in the event of his transfer or departure on leave, be transferable to his successor or *locum tenens;* but the latter shall execute a separate duly stamped engagement. It shall be compulsory on the relieving official to continue the sale and take over the stock of unsold stamps (not spoiled or rendered unfit for use) remaining with his predecessor, at its value *minus* the discount allowed thereon at the

time of purchase. Any person who is not in a position so to take over the stamps and pay for them *forthwith* shall not be appointed either temporarily or permanently to succeed an extra-departmental sub-postmaster or extra-departmental branch post master who has been licensed to sell stamps. But if after taking over the stamps, an extra-departmental sub-postmaster or extra-departmental branch postmaster permanently appointed should wish to discontinue the sale, he should, before doing so, get the licence cancelled in the ordinary course through his immediate superior officer.

Rule 40(a) The Nationalised Banks may be appointed as Licensed Vendors for vending all descriptions, of stamps including special adhesive stamps for sales to the public and the trading community at important centres. " Revenue Divisional Officers are empowered to make appointment of Nationalised Banks as Licensed Vendors and issue licences for the sale of stamps to the Nationalized Banks appointed by them as Licensed Vendors. The Nationalised Banks so appointed as Licensed Vendors shall draw their requirements on indents from the Sub-Treasury in the same manner as the licensed private vendors obtain their supplies from the Sub-Treasury. The Nationalised Banks shall be allowed discount on the sale of stamps at the same rates as prescribed in the case of licensed private vendors. The Nationalised Banks appointed as Licensed Vendors shall keep and render such accounts as prescribed in the case of licensed private vendors.

(G.O. Ms. No. 859, Commercial Taxes and Religious Endowments Department, dated 15th July 1975.)

Rule 41 In case where the extra - departmental sub-postmaster or extra-departmental branch postmaster is absent only for a short period his *locum tenens* shall take

over from his predecessor a stock of stamps sufficient for sale during the period of his incumbency, at cost price less discount.

Rule 42 If the outgoing extra - departmental sub-postmasters or extra-departmental branch postmaster should have no stock on hand, the incoming extra- departmental sub-postmaster or extra-departmental branch postmaster shall without any loss of time, buy the necessary supply from the nearest treasury.

(B.P. Mis. No. 1302, dated 16th October 1959 &.G.O. Ms. No. 4041, Revenue, dated 12th October 1960.) (B.P. Mis. No. 350, dated 23rd March 1961.)

Note The system of allowing commission on sales of stamps to the departmental postmasters has been dispensed with. *{G.O.* Ms. No. 3046, Revenue, dated 2nd August 1960.) (B.P. Ms. No. 954, dated 22nd August 1960).

FOR THE SUPPLY AND DISTRIBUTION OF STAMPS AS IN FORCE IN THE STATE OF TAMIL NADU

Extent of application.— These rule apply to all classes of stamps.

Explanations.— For the purposes of these rules :—

(1) The term "postage stamps" except where expressly otherwise provided, will include "postal and telegraph stationery."

(2) The expressions "stamps" and "non-postal stamps" except where expressly otherwise indicated will include match excise banderols, tobacco excise duty labels and Customs Revenue Stamps.

PART I — PRINTING AND SUPPLY; A, *India Security Press.*

1. Postage stamps, match excise banderols; tobacco excise duly labels and all revenue stamps, both judicial and non-judicial which form sources of central revenue, shall be printed only at the India Security Press at Nasik Road.

2. The press shall also print and supply such Revenue Stamps as may be required by the State Government on such terms as the Government of India may determine from time to time.

3. The officer-in-eharge of the Press is designated General Manager, India Security Press. He is also *ex-offxcio* Controller of Stamps and in that capacity works under the immediate control and direction of the Central Board of Revenue. * Pub. in Part V, Page 20 of the Fort. St. George Gaz., dt. 4-1-1961.

4. These rules do not regulate the administration of the Press by the General Manager. Such administration shall be regulated by the rules *and* orders, both general and special issued by the Government of India from time to time.

B, Central Stamp Store.

5. Attached to the Press shall be a store which shall be called the Central Stamp Store. That store shall be in the immediate charge of the Deputy Controller of Stamps who will work under the General Manager, India Security Press in the latter's capacity as Controller of Stamps.

6. The Central Stamp Store shall ordinarily maintain a reserve stock of stamps and postal stationery, etc., based on the probable monthly consumption as follows, *in addition,* to the stocks required for quarterly or four monthly, or annual consumption, according as they relate to postal, or non-postal stamps or stamps which are supplied annually :-

	Maximum Months.	Minimum Months.
I.		
(1)Postage stamps other than Stamp booklets	6	3
(2)Stamp booklets	3	2
(3)Postal stationery	3	2
II.		
(1)Adhesive Stamps	6	2
(2)Impressed Stamps	6	3
(3)Match Excise Banderols	3	2
(4)Tobacco excise Duty Labels	**3**	**6** 3
(5)Customs Revenue Stamps	6	3
III. Non-postal stamps which form Minimum Stock. sources of State Revenues.—		
(a) Nonjudicial and impressed Six months :		

Courte-fee stamps of the probable denominations of Rs. 25 and consumption.

above all fisca adherive stamps, adhesive court - fee stamps of the denominations of Rs. 5 and above.

(b) Non-judicial and impressed court-fee stamps of the denominations below Rs. 25 and adhesive court-fee stamps of denominations below Rs. 5.

Note (i) In the case of items I (1) and II (1), (2), (3), (4) and (5) if the annual consumption is very low, the maximum stock may be increased to 12 months consumption at the discretion of the Controller of Stamps.

