



# THE PAKISTAN COINAGE ACT, 1906



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THE PAKISTAN CODE

# THE PAKISTAN COINAGE ACT, 1906

<sup>1</sup>ACT No. III OF 1906

[2nd March, 1906]

## An Act to consolidate and amend the law relating to Coinage and the Mint.

**WHEREAS** it is expedient to consolidate and amend the law relating to Coinage and the Mint; It is hereby enacted as follows :—

### PRELIMINARY

<sup>2</sup>**[1. Short title and extent.** —(1) This Act may be called the Pakistan Coinage Act.

(2) It extends to the whole of Pakistan.]

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

- (a) “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 ;
- (b) “the Mint” includes the Mints now existing and any which may hereafter be established ;
- (c) “prescribed” includes prescribed by a rule made under this Act ;
- (d) “remedy” means variation from the standard weight and fineness ; and
- (e) “standard weight” means the weight prescribed for any coin.

**3. Power to establish and abolish Mints.** The <sup>3</sup>[ Federal Government] may, by notification in the <sup>4</sup>[ official Gazette ], —

- (a) establish a Mint at any place at which a Mint does not for the time being exist; and
- (b) abolish any Mint, whether now existing or hereafter established.

<sup>5</sup>[ \* \* ]

<sup>1</sup> For Statement of Objects and Reasons, *see* Gazette of India, 1905, Part. V, p. 32; for Report of the Select Committee, *see ibid.*, 1906, Part. V, p. 9; and for Proceedings in Council, *see ibid.*, 1905, Part VI, p. 142 ; *ibid.*, 1906, Part VI, p. 28.

This Act has been declared to be in force in—

(1) Upper Tanawal, an excluded area in N.W.F.P., by N.W.F.P. Regulation I of 1941;

It has been extended to the Leased Areas of Baluchistan, *see* the Leased Areas(Laws) Order, 1950 (G.G.O. 3 of 1950) ; and applied in the Federated Areas of Baluchistan, *see* Gazette of India, 1937, Pt. I, p. 1499.

It has also been extended to the Baluchistan States Union, *see* the Baluchistan States Union (Federal Laws) (Extension) Order, 1953 (G.G.O. 4 of 1953), as amended by the Baluchistan States Union (Federal Laws) (Extension) (Second Amdt.) Order, 1953 (G.G.O. 19 of 1953).

It has also been extended to the Khairpur State, *see* G.G.O. 5 of 1953, as amended by G.G.O. 24 of 1953.

It has also been extended to the State of Bahawalpur by the Bahawalpur (Extension of Federal Laws) Order, 1953 (G.G.O. 11 of 1953), as amended by the Bahawalpur (Extension of Federal Laws) (Amdt.) Order, 1953 (G.G.O. 21 of 1953).

It has also been extended to the Baluchistan by Baluchistan Laws Reg. II of 1913, s. 3.

The Act has been and shall be deemed to have been brought into force in Gawadur with effect from the 8th September, 1958 by the Gawadur (Application of Central Laws) Ordinance, 1960 (37 of 1960), s. 2.

<sup>2</sup> Subs. by the Pakistan (Monetary System and Reserve Bank) Order, 1947 (G.G.O. 21 of 1947), Art. 10, for the original section 1.

<sup>3</sup> Subs. by the Pakistan Coinage (Amdt.) Act, 1975 (23 of 1975), s. 2, for “Central Government”, which had been subs. by A. O., 1937, for “G. G. in C ”

<sup>4</sup> Subs. by A. O., 1937, for “Gazette” of India”.

<sup>5</sup> The Heading “Silver Coinage” omitted by the Indian Coinage (Amdt) Act, 1947 (28 of 1947), S.2.

**4 and 5.** [Silver Coins. Standard weight and fineness.] Rep. by the Indian Coinage (Amendment) Act, 1947 (28 of 1947), s. 2.

## <sup>1</sup>[ COINAGE

**<sup>16</sup>6. Denominations, dimensions, designs and composition of coins.** Coins may be coined at the Mint <sup>2</sup>[, or at a mint outside Pakistan,] for issue under the authority of the <sup>3</sup>[Federal Government], of such denominations <sup>6</sup>[nor less than one rupee] <sup>4</sup>[\* \* \*] of such dimensions and designs, and of such metals or of mixed metals of such composition as the <sup>3</sup>[Federal Government] may, by <sup>5</sup>[notification in the official Gazette, determine.]

**<sup>7</sup>7. Standard weight and remedy.** The standard weight of the coins of any denomination coined under the provisions of section 6, and the remedy allowed in the making of such coins shall be such as may be prescribed in this behalf by the <sup>9</sup>[Federal Government.]]

<sup>7</sup>[8 and 9.[\* \* \* \* \*]]  
<sup>9</sup>[\* \* \*]

**10 to 12.** [Power to direct coining and to prescribe dimensions and designs. Demonetization of sovereign and half sovereign. Silver coin when a legal tender.] Rep. by the Indian Coinage (Amendment) Act, 1947 (XXVIII of 1947).

