Coinage Act, 1906

Section 13 - Inserted by the Indian Coinage

, be a legal tender in payment or on account at the rate of sixteen annas, sixty-four pice or one hundred and ninety-two pies, to one hundred new coins referred to in sub-section (1), calculated in respect of any single coin or number of such coins, tendered at one transaction, to the nearest new coin, or where the new coin above and the new coin below are equally near to the new coin below.(3) All references in any enactment or in any notification, rule or order under any enactment or in any contract, deed or other instrument to any value expressed in annas, pice and pies shall be construed as references to that value expressed in new coins referred to in sub-section (1) converted thereto at the rate specified in sub-section (2).]16[(4) As from the commencement of the Indian Coinage (Amendment) Act, 1964, all references in any enactment or in any notification, rule or order under any enactment or in any contract, deed or other instrument to any value in naya paisa or naya paise shall be construed as references to that value expressed respectively in paisa or paise, being the new coins, designated as such from 1st day of June, 1964.]SECTION 15: COIN MADE UNDER FORMER ACTS[Repealed by the Indian Coinage (Amendment) Act, 1947 (28 of 1947), S. 6 (7-6-1947).]SECTION 15A: POWER TO CALL IN COIN24Notwithstanding anything contained in19[section 13-], the18[Central Government] may, by notification in the18[Official Gazette,] call in with effect from such date as may be specified in the notification, any coin, of whatever date or denomination, referred to in20[that section]21[* * *] and on and from the date so specified such coin shall cease to be a legal tender22[save to such extent as may be specified in the notification].]SECTION 16: POWER TO CERTAIN PERSONS TO CUT DIMINISHED OR DEFACED SILVER COINSWhere any silver coin which has been coined and issued under the authority of the26[Central Government] is tendered to any person authorised by the26[Central Government]27[* * *] 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. Sections 16-to20-deal with diminished, defaced and counterfeit coins. Of these,sections 16-to19-deal with diminished or defaced coin, while section 20-is limited to counterfeit coin. As regards diminished or defaced silver coin, section 16-confers powers on certain persons, to be authorised in this behalf by the Central Government, to cut or breach such coin. Section 17-prescribes the procedure to be followed in regard to. coins cut or broken on the ground of their being of diminished weight. If diminished in weight beyond the limit of reasoanble wear, as may be prescribed, but not beyond a further limit to be prescribed in this connection, they will be accepted at something less than face value according to graduated scale, If diminished beyond this last percentage, the pieces will be returned to the tenderer and will be worth to him only their value as silver bullion. Section 18-prescribes the procedure to be followed in regard to coins cut or broken on the ground that they have been defaced. In cases where the cutting officer has reason to believe that the defacement was fraudulent he will return the pieces to the tendered who will bear the loss; and where the defacement is not fraudulent the coin, though it will be cut or broken, shall be received at full face value. An explanation has been added to this clause to show that defacement caused by sweating constitutes fraudulent defacement. Section 19-provides for the case where a coin is laible to be cut or broken both as being diminished in weight and as being defaced. In such cases the section provides that the person cutting or breaking the coin shall deal with it, if he has reason to believe that the coin has been fraudulently defaced, under the provisions of section 18, clause (a), relating to such coin, and otherwise under the provisions of section 17-as a coin which has been diminished in weight. As regards counterfeit coin, section 20-provides for such coin being wholly rejected by the person cutting or breaking them. Power is, however, also taken to require the tenderer to sell, in the case of silver coin, the pieces at bullion value to Government in cases where the officer considers this course to be for any reason desirable--See Select Committee Report.SECTION 17: PROCEDURE IN REGARD TO COIN CUT UNDER SECTION 16(A)A person cutting or breaking coin under the provisions of clause (a) of section 16-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.SECTION 18: PROCEDURE IN REGARD TO COIN CUT UNDER SECTION 16(B)A person cutting or breaking coin under the provisions of clause (b) of section 16-shall observe the following procedure, namely:-(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.SECTION 19: PROCEDURE IN REGARD TO COIN WHICH IS LIABLE TO BE CUT UNDER BOTH CLAUSE (A) AND CLAUSE (B) OF SECTION 16If a coin is liable to be cut or broken under the provisions of both clause (a) and clause (b) of