Note (ii) If an account of sharp decrease in treasury sales, the stocks printed previously exceed the maximum limits with reference to the subsequent decrease in sales, such cases will not be deemed as in contravention of the maximum limits of reserves they will be issued and disposed of in due course, subsequent print order, if any, being regulated on the basis of reduced sales.

C. *Forecasts, etc.*

7. The responsibility of the Controller of Stamps will be confined to supplying the stamps that are required by the State Government.

8. (i) To enable the General Manager to provide for adequate stocks of raw materials (e.g., paper, ink, etc.) in the Security Press, a consolidated forecast shall be sent to that Controller of Stamps, Nasik Road, not later than the 15th June each year in the form prescribed under rule 8(ii) by the officers noted below :

(a) The Superintendent of Stamps, Chennai, will send a forecast in respect of non-postal stamps (excluding match excise banderols, Central excise revenue stamps, tobacco excise duty labels and Customs Revenue Stamps after obtaining the necessary information from the various local depots.

(b) Officers appointed by the Central Government (Vide note below) will send a forecast in respect of match excise banderols, Central excise Revenue Stamps, tobacco excise duty labels and Customs Revenue Stamps after obtaining the necessary information from the various local depots concerned.

Note 1 The Collector of Central Excise, Chennai shall be deemed to be the "Officer appointed by the Central Government" in respect of the State of Tamil Nadu for the purpose of submission of forecast and indents for match excise banderols, Central excise Revenue Stamps and tobacco excise duty labels.

Note 2 The Collector of Customs, Chennai shall be deemed to be the "Officer appointed by the Central Government" in respect of the State of Tamil Nadu, for the purpose of submission to forecast and indents for Customs Revenue Stamps.

(c) The Heads of Postal Circles will send a forecast in respect of postage stamps, both public and service, after obtaining the necessary information from the various local depots.

(ii) All forecasts shall show in separate columns for each denomination of stamps (whether a supply is required or not), the actual issues during each of the preceding three years, the average annual consumption based on the issues of the preceding three years, the balance in hand on 1st April, the estimated issues for the current financial year, and the forecast of stamps which the Central Stamp Store will be required to supply during the ensuring year.

9. (i) Indents for replenishment of stock shall be prepared and sent by officers-in-charge of local depots in the manner specified below :—

(a) In respect of non-judicial and impressed court-fee stamps of the denominations of Rs. 25 and

above, all non-judicial adhesive stamps (other than revenue stamps below 25 paise) adhesive court-fee stamps of the denominations of Rs. 5 and above annually to meet the estimated consumption during the twelve months as specified below:—

Indenting Officer State *Latest date before which indents*
Year coveredby or area. *should reach the Central the indent.*

Stamp Store-Nasik Road.

Tamil Nadu *31st July* *Years commencing from 1st December following.*

In respect of postage stamps (public and service) of the denominations of Rs. 5 and above, the officers-in-charge, of local depots in the State shall submit indents annually to meet the estimated consumption during the twelve months commencing from 1st July following so as to reach the Central Stamp stores not later than the 15th April each year together with their indents is for the July to September quarter for postage stamps of the denominations lower than Rs. 5 and for Postal Stationery.

(b) In respect of all non-postal stamps other than those mentioned in (a) above, (c) and (d) below, to meet four months estimated consumption as specified below :—

Period covered by the indent. Latest date before which indents should reach the Central Stamp Store.

1st April to 31st July 30th November.

1st August to 30th November 31st March.

1st December to 31st March 31st July.

Note.- In the case of non-postal stamps, the indents shall be sent through the Superintendent of Stamps, Chennai for scrutiny and transmission to the Controller of Stamps, on or before the dates mentioned below :—

Serial number and indents. Date on or before which due with the Superintendent of Stamps Chennai.

1. Annual indent December to November and four monthly indent, December to March. 10th July

2.Four monthly indent, 10th November April to July

3.Four monthly indent, 10th March. August to November

c) In respect of match excise banderols, postage stamps of denominations less than Rs.5 and postal stationery, not later than the 15th of the first month of every quarter to meet the estimated consumption during the next quarter.

(d) In respect of Central Excise Revenue Stamps and tobacco excise duty labels to meet the estimated consumption during the next quarter as specified below :—

Period covered by the last date before which indent should reach the Central Stamp Store —

Period covered by the indent. Last date before which indents should reach the Central Stamp Store.

1st April to 30th June 31st January
1st July to 30th September 30th April
1st October to 31st December 31st July
1st January to 31st March 31st October

(e) The indent shall show in separate columns for all denominations of stamps irrespective of whether a supply is required or not —

(1)Opening stock at the time of last indent, supplies received since then, total of sales (during the preceding year or four months or quarter, according as the indent covers the requirements for a year or four months or a quarter, respectively including issues to branch depots) and other issues and closing balance on the date of the indent;
(2)Quantity sold during the corresponding period of indent in the previous year;
(3)the quantity due against previous indent pending compliance with the Controller of Stamps;
(4)the quantity required for the next year of four months or quarter as the case may be ; and
(5)the quantity passed by the scrutinizing officer.

(ii) Indents for postage stamps should be sent to the Controller of Stamps direct for scrutiny and supply, those for non - postal stamps and Central Excise Revenue Stamps, tobacco excise duty labels, match excise banderols and Customs Revenue Stamps being submitted to him through the Superintendent of Stamps, Chennai, and the officer appointed under rule 8(i) *(b)* respectively.

Note - (1) For the definition of local depots, so far as relates, to stamps that are the property of the Central Government. See Rule 11, so far as concerns stamps that are the property of the State Government, every treasury shall be a local depot for their custody and sale.

(2) The Presidency Postmaster, Chennai, *may indent* direct from the Central Stamp Store. 10. The Controller shall have discretion to comply with an indent partially. As regards indents for non-postal stamps, however, he will comply with indents as received without question, if he has the necessary stocks in hand.