**<sup>10</sup>13. Coins when a legal tender.** —(1) The coins issued under the authority of section 6 shall be legal tender in payment or on account for any sum:

Provided that the coin has not been defaced and has not lost weight so as to be less than such weight as may be prescribed in its case.

(2) All the gold or silver coins issued under the Act on or after the 1st day of January, 1976, shall continue as before to be legal tender in payment or on account for any sum:

Provided that the coin has not been defaced and has not lost more than one-fortieth of weight as specified below:—

(a) in case of gold,—

- (i) 33.437 grams in the case of three thousand rupee coin issued in 1976 to commemorate the conservation of Astor Markhor;
- (ii) 9 grams in the case of one thousand rupee coin issued in 1977 to commemorate the Islamic Summit Conference;
- (iii) 4.5 grams in the case of five hundred rupee coin issued in 1976 to celebrate the 100th birth anniversary of Quaid e Azam Muhammad Ali Jinnah; and

<sup>1</sup> S. 6 and the heading above it, subs. Indian Coinage (Amdt) Act, 1947 (28 of 1947), s. 3, for the original heading and s. 6, as subsequently amended.

<sup>2</sup> Ins. by Act 23 of 1975, s. 3.

<sup>3</sup> Subs. *ibid.*, s. 2, for “Central Government”.

<sup>4</sup> The words “not higher than one rupee” omitted *ibid.*, s. 3.

<sup>5</sup> For instances of such notifications, see Gaz. of P., 1960, Ext., pp 1253 1355, *ibid.* 1963, Ext., pp 89-90 and *ibid.*, 1964, Ext., pp. 141-144.

<sup>6</sup> Ins by Act X of 2013, s.2.

<sup>7</sup> Subs. by the Indian Coinage (Amdt.) Ordinance, 1942 (4 of 1942). s. 2, for sections 7,8 and 9. For instances of notification under section 7, see Gaz. of P., 1952, Pt. I, pp. 212-213, *ibid.*, 1960, Ext., p. 1353, *ibid.*, 1963, Ext., p. 91, and *ibid.*, 1964, Ext., p. 142.

<sup>8</sup> Subs. by the Pakistan Coinage (Amdt.) Act, 1975 (23 of 1975), s. 2, for “Central Government”.

<sup>9</sup> The heading “Dimensions and Designs of Coins”. was omitted by the Indian Coinage (Amdt.) Act, 1947 (28 of 1947), s. 4.

<sup>10</sup> Subs. by Act No. X of 2013, s. 3.

- (iv) 3.64 grams in the case of five hundred rupee coin issued in 1977 to celebrate the 100th birth anniversary of Allama Iqbal; and
- (b) in case of silver,—
  - (i) 28.28 grams in case of one hundred rupee coin issued in 1976 to commemorate conservation of Western Trogopan;
  - (ii) 20.44 grams in the case of one hundred rupee coin issued in 1976 to celebrate the 100th birth anniversary of Quaid e Azam Muhammad Ali Jinnah;
  - (iii) 20.44 grams in the case of one hundred rupee coin issued in 1977 to commemorate the Islamic Summit Conference;
  - (iv) 20.40 grams in the case of one hundred rupee coin issued in 1977 to celebrate the 100th birth anniversary of Allama Iqbal; and
  - (v) 35 grams in the case of one hundred fifty rupee coin issued in 1976 to commemorate the conservation of Gharial Crocodile.]

<sup>1</sup>14.[\* \* \* \* \*]

15. [Coin made under former Acts.] Rep. by the Indian Coinage (Amendment) Act, 1947 (XXVIII of 1947).

<sup>2</sup>[15A. Power to call in coin. Notwithstanding anything contained in <sup>3</sup>[section 13,] the <sup>4</sup>[Federal Government] may, by <sup>5</sup>notification in the <sup>6</sup>[ 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 in <sup>7</sup>[ that section] <sup>8</sup>[\* \* \*] and on and from the date so specified such coin shall cease to be a legal tender <sup>9</sup>[ save to such extent as may be specified in the notification ].

<sup>10</sup>[\* \* \* \* \*]

<sup>11</sup>[15AA. Decimal coinage.— State Bank of Pakistan shall exchange coins of paisa 1, 2, 5, 10, 25 and 50, already issued by the Federal Government, till such date as notified by the State Bank of Pakistan; thereafter, these coins shall cease to be legal tender.]

<sup>11</sup>[15B \* \* \* \* \*]

<sup>1</sup> By the Indian Coinage (Amdt.) Ordinance, 1942 (4 of 1942), section 14 and the original section 13 were together substituted by a single section 13 which has again been subs. by the Indian Coinage (Amdt.) Act, 1947 (28 of 1947), s. 5.

<sup>2</sup> S. 15A ins. by the Indian Coinage (Amdt.) Act, 1924 (10 of 1924), s. 3.

<sup>3</sup> Subs. by Act 28 of 1947, s. 7, for “section 12, section 13, or section 15”.

