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PART VI.

BILLS OF THE GOVERNMENT OF INDIA.

LEGISLATIVE DEPARTMENT.

The following Bill was introduced into the Council of the Governor General of India for the purpose of making Laws and Regulations on the 15th February 1876, and was referred to a Select Committee with instructions to make their report thereon in a month :—

Bill No. 2 of 1876.

A Bill to enable the Government of India to declare certain coins of Native States to be a legal tender in British India.

WHEREAS it is expedient to enable the Governor General in Council to declare that a tender of payment of money, if made in certain coins made for or issued by Native States, shall be a legal tender in British India; It is hereby enacted as follows :—

1. This Act may be called "The Native Coinage Act, 1876":

Short title.

Local extent.

Commencement.

It extends to the whole of British India: And it shall come into force at once.

2. In this Act "Native State" means any Prince or State in India in alliance with Her Majesty.

Interpretation-clause.

3. Subject to the provisions of section four, the Governor General in Council may, from time to time, by notification in the *Gazette of India*, declare that a tender of payment of money, if made in the coins, or the coins of any specified metal, made for or issued by any Native State, shall be a legal tender in British India;

and the provisions of the Indian Coinage Act, 1870, shall apply to the coins to which such notification refers, so far as such provisions are applicable thereto, and save as expressly provided by such notification.

4. The power conferred by the first clause of section three shall be exercisable only when the coins referred to, in such notification comply with the following conditions (that is to say)—

- in the case of coins of gold, silver or bronze,
- (a) their fineness is identical with that for the time being prescribed by law for coins of the Government of India of the same metal;
- in the case of coins whether of gold, silver, bronze or copper,
- (b) they are identical in weight with some coins of the Government of India of the same metal, which may for the time being be legally coined at any Mint of the

- Government of India, or bear such relation thereto as is approved by the Governor General in Council ;
- (c) the devices upon their obverse and reverse differ from the devices on coins now made or issued by any such Native State, and have been approved by the Governor General in Council ;
- (d) upon each of such coins its value in money of the Government of India is inscribed in the English language ;
- (e) the Native State for which they are coined has undertaken to abstain during a term of not less than thirty years, from coining in its own mint gold, silver, bronze or copper, as the case may be, and has also undertaken that no coins resembling coins for the time being a legal tender in British India shall, after the expiration of the said term, be struck under its authority or with its permission at any place within or without its jurisdiction ;
- (f) such State has formally declared that a tender of payment of money, if made in coins of the Government of India of the same metal, shall be a legal tender in the territories subject to such State ;
- (g) such State has also agreed that the law and rules for the time being in force respecting the cutting and breaking of coin of the Government of India reduced in weight by reasonable wearing or otherwise, or counterfeited, or called in by proclamation, shall apply to the coins made for or issued by such State under this Act, and that it will defray the cost of cutting and breaking them ; and

- (h) such State has also agreed not to issue the same coins below their nominal value, and not to allow any discount or other advantage to any person in order to bring them into circulation.

5. It shall be lawful for any such State to send to any mint in British India metal to be made into coin under this Act ; and, subject to the Mint-rules for the time being in force, and to the provisions hereinafter contained, the Mint-master shall receive such metal and convert it into coin, provided that it be fit for coinage.

Native States authorized to send metal to British Indian mint for coinage.

Nothing herein contained shall be deemed to entitle any such State to have coins made under this Act at any Mint of the Government of India of any metal which is not for the time being legally coined at such Mint.

6. The Governor General in Council may impose on the coinage of any metal under this Act a charge sufficient to defray the expenses of coinage over and above the expenses of assay and refining ; and the Mint-master shall coin such metal at the charge so imposed.

Power to impose a charge for coinage.

7. The Governor General in Council may from time to time, with reference to the reasonable requirements of the population of any Native State, fix the maximum number of any particular coins that shall be coined under this Act.

Power to limit number of coins to be made under this Act for any Native State.

STATEMENT OF OBJECTS AND REASONS.

The establishment of a uniform coinage throughout the Indian Peninsula has long been recognized as politically and socially expedient, and the present Bill is intended to be a first step in this direction. It proposes to enable the Governor General in Council to declare that a tender of payment of money, if made in the coins, or the coins of any specified metal, made for or issued by any Native State shall (subject to the provisions of the Indian Coinage Act, 1870) be a legal tender in British India.

2. The power is limited by the following restrictions :—

- (a). The fineness of the coins of the Native State in question must be identical with the fineness legally prescribed for the coins of the Government of India of the same metal :
- (b). They must be identical in weight with some coins of the Government of India of the same metal, which may for the time being be legally coined at any of its Mints, or bear such relation thereto as is approved by that Government :
- (c). The devices upon their obverse and reverse must differ from the devices on coins now made and issued by any Native State, and have been approved by the Government of India :
- (d). Upon each of such coins its value in money of the Government of India must be inscribed in English :
- (e). The Native State for which they are coined must have undertaken (1) to abstain during a term of not less than 30 years from coining in its own mint, gold, silver, bronze, or copper, as the case may be, (2) that no coins resembling coins which are for the time being a legal tender in British India shall, after the expiration of the said term, be struck under its authority or with its permission at any place within or without its jurisdiction :
- (f). Such State must have formally declared that a tender of payment of money, if made in coins of the Government of India of the same metal, shall be a legal tender in the territories subject to the same State :

- (g). Such State must have also agreed that the rules for the time being in force respecting the cutting and breaking of worn or counterfeit or called-in coin of the Government of India shall apply to the coins made or issued by such State, and that it will defray the cost of cutting and breaking them :
- (h). Such State must also have agreed not to issue the same coins below their nominal value, and not to allow any advantage to any person in order to bring them into circulation.
3. In the case of gold coins the power to be conferred by the proposed Act will not of course be exercised unless a tender of payment in gold coined under Act XXIII. of 1870 has been made a legal tender in British India.
4. The Bill authorises the Native States to send proper metal to any British Indian mint to be coined under the proposed Act, and enables the Government of India to impose a reasonable charge for coining it. But no such State will be entitled to have coins made at any mint of the Government of India of any metal not for the time being legally coined at such mint.
5. Lastly, the Governor General in Council is empowered to limit the number of any particular coin to be made under the proposed Act for any Native State.
6. The Act will not be brought into force with regard to the coins of any Native State which has not now a mint in active operation, unless the right of such State to re-open a mint is specially recognized by the Government of India.

(Signed) W. MUIR.

Calcutta, 27th January 1876.

WHITLEY STOKES,
Secretary to the Government of India.