PART H-DISTRIBUTION, CUSTODY AND SALE

A *Local Depots and Branch Depots and Stocks to be kept.*

11. Every treasury including those attached to political and salt agencies shall be a local depots for the custody and sale of stamps of all descriptions. The State Government may establish local depots at places where there is no treasury:
Provided that match excise banderols, tobacco excise duty labels and Customs Revenue Stamps shall be stocked at the local and branch depots selected by the State Government for the purpose.

12. Each local depot shall maintain a reserve stock of stamps equal to the probable consumption of three months in the case of postage stamps and other stamps which are the property of the Central Government, tobacco excise duty labels and match excise banderols and four months in the case of non-postal stamps, in addition to the stock required for the quarterly, four monthly or annual consumption, as the case may be. The State Government may direct that the supply to be maintained either generally or in respect of any particular kind of stamp or in certain local depots shall be equal to the probable consumption of such other period as they deem expedient.

13. If the supply of stamps in any local depot should run short before the receipt of the supply from the Central Stamp Store, the officer-in-charge of the local depot should indent for a supply from a neighboring depot, sending a copy of the indent to the Controller of Stamps, Nasik Road, or to the Superintendent of Stamp, Chennai as, or to the officer appointed under rule, 8(i)(b) as the case may be, who controls the supply of stamps required. It shall be the duty of the Superintendent of Stamps, Chennai, to bring to the notice of the Board of Revenue, when the stock of stamps in any local depot falls below the prescribed amount.

14. Urgent indents on neighboring depots as authorised in Rule 13 may ordinarily be made on a depot in the same State or Administration. If the depot is in another State or Administration, the general or special orders both of the State Government or Local Administration controlling the supplying depot and of the State Government or Local Administration controlling the indenting depot will be necessary.

15.Subject to the proviso to rule 11 every sub-treasury except the Sub-Treasury, Chennai, shall be a branch depot for the sale of stamps of all descriptions. But in any case where the sale of stamps from such a branch depot- is insignificant, and equal facilities exist for the supply of stamps from a depot in the same station as the branch depot, the State Government may direct the closing of the branch depot; provided that without the previous sanction of the Government of India, the State Government may not order that the maintenance of a stock of postage or Central Excise Revenue Stamps in a sub-treasury may be dispensed with even if the post office authorities do not require it. In their order, Ms. No. 1671, Revenue, dated 29th August 1927; Ms. No. 2692, Revenue, dated 15th November 1928 and Ms. No. 532, Revenue, dated 21st March 1930, Government have relieved all the

sub-treasuries in the State with the exception of the Sub-Treasury at Chennai from the duty of maintaining stocks of postage stamps.

16. The supply to be kept in a branch depot should be not less than the probable demand for three months in respect of postage stamps and other stamps which are the property of the Central Government, tobacco excise duty labels and match excise banderols and four months in respect of non-postal stamps; but the Chief Controlling Revenue Authority appointed by competent authority for the purpose of the Indian Stamp Act, 1989, may direct that the supply shall be equal to the demand of any other period, instead of three months in respect of postage stamps and other stamps which are the property of the Central Government, tobacco excise duty labels and match excise banderols and four month in respect of non-postal stamps, which it may consider expedient. The stock should be kept up to this amount by indenting and obtaining supplies from the local depot from time to time as may be necessary.

Note.-In this State, it has been prescribed that the supply to be kept in a branch depot shall be equal to the probable demand for one month together with a reserve, stock sufficient for a month. At the end of each month, the ofricer-in-charge of a branch depot shall submit an indent for such member as may be necessary to maintain the supply and reserve stock specified above. The Chief Controlling Revenue Authority may, however direct that the supply to be kept in any branch depot or depots shall be equal to the probable demand for three months in the case of postage stamps and the probable demand for four months in the case of non-postal stamps. In such cases, an equal quantity shall be kept as reserve stock and the officer-in-charge of the branch depot shall submit an indent at the end of three months in respect of postage stamps and at the end of four months in respect of non-postal stamps for such number as may be necessary to maintain the prescribed supply and reserve stock.

17. As soon as the number of stamps in the branch depot not receiving its supplies direct from the Central Stamp Store falls below the number issued from the depot in the preceding four months, the officer-in-charge of the depot shall prepare an indent for a supply equal to the probable consumption of s two months. The indent shall show, in separate columns for all denominations of stamps, whether a supply is required or not, the balance in the branch depot the quantity sold in the preceding four months and the quautity indented for,

which should be approximately one-half of the quantity sold in the preceding four months. The periods of "four months" and. "two months" in this rule may be altered by the Chief Controlling Eevenue Authority appointed by competent authority for the purposes of the Indian Stamp Act, 1899, to such other periods as it may deem expedient.

Note.-See note urider Rule 16.

18. Branch depots" authorized to receive supplies direct from the Central Stamp 'Stores should keep as reserve stock, quantities approxinia^pngto the consumption of three months in the case of postage "stamps and other stamps which are the property of th'e^entral Government,

tobacco excise duty labels and matdLggcisg banderols and four months in the case of non-post addition to the quarterly or four monthly.

