

THE CURRENCY NOTES ACT, 1946.

[BURMA ACT NO. XXV OF 1946.]

WHEREAS it is necessary to make provision regarding the currency of Burma ;

AND WHEREAS by Proclamation, dated the tenth day of December, 1942, the Governor of Burma has assumed to himself all powers vested by or under the Government of Burma Act, 1935, in the Legislature or in either Chamber thereof ;

26 Geo. I
c. 7.

NOW, THEREFORE, in exercise of the said powers, it is hereby enacted as follows :—

Short title,
commence-
ment and
duration.

1. (1) This Act may be called the Currency Notes Act, 1946.
- (2) It shall be deemed to have come into force with effect from the sixteenth day of October, 1945.
- (3) It shall continue in force until such date as the Governor may, by notification, declare it to be no longer in force.

Interpre-
tation.

2. In this Act—
 - (1) "the Bank" means the Reserve Bank of India ;
 - (2) "Burma notes" means—
 - (i) The Burma bank notes and the overprinted currency notes of the Government of India, for the issue of which by the Bank provision was, prior to the making of the India and Burma (Burma Monetary Arrangements) (Amendment) Order, 1946, made in paragraph 6 of Part II of the India and Burma (Burma Monetary Arrangements) Order, 1937, and
 - (ii) India notes overprinted with the inscription "MILITARY ADMINISTRATION OF BURMA LEGAL TENDER IN BURMA ONLY", issued by or under the authority of the British Military Administration of Burma or by or under the authority of the Governor.
 - (3) "India notes" means currency notes of the Government of India and bank notes of the Bank, other than Burma notes ;
 - (4) "legal tender", in relation to a note, means legal tender in payment or on account for the amount expressed therein.

3. (1) Subject to the provisions of paragraphs 10 and 14 of Part II of the India and Burma (Burma Monetary Arrangements) Order, 1937, the Governor shall manage the currency of British Burma and shall have the sole right to issue currency notes and bank notes in British Burma, and may, in exercise of this right, issue India notes overprinted with the inscription "MILITARY ADMINISTRATION OF BURMA LEGAL TENDER IN BURMA ONLY."

(2) Notwithstanding anything to the contrary contained in any other law, all Burma notes issued by the Governor under sub-section (1) or issued by or under the authority of the British Military Administration of Burma shall be the liability of the Governor, and neither the Bank nor the Government of India shall be liable to pay the value of any such Burma notes except in the capacity of agents of the Governor.

Price,—One anna.]

Management of and
liability for the
currency.

4. (1) No person in Burma other than the Governor shall draw accept, make or issue any bill of exchange, hundi, promissory note or engagement for the payment of money payable to bearer on demand, or borrow, owe or take up any sum or sums of money on the bills, hundis, or notes payable to bearer on demand of any such person :

Prohibition of bills payable to bearer on demand.

Provided that cheques or drafts, including hundis, payable to bearer on demand or otherwise may be drawn on a person's account with a banker, shroff, or agent.

(2) Any person contravening the provisions of sub-section (1) shall be punishable with fine which may extend to the amount of the bill, hundi, note or engagement in respect of which the offence is committed ; but no prosecution under this sub-section shall be instituted save with the sanction of the Governor.

5. (1) Burma notes with the exception of notes of Rs. 1,000 and Rs. 10,000 denomination and India notes shall be legal tender in British Burma :

Burma notes and India notes to be legal tender.

Provided that the Governor may, by notification, declare that, with effect from such date as may be specified in the notification, any series of Burma notes or India notes of any denomination shall cease to be legal tender save in such circumstances as may be specified in the notification :

Provided also that India notes which have ceased in India to be legal tender save at an office or agency of the Bank shall not be legal tender in British Burma save at an office or agency of the Bank.

(2) The Governor shall not re-issue Burma notes which are torn, defaced or excessively soiled.

6. The Governor may, by order in writing, authorize the Bank to exercise and perform all or any of his duties, powers or functions under this Act other than the duties, powers or functions specified in sections 1 (3), 4 (2) and 7 (2) and the proviso to section 5 (1) and may for such services pay to the Bank such remuneration as may be agreed upon between Bank and Governor of Burma.

Governor may appoint Bank as agent.

7. (1) Notwithstanding anything to the contrary contained in any other law, no person shall of right be entitled to recover from the Bank or the Government of Burma the value of any lost, stolen, mutilated or imperfect Burma note or India note.

Lost, stolen or mutilated notes.

(2) Without prejudice to the foregoing provision, the Governor may prescribe the circumstances in which, and the conditions and limitations subject to which, the value of lost, stolen, mutilated or imperfect Burma notes may be refunded as of grace.

8. Nothing in this Act shall affect any of the provisions of the India and Burma (Burma Monetary Arrangements) Order, 1937, as subsequently amended.

Saving.