

and Coinage of British 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 ;

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

PART I.

Preliminary.

1. (i) This Act may be called the Currency and Coinage Act, 1946.
Short Title and Extent.

(ii) It shall come into force on such date as the Governor may, by notification, appoint, and different dates may be appointed for different parts or sections of the Act.

2. In this Act, unless there is anything repugnant in the subject or context,—
Definitions.

- (a) "Agent" means the agent appointed by the Board in pursuance of this Act ;
- (b) "Bank" means any person lawfully carrying on the business of banking in Burma ;
- (c) "Board" means the Burma Currency Board constituted under this Act ;
- (d) "Burma notes" means Burma notes of denominations of Rs. 100 or less issued under the India and Burma (Burma Monetary Arrangements) Order, 1937, British Military Administration notes issued under Currency Proclamation No. 6 of 1945 and notes issued under the Currency Notes Act, 1946 ;
- (e) "Coin" means any coin other than "India coin" issued by the Board under the provisions of this Act which has not been withdrawn from circulation by notification under this Act ;
- (f) "Currency notes" means notes issued by the Board under the provisions of this Act which have not been withdrawn from circulation by notification under this Act ;
- (g) "Deface", with its grammatical variations and cognate expressions, includes clipping, filing, stamping, or such other alteration of the surface or shape of a coin as is readily distinguishable from the effects of reasonable wear ;
- (h) "Financial year" means the year ending on the 30th day of September ;
- (i) "Fund" means the Burma Currency Fund established under this Act ;

price,—Annas 0-3-0.]

- (k) "India notes" means currency notes of the Government of India, (other than Government of India one rupee notes) and bank notes of the Reserve Bank of India other than Burma notes ;
- (l) "Joint Monetary Arrangements" means the India and Burma (Burma Monetary Arrangements) Order, 1937, as amended by the India and Burma (Burma Monetary Arrangements) (Amendment) Order, 1946, and the India and Burma (Burma Monetary Arrangements) (Second Amendment) Order, 1946 ;
- (m) "Legal Tender", in relation to a note, means legal tender in payment or on account for the amount expressed therein ;
- (n) "Prescribed" in Schedule four means prescribed by the Indian Coinage Act, 1906, as in force immediately before the separation of Burma from India, or by the rules in force thereunder ;
- (o) "Standard weight" means the weight specified for any coin.

3. There shall be constituted for British Burma a Board to be called the Burma Currency Board. It shall be a body corporate and may sue, and be sued, in the name of the Burma Currency Board.

Constitution of the Burma Currency Board.

4. The Board shall be appointed by the Governor and shall consist of the following five members, namely :—

Composition of the Burma Currency Board.

- (a) a Chairman, to be nominated by the Governor ;

- (b) two members who shall be persons born and domiciled within the dominions of His Majesty in Burma, of parents habitually resident in Burma, and not established there for temporary purposes only, nominated by the Governor ;
- (c) one who shall be nominated by the Secretary of State for Burma ; and
- (d) one who shall be nominated by the Governor of the Bank of England.

5. The Board shall have its main office and branch offices in such places as may be prescribed by the Governor. It may also appoint an agent or agents in Burma or elsewhere and may delegate to such agent or agents such of its powers as it may consider necessary.

Situation of Board's main Office and appointment of Agents.

6. (1) When a member's office is vacated, the Governor shall appoint a person, nominated as such member was nominated to fill the vacancy.

Terms of office, casual vacancy and absence of members of the Currency Board.

(3) The Governor may appoint a person to act during the temporary absence of any member (other than the chairman) as a member of the Board in his place. A person so appointed shall be nominated in the same way as the member for whom he acts and shall during the temporary absence of that member exercise all the functions of that member.

(4) The chairman and other members of the Board shall be paid such remuneration and allowances as the Governor may from time to time determine.

(5) The chairman or any other member of the Board may at any time resign his office by letter addressed to the Governor.

7. Three members of the Board shall form a quorum at all meetings.
Quorum.

8. The Board shall have power to do all lawful things incidental or conducive to the exercise of the powers and duties conferred upon it by this Act.
Power of the Currency Board.

9. (1) Notwithstanding anything contained in sub-section (2) of this section the Board may employ such officers and other staff for the due performance of duties and pay them such salaries and allowances as it may deem fit.
Employment of officers and staff by the Board.