B. Accounts, Returns, Storage, etc.

19. As soon as possible, after the arrival of supply of stamps from the Central Stamps Store or from another local depot, the officer-in-charge of the depot shall personally examine the outward appearance of the boxes or packets and satisfy himself that they bear no marks of tampering and that the procedure laid down by the Controller of Stamps for taking delivery of stamps cases has been observed. He shall then have the boxes or packets opened in his presence, and the contents of each box or packet counted either by himself or in his presence immediately on being opened in accordance with rule 20. Where the treasury is the local depot, the boxes or packets should invariably be placed immediately on arrival in the strong room of the treasury and there opened, one at a time, in the presence of the treasury officer, who must be watching all the time the boxes or packets are being opened and their contents examined and counted. In no case must a second box or packet be opened until the contents of the first have been completely examined and verified and placed in the proper receptacles as required by Rule 24. The number and value of stamps received shall be compared by the officer-in-charge with the invoice submitted and a receipt shall be sent to the officer who sent the stamps as soon as may be convenient and in no case later than fifteen days after the arrival of the stamps.

20. The Treasury Officer shall either personally count or cause to be counted in his presence, in detail, the contents of all boxes or packets containing stamps of higher denominations, i.e., labels or stamps of the individual value of Rs.25 or over; in the case of stamps of lower denominations, other than copy stamp papers, 10 per cent of the boxes or packets of each denomination marked as containing a certain number of stamps, and in the case of copy

stamp papers, 5

Note.-There is no provision of law which prevents the use of a stamp by a person who has purchased it through another though the name of the person who paid the money to the vendor alone, appears on the stamp.

(BP. Mis. No. 247/1459-R, dated 22nd October 1909.)

(ix) Every licensed vendor shall, without delay, deliver any stamp which he has in his possession for sale on demand by any person tendering the value in any currency which would be accepted on behalf of Government by the Collector of the district.

(x) No licensed vendor shall sell any stamps the use of which has been ordered by competent authority to be discontinued.

(xi) Every licensed vendor shall keep and render such accounts as may be prescribed by the Chief Controlling Revenue Authority or Government and shall allow the Collector of the district or any officer duly authorised by such Collector by the Chief Controlling Revenue Authority or by the Government, at any time to inspect such accounts and the register which he is required to maintain under rule (viii) above and to examine the stock of stamps in his possession.

(xii) Every licensed vendor shall at any time on the demand of the Collector or other officer duly authorized by the Chief Controlling Revenue Authority or Government deliver up all stamps remaining in his possession and if such stamps have been paid for, shall receive back the value thereof less any discount which may have been allowed.

Note.- Divisional Officers, Tahsildars and Deputy Tahsildars in independent charge have been empowered under this rule, to call on stamp vendors to deliver up stamp remaining in their possession. (B.P. Mis. No 232/1489-R, dated 10th October 1908.)

(xiii) When application for an impressed sheet of a particular value is made to a stamp vendor, he shall, if possible, issue a single sheet of that particular value. If single sheet is not available, he

shall issue the fewest possible sheets that will amount to the required value.' (xiv) When, however, the value of the stamp paper applied for is higher, that the highest value of stamp which the vendor is authorized to sell, such vendor shall not attempt to supply such stamps by the sale of a number of stamped sheets he is authorised to sell. Note.-(l) This rule prohibits a Licensed vendor from attempting to supply a stamp higher in value than the highest he is authorised to sell by the sale of a number of impressed sheets of lower denominations. It is the duty of registering officers to assist Revenue Officers in the

detection and prevention of violation of this rule. Registering Officers shall, in cases where the amount of duty on document chargeable with a duty exceeding Rs. 400 is made up by the use of two or more sheets of stamp paper each of a value of Rs. 400 or less sold to the same person by the same vendor on the same date, take note of the serial numbers, date of sale, values of the stamped sheets names of vendor and purchaser and communicate the information of the Divisional Officer having jurisdiction over the licensed vendor. They should not hold any enquiry as to whether a violation of the rule has been actually committed or not, but confine their action to morely reporting such case to the Revenue Department. As there is no prohibition against the use of such stamped sheets by the parties the registration of the documents in respect of which such violations are noticed should not on this account be delayed nor the parties put to any inconvenience. (Circular No.29, dated 21st March 1961, issued by the Inspector - General of Registration, Chennai; B.P. Mis.No.280/1011-R, dated 20th July 1916 and Mis. No. 1778, dated 14th December 1915; G.O.Ms.No.472, Revenue, dated 2nd March 1931 and B.P. Mis N0.37-R, dated 17th Feburay 1931)

(2) All officers presiding over Civil Courts are requested to bring to the notice of the Revenue Divisional Officers cases which may come to their notice of infringement of rule 37 (xiv) prohibiting a licensed vendor from attempting to supply a stamp higher in value than the hightest he is authorised to sell by the sale of a number of impressed sheets of lower value. They are not expected to hold any enquiry as to whether the rule has been actually infringed or not, but merely to give, information of the cases to the Revenue Department with particulars such as the serial numbers of the stamps, their value, date of their sale, and name of vendor and purchaser appearing on the stamps themselves (Circular Dis. NO. 1096, dated 21st March 1916, issued by the

High Court, and B.P. Mis.No.280/1011-R., dated 20th July 1916). (G.O.Ms.No.2589, Revenue, dated 7th November 1947. B.P.Mis.No.1607, dated 19th November 1947).

D, Postage Stamps.

38. Service stamps shall be sold by local depots to Government officials and semi-official bodies and institutions mentioned in clause 354 of the Post and Telegraph Guide who will be required to certify in writing that the stamps will be used on pre-paying postage on communications *bona fide India on Government Service* or for the purpose stipulated in the said clause of the Post and Telegraph Guide and for such other purposes as are authorized

by the Posts and Telegraph Department.

Note.-(l) Service postage stamps may also be sold to the public provided that the value of the stamps sold to any person at one time shall not be less than Rs. 6.50, and that an extra charge of half per cent calculated on the face value shall be made to cover incidental expenses. This extra charge shall not be recovered from the Postmaster-in-charge of Philatelic Bureau authorised to purchase service postage stamps for the sale to philatelists. Note. -(2) For rules regulating sales to Government officials see instruction 8 under treasury rule 16 of the Madras Treasury Code, Volume I.

Note. -(3) Government officials authorised to obtain service postage stamps from local depots may exchange such stamps either for service stamps of different denominations, or with the

previous approval of the Director-General of Posts and Telegraphs, for ordinary postage stamps provided that the stamps returned to the local depots are in a serviceable condition.

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39. Ordinary postage stamp shall be sold for cash from local depots to officers-in-charge of post offices, at which letters are received for despatch, to persons licensed to sell non-judicial stamps under the rules framed under the Indian Stamp Act, 1899 (II of 1899), and to the public, provided that the value sold to any person at one time shall not be less than five rupees, and shall not include any fraction of a rupee, and that embossed envelops and post card shall be sold in complete packets only. No discount is allowed in any of the above cases.

Note.- (1) As a partial exception to this rule payments for postage stamps may be made by cheques by officers-in-charge of post office who have been authorized to issue cheques on the Reserve Bank of India or the State Bank of India.

Note.-(2) Except on the special authority of the Government of India or the Director-General of Posts and Telegraphs, no free supplies of ordinary postage stamps and stationery shall be made by the Controller of Stamps, NasikRoad.

40. Heads of Department Telegraph Officers shall obtain supplies of ordinary postage stamps from the local depots, subject to the same conditions in regard to the quantity supplied at one time as those of the preceding rules and shall sell to the public ordinary postage stamps of all descriptions and to any value. No discount is allowed to Heads of Departmental Telegraph Offices for the sales of stamps; but they are allowed permanent

advances of ordinary postage stamps without payments, the amount of the permanent advance being fixed by the Heads of Postal Circles and Superintendents of Telegraph Offices, the latter up to a limit of Rs. 500. When the permanent advance of ordinary postage stamps has once been taken, subsequent issue to Heads of Departmental Telegraph Offices are made only on cash payment. But when the local depot is about to be closed for holidays of more than one day's duration, officers-in-charge of local depots are authorised to issue ordinary postage stamps to Heads of Departmental Telegraph offices without payment in excess of the value of the permanent advance, these temporary advances being adjusted when the treasury reopens by the return of the stamps, or the payment of their value, if sold.

41.The Officer-in-charge of each Post Office, at which letters are received for despatch and of each telegraph office, is required to keep a supply of ordinary postage stamps for sale to the public sufficient for the probable demands of one week. A supply of India Revenue Stamps and other Central Government stamps required to be sold through Post Offices sufficient for the probable demands of one week is also required to be kept for sale in Post Offices.

42.The officers-in-charge of Post Offices shall maintain accounts of sales, etc., of India Revenue Stamps and *other stamps which are the property of Central Government required to be sold through Post Offices* in the same manner as in respect of postage stamps and shall show the balances of these stamp separately in their monthly cash balance reports to the Posts and Telegraphs Audits Officers, The differences between the balances in hand at the end of any month and at the end of the previous month shall be debited or credited, as the case may be, to the Accountant-General, Chennai, through the exchange accounts.

43. Superintendents and Inspectors of Post Offices within their respective jurisdictions and any other officers of the Post Office authorized in that behalf by the Heads of Postal Circle, are empowered to examine the stock of stamps kept by any of the person required to keep postage stamps for sale to the public under rule 41.

E. Match Excise Banderols.

44. Match excise banderols shall be sold by local and branch depots at which they are stocked to owners of match factories in cash or on credit in accordance with the Central Excise Rules, 1944.

F, Central Excise Revenue Stamps, Tobacco Excise Duty Labels, Customs Revenue Stamps, Government of India Insurance Stamps, National Savings Stamps, etc.

45. Stamps which are the property of the Central Government and which are required to be sold to the public through Post Offices, e.g., Central Excise Revenue Stamps, National Savings Stamps, shall be obtained by Post Offices from local and branch depots and sold to the public in the same manner as ordinary postage stamps.

Tobacco excise duty lables, Customs Revenue Stamps and Government of India Insurance Stamps shall be sold to the public at local and branch depots at which they are stocked. Customs Revenue Stamps which are required to be sold to public through the Customs Houses shall be obtained by the Customs Houses from local and branch depots provided that the value of stamps obtained at one time shall not be less than five rupees and shall not include any fraction of a rupee.

The conditions regarding stocking and sale of postage stamps under D above shall *mutatis mutandis* apply to the stocking and sale of these stamps.

PART III A ***Disposal*** *of unserviceable* ***and obsolete*** *stamps.*

46. Unserviceable (i.e., defectively manufactured, damaged or soiled), obsolete and unwanted surplus stocks of postage stamps and postal stationery, revenue stamps, Central Excise Revenue Stamps, National Savings Stamps and other stamps which may be introduced from time to time by Post Offices shall be exchanged for serviceable ones of the same kind, i.e., belonging to the same Department from the local or branch depots as the case may be (e.g., National Savings Stamps can be exchanged for postage stamps). The local or branch depots shall refer to the Controller of Stamps doubtful cases of defective manufactured before exchange is effected.