(2) The Board may arrange with the Government to employ on the work of the Board on such terms as the Governor may approve, either generally or specially, such officers and servants in the service of the Crown in Burma as may be necessary and such officers and servants shall, while engaged in the work of the Board, continue to be subject to all such terms, conditions of service, general orders, public service and pension regulations as are applicable to persons in the service of the Crown in Burma.

PART II.

Burma Monetary Unit, Transactions involving Payment of Money, Issue and Redemption of Currency by Currency Board.

10. (1) The standard unit of monetary value in Burma shall be the Burma rupee.

(2) The Burma rupee shall be divided into sixteen annas.
Standard Unit of monetary value.

11. Every contract, sale, payment, bill, note, instrument and security for money and every transaction, dealing, matter and thing whatsoever relating to money or involving the payment of money or the liability to pay money, shall in the absence of any expressed agreement to the contrary be deemed to be made, executed, entered into, done and had in Burma according to the standard monetary unit of Burma.
All transactions involving money payment must be made by Burma Standard money.

other denominations as may be determined by the Governor, by notification, under this Act.

13. (1) Currency notes issued under this Act shall be of such form and design and be printed from such plates and on such paper and be authenticated in such manner as the Board may, with the approval of the Governor, from time to time determine.

Form of Currency notes.

(2) The plates shall be prepared and kept and the notes printed in accordance with such conditions as the Board may, from time to time, determine.

14. (1) The Board may, subject to the provisions of this Act, cause to be made and issued coins of the denominations specified in the second schedule and of such other denominations as may be determined by the Governor, by notification, under this Act.

Denomination of coins.

(2) The standard weight and composition of such coins and the amount of remedy or variation from standard weight and composition shall be as specified in such notifications as may be issued by the Governor from time to time.

15. (1) The Board shall issue on demand at its Office or Offices in Burma to any person who makes demand in that behalf currency notes or at its option coin equivalent to the value of the sums in sterling lodged by the said person with the Board in London. The Board shall pay on demand to any person who makes demand in that behalf sterling for immediate delivery in London equivalent to the value of currency notes or coin deposited by the said person with its Office or Offices in Burma : such issues or receipts of currency notes or coin against the receipt or payment of sterling shall be at a rate of one shilling and six pence for one Burma rupee :

Obligation of Board to issue and redeem Burma Currency in exchange for sterling.

Provided that—

- (i) no person shall be entitled to lodge with the Board or its agent or agents, as the case may be, less than such minimum sum as from time to time may be determined by the Board with the approval of the Governor for the purpose of obtaining currency notes or coin or sterling as the case may be ;
- (ii) the Board shall be entitled to charge and levy from any person obtaining currency notes, coin or sterling under the provisions of this Section a commission at such rate or rates, not exceeding one-half of one per cent, as it may determine from time to time and, in addition, it may recover the cost of any telegram or telegrams sent in connection with any transfer as above described ; and
- (iii) no person shall be entitled to receive currency in Burma or payment in London unless the Board is satisfied that payment of sterling has been made in London or equivalent currency tendered in Burma as the case may be.

16. (1) Subject to the provisions of sub-section (2) of this Section
Legal tender character of notes. currency notes shall be legal tender at any place in British Burma in payment or on account for the amount expressed therein.

(2) On the recommendation of the Board, the Governor may by notification declare that, with effect from such date as may be specified in the notification, any series of currency notes of any denomination shall cease to be legal tender save at an office or agency of the Board.

(3) Burma notes shall continue to be legal tender in British Burma for the payment of money to the amount expressed in such note for such period or periods as the Governor may after consultation with the Board by notification determine; thereafter such notes shall on demand be exchanged by the Board for currency notes of an equivalent value at such place or places and for such further period or periods as may be determined by notification by the Governor.

(4) If the Governor after consultation with the Board should consider it desirable that India notes should be legal tender in British Burma the Governor may by notification declare that such notes shall be legal tender for such period or periods as he may by notification determine.

17. (1) Coin issued under this Act shall (provided that such coin has not been illegally dealt with) be legal tender in British Burma for payment of the amounts specified in the third schedule.
Coins legal tender in Burma.

(2) India coin shall continue to be legal tender in British Burma to such extent and for such period or periods as the Governor may, after consultation with the Board, by notification determine and the Board may for such period or periods issue or re-issue India coin. Thereafter such India coin shall continue to be exchanged for coin or currency notes of an equivalent value at such place or places and for such further period or periods as may be determined by notification by the Governor.

18. (1) Notwithstanding anything contained in any other law for the time being in force, no person shall of right be entitled to recover from the Board the value of any lost, stolen, mutilated or imperfect Burma note or currency note.
Currency Board and lost, stolen, mutilated or imperfect notes.