47. Damaged and obsolete postage stamps that can be counted and identified shall be sent once a quarter to the Controller of Stamps, Nasik Road for destruction. The necessary entries on account of stamps sent shall be made in the *plus* and *minus* memorandum. Damaged adhesive stamps in loose labels shall be pasted on a sheet or sheets of paper to facilitate verification before transmission to the Controller. The Controller shall, after examining and verifying the stamps and satisfying himself that they are genuine, destroy them and grant a destruction certificate. The destruction certificate shall show the quantity and the face value of stamps destroyed. At the beginning of each month the Controller of Stamps shall furnish to the Accountant-General, Chennai, with copies of destruction certificates granted by him during the previous month to enable him to verify the entries in the *plus* and *minus* memoranda. Postage stamps that are damaged beyond identification and cannot therefore be checked by actual counting shall be disposed of according to the procedure laid down in rule 54 *(b).*

Note. - A stamp which does not clearly indicate its value or a remant of a stamp from which it cannot indubitably be verified that it is all that remains of a complete stamp shall be treated as stamp that cannot be counted or identified for the purpose of these rules. 48. Treasury Officers, are authorised to sanction the exchange of serviceable postage stamps, revenue stamps, embossed envelope, wrappers and post cards for spoilt, damaged or obsolete ones in the stock of Head Post Offices whether or not they are presented at the treasury in complete sheets or packets as the case may be.

(G.o. Ms. No. 2967, Revenue, dated 22nd November 1943) (B.P. Mis. No. 1583, dated 2nd December 1943) (B.P. Mis. No. 1699, dated 29th September 1944)

49. The following rules have been prescribed by the State Government in consultation with the Auditor-General for the disposal of non-postal stamps which are property of the State

Government and which are obsolete, unserviceable or spoilt or have been cancelled on payment of a refund:-

(1) Stamps found unfit for issue whether at the time of their receipt or subsequently owing to faulty manufacture shall, as soon as their unfitness is discovered, be sent to the Controller of Stamps, Nasik Road, for replacement free of cost.

(2) All stamps found unfit for issue at the time of the receipt owing to causes other than faulty manufacture, such as stamps sticking together or becoming damaged in transit or found damaged in stock at any time after receipt or accidently damaged or spoilt while in the custody of postal officials shall be destroyed as provided in sub-rule (5) by the Superintendent of Stamps, Chennai and their value written off the account upto the value of Rs. 300. The Superintendent of Stamps may authorise the Assistant Superintendent of Stamps to destroy the stamps in his office. If the value of stamps to be destroyed exceeds Rs. 300, the sanction of the Director of Treasuries and Accounts, Chennai shall be obtained for their destruction and for the write-off of their value. The Treasury Officers are authorised to sanction the exchange of fresh adhesive revenue stamps of the same value for those accidentally damaged or spoilt while in the custody of postal officials.

[G.O. *Ms. No.* 772, *Finance (Separate Revenue), dated 29th September* 1917; *B.P. Mis.* 337, *dated 29th September* 1922, *Articles* 294,297 *and* 298 *of the Madras Financial Code and Appendix* 23, *thereto: G.Os.* 1388, *Revenue, dated 2nd July* 1932:736, *Revenue, dated 25th March* 1935; B.P. *Mis. R.* 191, *dated 30th March* 1935 *and G. O. No.* 2944, *Revenue, dated 16th December* 1935.]

Note.-If loss is caused to the Government through the negligence of Government servants, the question of enforcing pecuniary liability against such Government servants should always be considered as well as other forms of disciplinary action as laid down in rule 5 under article 300 (3) of the Madras Financial Code, Volume I.

(G.O. Ms. No. 477, Revenue, dated 29th February 1936.) (B.P. Mis, 890, dated 10th March 1936.)

(3) All stamps spoilt or unused, admitted for refund or renewal and cancelled in accordance with the provisions of the Indian Stamp Act, 1899, and unclaimed stamps shall be destroyed monthly in the" local depots as provided in rule (5) below:-

"With regard to other unused stamps received by the Treasury Officer, the Treasury Officer shall decide with reference to their condition whether they shall be re-issued or destroyed. (G.O. Ms. No. 616, Commercial Taxes and Religious Endowments department, dated 22nd November 1974.) [B.P, Perm. 1446(2), dated 14th December 1974.]

(4)Stamps lying in a local depot for which there is little or no demand shall not be regarded as "unserviceable" in such cases a report shall be made to the Superintendent of Stamps, Chennai, who shall make arrangements for their transfer to other depots where there is a demand for them. If no such transfer is possible the stamps shall be destroyed as provided in rule (5) below after obtaining the sanction of the competent authority.

Form No. XVIII (R.F. No. XXXVI-B, 131) and Form No. XIX (R.F. No. XXXVI-B, 190) and shall be kept in safe custody till they are actually destroyed. The entries in the registers shall be verified with the stock of stamps taken out for destruction by the Officer-in-charge of the local depot and the stamps shall be burnt monthly in the immediate presence of the Treasury Officer or in the presence of the Officer-in-charge of the local depot if so ordered by the Treasury Officer. A certificate shall be recorded in the register by the officer concerned to the effect that the stamps detailed therein and of the value of rupees were destroyed and burnt in his presence.

A copy of the certificate of destruction shall be sent to the Accountant-General, Chennai, on or before 6th of every month along with the monthly *plus* and *minus* memorandum of stamps.

(6) The necessary entries on account of the above shall be shown in the monthly *plus* and *minus* memorandum of stamps sent to the Accountant-General, Chennai, and the Superintendent of Stamps, Chennai, and in the stock registers and monthly accounts of the local depot. The discrepancies found between the *plus* and *minus* and memorandum of stamps and the treasury accounts shall be reconciled by the Accountant-General in direct communication with the officers concerned.

(G.O. 1730, Revenue, dated 12th August 1931, B.P. Mis.R. 207, dated 4th September 1931.) In Union Territories non-postal stamps that are spoilt or unserviceable or that are obsolete and cannot be rendered serviceable by overprinting, etc., or that have been cancelled on payment of a refund shall be sent to the Controller of Stamp. This procedure shall also be followed *in the Tamil Nadu* in respect of non-postal stamps which are the property of the Central Government. The procedure laid down in rule 46 shall be observed in the case of these stamps also.