(2) The circumstances in which and the conditions and limitations subject to which the value of lost, stolen, mutilated or imperfect Burma notes or currency notes may be refunded as of grace shall be within the absolute discretion of the Board.

19. (1) No person in Burma other than the Board 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
Currency Board and issue of demand bills and promissory notes.

any person contravening the provisions of the last preceding sub section shall be punishable with fine which may extend to the amount of the bill, hundi, note or engagement in respect whereof the offence is committed ; but no prosecution under this sub-section shall be instituted except on complaint made by the Board.

20. (1) The Board shall in exchange for coin or India coin which is for the time being legal tender in British Burma, presented to it at its Office or Offices in Burma supply currency notes of equivalent face value.

(2) The Board shall, in exchange for currency notes which are for the time being legal tender, supply coin (or in its discretion India coin which is for the time being legal tender in British Burma) of equivalent face value, provided that the Governor at the request of the Board may by notification release the Board from its obligation to supply coin under this sub-section and the next succeeding sub-section for such period or periods as may be specified in the notification.

(3) The Board shall in exchange for Burma notes or India notes issue currency notes or supply coin (or in its discretion India coin which is for the time being legal tender in British Burma) of equivalent face value at such place or places and for such period or periods as the Governor by notification may determine.

21. (1) The Governor may by notification under this Act prescribe the circumstances in which coin issued under or circulating by virtue of this Act shall be deemed to have been illegally dealt with for the purposes of this Act and the procedure to be adopted in regard hereto.

(2) The provisions of the fourth schedule shall apply to India coin.

PART III.

Establishment of Burma Currency Fund—Powers and Functions of the Currency Board in relation to the Fund—Accounts.

22. There shall be established a fund to be known as the Burma Currency Fund which shall be vested in the Board and managed by the Board.

23. (1) The Government of Burma shall cause to be transferred to the Fund—

- (a) any sums received from His Majesty's Treasury as cover for Burma notes ;
- (b) any sums received from the Secretary of State for Burma as cover for Burma notes ;
- (c) sums received from time to time by the Government of Burma consequent upon the termination of the Joint Monetary Arrangements and the withdrawal of India

(2) There shall also be paid into the Fund—

all sterling received in exchange for currency notes or coin issued or re-issued under the provisions of this Act otherwise than in exchange for currency notes or coin already issued or in exchange for India notes or Burma notes or India coin under the provisions of this Act.

(3) The Board may have re-minted or may sell as metal any coin received or held by it and shall pay into the Fund the proceeds of any such transaction.

24. (1) There shall be charged upon the Fund —

- Charge on the Fund.
- (a) all sterling paid out in exchange for currency notes or Burma notes or coin under the provisions of this Act ;
 - (b) the purchase price of silver or other metal purchased for the minting of coins ;
 - (c) any special payment for the transaction of business relating to the currency and coinage issues under this Act which the Board with the Governor's approval may consider should properly be charged to the Fund instead of to the Income Account established under Section 28.

(2) If at the end of any financial year the Board is satisfied that the value of the Fund, as ascertained under Section 29, is in excess of the Board's requirements for covering its liabilities in respect of Burma notes, currency notes and coin in circulation, together with provision against depreciation in the value of the investments of the Fund, and any provision for foreseeable expenditure made under sub-section (3) (i) of Section 28 the Board may, with the approval of the Governor, transfer to the general revenues of Burma the whole or part of such excess. Provided that no such transfer from the Fund shall be made unless the value of the Fund exceeds the total of the Burma notes, currency notes and coin in circulation.

25. (1) The Board shall hold such amount of the Fund in liquid

Assets of the Currency Board in the United Kingdom.

form in London as it shall from time to time with the approval of the Governor determine. Such liquid portion of the Fund may be held in cash or on deposit in such bank or banks in the United Kingdom as the Board may determine or in British Government Treasury Bills or in such other short-dated British Government securities as the Board may determine.

(2) The Board may hold in the Fund securities denominated in Burmese currency and issued by the Government of Burma to a total nominal amount of ten crores of Burma rupees.

(3) The Board shall invest the remainder of the Fund in such sterling securities of the Government of the United Kingdom or of the Government of any other part of the British dominions (other than the Government of Burma) or in sterling securities guaranteed by such Governments as the Board may from time to time determine.

borrow on the security of any of the investments. of the Board such sums as may be necessary for meeting any of the payments so falling due.

27. The Governor may advance to the Board from the general revenues of Burma, the preliminary expenses incurred in the preparation, transport and issue of currency notes and coin. All sums so received shall be repaid from the Income Account (as hereinafter provided) to the general revenues of Burma together with interest thereon at such rate as the Governor may determine.

Advance to the Board for preliminary expenses from general revenues of Burma.

28. (1) The Board shall establish an account (hereinafter referred to as the Income Account) into which shall be paid—
Income Account of the Board.

- (a) all dividends, interest or other revenue derived from the investments of the Fund or from the employment in any other manner of the monies of the Fund;
- (b) all commissions or costs charged and levied in terms of proviso (ii) to sub-section (1) of Section 15;
- (c) all other receipts of the Board which by this Act are not required to be paid to the Fund.

(2) (a) There shall be charged upon the said account all outgoings and expenses of the Board and its agents which by this Act are not chargeable on the Fund.

(b) If at the end of any financial year there is a deficiency in the Income Account, such deficiency shall be met from the general revenues of Burma.

(c) Any balance subsisting on the said account at the end of each financial year after making all payments provided for in paragraph (a) of this sub-section shall be applied to the repayment to the general revenue of Burma of any sum received in accordance with Section 27 and paragraph (b) of this sub-section.

(3) If after the completion of the transactions set out in sub-sections (1) and (2) of this Section there remains a surplus on the Income Account,—

- (i) the Board shall pay such surplus into the Fund until it is satisfied that the assets of the Fund are sufficient to cover the liabilities of the Board in respect of Burma notes, currency notes and coin in circulation together with provision against depreciation in the value of the Board's investments and such provision for any foreseeable expenditure chargeable to the Fund under sub-section (1) (c) of Section 24 as may be agreed with the Governor;

- (ii) after satisfying the requirements of paragraph (i) of this sub-section any remaining balance on the Income Account shall be paid to the general revenues of Burma.

26, of—

- (a) the amount of liquid monies of the Fund,
- (b) the value at current market price at the date of valuation of—
 - (i) the investments of the Fund,
 - (ii) any silver or other metal held by or on behalf of the Board,
- (c) the realisable value at market prices at the date of valuation (allowing for the cost of realisation) of the metal content of—
 - (i) coin held by the Board (including India coin temporarily held),
 - (ii) coin in circulation.

30. The Board shall keep such books of account and other books and records as may be proper in relation to its business. Such books of account and other books and records shall be in such form as the Board may from time to time determine.

31. The Board shall submit its accounts for audit by such person or authority as the Governor may appoint and such person or authority shall have access to such books, records and documents of the Board as shall be necessary for the purpose of such audit.

32. The Board shall publish monthly in the gazette an abstract showing as at the last day of the preceding month—

Monthly Statement in Gazette of Coins and Currencies in circulation.

- (i) the amount of currency notes in circulation ;
- (ii) the amount of coin in circulation ;
- (iii) an estimate of the amount of Burma notes in circulation ;
- (iv) an estimate of India coin in circulation.

33. The Board shall publish an annual report on its transactions during the financial year together with a statement of accounts and balance sheet as at the end of the year.

34. Notwithstanding anything contained in the Burma Income-tax Act or in any other enactment for the time being in force relating to income-tax or super-tax, the Board shall not be liable to pay income-tax or super-tax on any of its income, profits or gains.

Exemption of the Board from Income-tax.

35. The Board shall not be liable to pay stamp duty under the Burma Stamp Act in respect of Currency Notes issued under the provisions of this Act.
Exemption of Currency Notes from Stamp Duty.

36. No suit or other proceeding shall lie against any person in respect of anything in good faith done, or intended to be done, under or in pursuance of the provisions of this Act.
Bar of Suits.

37. The Governor may make rules prescribing—

Power to make Rules. (a) anything which by this Act is to be prescribed ;

(b) all other matters and things which are necessary or convenient to be prescribed for giving full effect to this Act.

38. The laws specified in the fifth schedule are hereby repealed to the extent set out in the second column of the said schedule ; and notwithstanding such repeal, anything done and any action taken in exercise of any powers conferred by or under the said Acts shall be deemed to have been done or taken in exercise of the powers conferred by or under this Act.
Repeals.

FIRST SCHEDULE.

(See Section 12.)

Denomination of Currency Notes.

1. One rupee currency note.
2. Five rupee currency note.
3. Ten rupee currency note.
4. Hundred rupee currency note.

SECOND SCHEDULE.

(See Section 14.)