B. Losses of stamps during transit or from stocks in the Central Stamp Store, local or branch depots or Post offices.

50. The terms of supply from the Central Stamp Store are *f.o.r.* Nasik Road and once the stamps are despatched from the store they become the property of the department or Government which would be entitled to their proceeds on sale. When shortages occur in the consignments of stamps despatched from the Central Stamp Store, whether occasioned by theft, accident or other causes, the resultant loss represented by the manufacturing value of the missing stamps, etc., as well as the potential loss shall fall on the department or Government owning the stamps unless serious negligence is established against the despatching or receiving agency.,

Notes.-(l) Losses in transit of stamps returned to the Controller of Stamps or transferred from one local or branch depot to another shall similarly be borne by the Department of Government concerned.

(2) Losses in transit of match excise banderols and non-postal stamps which are the property of the Central Government from the Central Stamp Store to a local or branch depot or from one local or branch depot to another shall after due investigation be written off by the Controller of Stamps up to a limit of Rs.lOO calculated in terms of manufacturing cost in any individual case. If the value of such losses exceeds Rs.lOO in terms of manufacturing cost, the matter shall be reported by the Controller of Stamps after due investigation to the Central Board of Revenue.

51. The officer-in-charge of the local or branch depot shall carefully observe the instructions in rule 19. In case of any discrepancy between the quantity of stamps received and that entered in the invoice he shall enter the shortage in red ink on the invoice and accept the invoice for the face value of the stamps actually received. He shall also attach to the invoice a certificate in triplicate

noting therein the number and date of the Controller's invoice. The quantity and face value of the discrepancy and explain the circumstances in which the invoice as originally made out was not accepted in full. Debits will be raised by the Controller of Stamps against the parties concerned for the manufacturing value of the stamps actually despatched as indicated on the invoices (including the value of the stamps lost in transit for which the resultant loss is to be borne by the department or Government entitled to the sale proceeds thereof under Rule 50 above, but excluding losses in the process of manufacture shortages between the manufacturing and despatching stage in the Central Stamp Store, Nasik Road).

Notes.- (1) To the officer's explanation shall be added answer to the following questions :—
1.What was the number stencilled on the case in which the shortage was found?
2.*(a)* Was the case weighed before taking delivery and its weight checked with the weight noted either in the invoice or in the list attached thereto. .;
(b) If so, was there any deficiency in weight?

3. *(a)* Did the case show signs of tampering? '
(b) Did the officer personally examine the outward conditions of the case and the seals and satisfy himself that it borne no marks of tampering?

4.If the case was tin-lined, was the tin-lining intact?

5.Was the case placed in the strong room immediately on arrival?

6.Was the officer present all the time the case was being opened and the contents were being examined and counted?

7. On what date was the case *(a)* received and *(b)* opened?

(2) In the case of excess if any, found in the consignments of stamps received from the Central Stamp Store. Nasik Road, the officer-in-charge of the local or branch depot shall satisfy himself that the excess actually exists and then report the matter to the Controller of

Stamps, Nasik Road, forwarding at the same time the wrapper of the packet in which the excess was detected and furnishing other relevant particulars, e.g.. case number. If the excess is not admitted by the Controller of Stamps, it should be brought into treasury "accounts and the Administrative Head of the local or branch depot and the Accountant-General concerned informed.

52. The officer-in-charge of the local or branch depot shall report any shortage in a consignment immediately to the Controller of Stamps, Nasik Road, to the Director of' Treasuries and Accounts, Chennai, to the Board of Revenue, to the Railway authorities and to the Railway Police for investigation and send a copy of his report to the Department or Government owning the stamps (Head of Postal Circle in the case of postage stamps). A copy of such report shall be endorsed to the Accountant-General, Chennai. The officer-in-charge of the local or branch depot shall keep a close track of all cases of losses in transit and communicate the result of investigation to the Controller of Stamps, Nasik Road, to the Director of Treasuries and Accounts, Chennai, to the Chief Controlling Revenue Authority, to the Accountant-General, Chennai; also to the Department or Government concerned. Notes.-(I) The procedure laid down by this rule shall also be observed in cases where stamps returned to the Controller of Stamps under rules 23,47 and 49 or transferred from local or branch depot to another are lost in transit.

(2) In the case of losses of stamps in transit where the value involved is Rs. 5 and under, the detailed procedure prescribed in the rule need not be followed. The Treasury Officers in the districts and the Assistant Superintendent of Stamps, Chennai in the case of Chennai City have discretion ita decide whether the value of the stamps lost should be written off the accounts, at once, and obtain orders of the Superintendent of stamps, Chennai in the matter there for.

(G.O. Ms. No. 656, Revenue, dated 31st March 1944 ; B.P. Mis. 610, dated 14th April 1944.)

53.The Controller of Stamps shall submit half-yearly to the Director-General of Posts and Telegraphs a debit note for acceptance to cover the manufacturing value of the *postage stamps lost* in transit. This debit note should be supported by a statement of the losses and the explanatory certificate of the officer-in-charge of the local branch depot. The debit note accepted by the Director-General of Posts and Telegraphs will form the supporting voucher to debit for the manufacturing value of the lost stamps against the Posts and Telegraphs Department. In the case of losses of Non-Postal Stamps the value will be recovered by the

Controller from the Department or Government concerned.