Denomination of Coins.

1. A rupee.
2. A half rupee, or eight-anna piece.
3. A quarter-rupee or four-anna piece.
4. An eighth of a rupee or two-anna piece.
5. A one-anna piece.
6. A half-anna piece.
7. A pice, or quarter-anna.
8. A pie or one-third of a pice or one-twelfth of an anna.

THIRD SCHEDULE.

[See Section 17 (1).]

Legal Tender of Coins.

Denomination of coin.	Amount for which such coins are legal tender.
A rupee	One rupee or any sum exceeding one rupee.
A half-rupee or eight-anna piece.	Half-rupee or any sum not exceeding one rupee.
A quarter-rupee or four-anna piece.	Quarter rupee or any sum not exceeding one rupee.
An eighth of a rupee or two-anna piece.	Eighth of a rupee or any sum not exceeding one rupee.
A one-anna piece	One-sixteenth of a rupee or any sum not exceeding one rupee.
A half-anna piece	One-thirtysecond of a rupee or any sum not exceeding one rupee.
A pice or quarter-anna	One-sixtyfourth of a rupee or any sum not exceeding one rupee.
A pie or one-third of a pice or one-twelfth of an anna.	One-hundred and ninetysecond of a rupee or any sum not exceeding one rupee.

FOURTH SCHEDULE.

[See Section 21 (2).]

Coinage, Powers and Procedure regarding Cutting of Defaced and Counterfeit Coins.

1. Where any silver coin which has been coined and issued under the authority of the Governor-General of India or the Governor-General of India in Council is tendered to any person authorised by the Governor to act under this section, and such person has reason to believe that the coin—

- (a) has been diminished in weight so as to be more than such percentage below standard weight as may be prescribed as the limit of reasonable wear, or
- (b) has been defaced,
- he shall, by himself or another, cut or break the coin.

2. A person cutting or breaking coin under the provisions of sub-section (a) of section 1 of this schedule shall observe the following procedure, namely :—

- (a) if the coin has been diminished in weight so as to be more than such percentage below standard weight as may be prescribed as the limit of reasonable wear, but not more than such further percentage as may be prescribed in this behalf, he shall either return the pieces to the person tendering the coin, or, if such person so requests, shall receive and pay for the coin at such rates as may be prescribed in this behalf; and

- (b) if the coin has been diminished in weight so as to be more than such further percentage below standard weight so prescribed as aforesaid, he shall return the pieces to the person tendering the coin, who shall bear the loss caused by such cutting or breaking.

3. A person cutting or breaking coin under the provisions of sub-section (b) of section 1 of this schedule shall observe the following procedure, namely :—
 Procedure in regard to coin cut under sub-section 1 (b) of this schedule.

- (a) if such person has reason to believe that the coin has been fraudulently defaced, he shall return the pieces to the person tendering the coin, who shall bear the loss caused by such cutting or breaking ;
 (b) if such person has not reason to believe that the coin has been fraudulently defaced, he shall receive and pay for the coin at its nominal value.

Explanation.—For the purposes of this section a coin which there is reason to believe has been defaced by sweating shall be deemed to have been fraudulently defaced.

4. If a coin is liable to be cut or broken under the provisions of both sub-section (a) and sub-section (b) of section 1 of this schedule, the person cutting or breaking the coin shall deal with it,—

Procedure in regard to coin which is liable to be cut under both sub-section (a) and sub-section (b) of section 1 of this schedule.

- (a) if he has reason to believe that the coin has been fraudulently defaced, under sub-section (a) of section 3 of this schedule, and

(b) in other cases under section 2 of this schedule.

5. Where any silver or nickel coin purporting to be coined or issued under the authority of the Governor-General of India or the Governor-General of India in Council is tendered to any person authorised by the Governor to act under this section, and such person has reason to believe that the coin is counterfeit, he shall by himself or by another cut or break the coin, and may at his discretion either return the pieces to the tenderer, who shall bear the loss caused by such cutting or breaking, or in the case of silver coin receive and pay for the coin according to the value of the silver bullion contained in it.

Power to certain persons to cut counterfeit silver or nickel coin and procedure in regard to coin so cut.

FIFTH SCHEDULE.

(See Section 38.)

Acts repealed.

Title of Act.	Extent of repeal.
The Burma Coinage Act (India Act III of 1906).	The whole Act.
The Currency Act, 1940 (Burma Act XVI of 1940).	The whole Act.
The Currency Notes Act, 1946 (Burma Act XXV of 1946).	The whole Act.