54.*(a)* Losses of stamps while in stock in the India Security Press or the Central Stamp Store will be borne by these concerns. All such losses shall be reported by the General Manager, India Security Press, to the Central Board of Revenue and a copy of the report shall be sent to the Accountant-General, Maharashtra, Bombay and also to the Director-General of Posts and Telegraphs if the loss relates to *postage stamps or postal stationery.*

(b) Except as provided for by note (2) below all losses whether by theft, fraud, accident or any other cause, of postage stamps while in stock in a local or branch depot shall be reported by the officer-in-charge of the depot to his administrative head, and a copy of the report shall be sent to the Controller of Stamps, the Accountant-General, Chennai, and the Head of the Postal Circle concerned. The report, shall explain in detail (1) the quantity, the face value and the manufacturing value of the Stamps lost; (2) the cause and the responsibility for the loss; (3) whether in the opinion of the officer-in-charge of the depot the loss was contributed to by the negligence of any individual or individuals; (4) the amount proposed to be recovered, if any, from the person or persons at fault; and (5) steps taken or proposed to be taken to prevent the recurrence of such loss.

The administrative head, viz., the Treasury Officer in the case of losses amounting up to Rs. 300 only and the Director of Treasuries and Accounts, Chennai, in cases of losses exceeding Rs. 300 shall, on receipt of the report, *institute* such further enquiries and pass such orders as he may consider necessary with reference to note (3) below, and shall forward copies of his orders to the Collector of the" district, the Controller of Stamps, the Accountant-General, Chennai and The Head of the Postal Circle concerned.

Notes.-(l) If the *postage stamps* to which the loss relates have been damaged to an extent that they cannot be counted or identified, the officer-in-charge of the depot shall forward them with his report to the administrative head who shall pass them on for destruction to the Controller of Stamps with a copy of his orders. In such cases the Controller shall not grant certificates as to the quantity and value of stamps destroyed. If however, the consignments of the damaged and uncountable postage stamps are bulky, they need not be forwarded to the administrative head but a detailed report should be sent to that authority and on receipt of his orders the stamps shall be sent to the Controller of Stamps for destruction with a copy of orders passed by .the administrative head.

(2) In the case of damaged postage stamps which can be identified as complete stamps

and can indupitably be checked by actual counting, if the manufacturing value does not exceed Us. 10, no report shall be made to the administrative head if in the opinion of the officer-in-charge of the depot the damage could not have been avoided with proper care. The stamps in such cases shall be sent to the Controller of Stamps for destruction with a letter furnishing information on the following points:-

{l) the quantity, the face value and the manufacturing value of the damaged stamps; (2)the date on which the treasury stock was last examined;

(3)the date on which the damage was first noticed; (4) steps taken or proposed to be taken to

prevent such damage in future. A copy of this letter should be endorsed to the Accountant-General, .Chennai and the Head of the Postal Circle concerned. It shall be open to the Controller of Stamps in any case to draw the attention of the administrative head to the damage with a view to instituting enquiries as to the cause of the damage, etc., fixing the responsibility therefor and taking necessary action.

(3) These losses will in general be borne by the Telegraphs Department but in cases in which individuals having been found guilty of contributory negligence are ordered to make good the whole or a part of the total loss equivalent either to the manufacturing value or the face value of the stamps, the former only in cases where the stamps are spoilt but not lost, or if lost, cannot be used the recoveries shall be credited to the department.

(c) Losses of stamps, etc., (excepting those which are the property of the State Governments) shall be written off by the Director of Treasuries and Accounts, Chennai up to the limit of,Rs. 500 only calculated in terms of the face value in any.individual case. Losses exceeding this limit shall be written off under the orders of the Central Government or the Director-General of Posts and Telegraphs as the case maybe. Losses of stamps, etc., which are the property of the State Governments, shall be written off in accordance with the rules prescribed by the State Government concerned in this regard.

(d) The procedure laid down in rule 54 *(b)* and Notes (I) to (3) thereunder in respect of postage stamps shall also be observed in the case of loss or damage to non-postal stamps in local or branch depots in Union Territories with the exception that no intimation to postal authorities will be necessary and the loss will be borne by the Government, to which the stamps belong. The same procedure shall also apply to cases of loss or damage to match excise banderols, tobacco excise duty labels and all stamps which are the property of the Central Government in local or branch depots in State areas.

55.On receipt of a report referred to in rules 52 and *54(b),* the Accountant-General, Chennai, shall send a copy of it, *if it relates to the postage stamps and postal stationery* to the Accountant General, Posts and Telegraphs, in whose office all such reports will be consolidated for all the States for inclusion, if necessary, in the Appropriation Accounts and for the information of the Director-General, Posts and Telegraphs.

56.The Officers-in-charge of post offices shall report all losses of *India Revenue and Central excise revenue stamps* in stock at post offices, immediately on their occurrence, to (i) the Head of Postal Circle concerned, and (ii) the officer-in-charge of the local or branch depot concerned, and shall at the same time show the face value of the stamp in their accounts as "Advances Recoverable". Postmasters who do not get their supply of stamps direct from local or branch depot should submit the above reports through the Head or Sub-Postmasters concerned. The Head of the Circle shall investigate the matter and submit a. report of his investigation and findings in detail, on the lines of the report prescribed in rule 54 *(b)* to the Treasury Officer of the district. A copy of the report shall be simultaneously forwarded to the Posts and Telegraphs Audit Officer, the 'Accountant-General, Chennai and the Controller of Stamps. On receipt of the sanction of the State Government to the writing-off of the loss the Posts and Telegraphs Audit Officers shall, after clearing the head "Advances Recoverable", pass on the debit for the full face value of the stamps, (as charged by the.ofhcer-in-charge of the Post office in his accounts) to the Accountant-General, Chennai through the exchange accounts.Jn cases where recoveries are made from the postal officials at fault, the amounts recovered shall be credited to the State Government through the exchange accounts.

(G.O. Ms. No. 3202, Revenue, dated 3rd November 1959.)
(B.P. Ms. 1619, dated 28th December 1959.)
[B.P. Perm. No. 85/69 (L.SpL), dated 27th January 1969.]