<sup>4</sup> Subs. by the Pakistan Coinage (Amdt.) Act, 1975 (23 of 1975), s. 2, for “Central Government”, which had been subs. by A. O., 1937, for “G.G. in C.”.

<sup>5</sup> For instance of notifications, see Gaz. of P., 1963, Pt. I, p. 234, *ibid.*, 1964, Pt. I, p. 340.

<sup>6</sup> Subs. by A. O., 1937, for “Gazette of India”.

<sup>7</sup> Subs. by Act 28 of 1947, s. 7, for “any of those sections”.

<sup>8</sup> The words “other than the rupee and half-rupee referred to in sub-section (1) of section 12”, omitted by the Indian Coinage (Second Amdt.) Ordinance, 1940 (12 of 1940), s. 2.

<sup>9</sup> Subs. *ibid.*, for the words “save at a Government currency office”.

<sup>10</sup> Proviso Omitted, *ibid.*

<sup>11</sup> Ins & Omitted by Act X of 2013, ss 4 & 5.



## DIMINISHED, DEFACED AND COUNTERFEIT <sup>1</sup>[\*] COINS

**16. Power to certain persons to cut diminished or defaced silver coins.** Where any silver coin which has been coined and issued under the authority of the <sup>2</sup>[Federal Government] is tendered to any person authorised by the <sup>2</sup>[Federal Government] <sup>3</sup>[\* \* \* ] 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.

**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.

**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.

*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.

**19. Procedure in regard to coin which is liable to be cut under both clause (a) and clause (b) of section 16.** If a coin is liable to be cut or broken under the provisions of both clause (a) and clause (b) of section 16, the person cutting or breaking the coin shall deal with it,—

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<sup>1</sup>The word “SILVER” omitted by the Indian Coinage (Amdt.) Act, 1919 (21 of 1919), s. 6.

<sup>2</sup>Subs. by the Pakistan Coinage (Amdt.) Act, 1975 (23 of 1975), s.2, for “Central Government”, which had been subs. by A. O., 1937, for “G.G. in C.”.

<sup>3</sup>The words “or by the L. G.” omitted by A. O., 1937.

- (a) if he has reason to believe that the coin has been fraudulently defaced, under clause (a) of section 18, and
- (b) in other cases, under section 17.

**20. Power to certain persons to cut counterfeit or fraudulently defaced coin and procedure in regard to coin so cut.** Where any <sup>1</sup>[\* \* \*] coin purporting to be coined or issued under the authority of the <sup>2</sup>[Federal Government] is tendered to any person authorised by the <sup>2</sup>[Federal Government] <sup>3</sup>[\* \* \*] to act under this section, and such person has reason to believe that the coin is counterfeit <sup>4</sup>[or has been fraudulently defaced ], he shall by himself or 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 <sup>5</sup>[ in the case of silver coin] receive and pay for the coin according to the value of the silver bullion contained in it.

## SUPPLEMENTAL PROVISIONS

**21. Power to make rules.**—(1) The <sup>2</sup>[ Federal Government] may make <sup>6</sup>rules to carry out the purposes and objects of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may—

<sup>7</sup>[\* \* \* \* \*]

(b) provide for the guidance of persons authorised to cut or break coin under sections 16 and 20.

(c) determine the percentage of diminution in weight below standard weight not being less <sup>8</sup>[than two per cent in the case of silver coins or five per cent. in the case of pure nickel coins,] which shall be the limit of reasonable wear.

(d) prescribe the further percentage referred to in clause (a) of section 17, and the rates at which payments shall be made in the case of coins falling under the same clause; <sup>9</sup>[\*]

<sup>9</sup>[\* \* \* \* \*]

(3) Every such rule shall be published in the <sup>10</sup>[ official Gazette ], and on such publication shall have effect as if enacted in this Act.

<sup>1</sup> The words “silver or other” omitted by the Indian Coinage (Amdt.) Act, 1947 (28 of 1947), s. 8.

<sup>2</sup> Subs. by the Pakistan Coinage (Amdt.) Act, 1975 (23 of 1975), s. 2. for “Central Government” which had been subs. by A. O., 1937, for “G. G. in C”.

<sup>3</sup> The words “or by the L. G.” omitted, by A. O., 1937.

<sup>4</sup> Ins. by Act 28 of 1947, s. 8.

<sup>5</sup> Ins. by the Indian Coinage.(Amdt.) Act, 1919 (21 of 1919), s. 6 (2).

<sup>6</sup> For instances of rules, see Gaz. of P., 1960, Ext., p. 1355 *ibid.*, 1963, Ext., p. 91 and *ibid.*, 1964, Ext., p. 142.

<sup>7</sup> Clause (a) omitted by the Indian Coinage (Amdt.) Act, 1947 (28 of 1947), s. 9.

<sup>8</sup> Subs. *ibid.*, for “in any case than two percent.”.

<sup>9</sup> The word “and” and clause (e) rep. by the Currency Act, 1927 (4 of 1927), s. 2..

<sup>10</sup> Subs. by A. O., 1937, for “Gazette of India”.

**22. Bar of suits.** 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.

**23. Saving of making of other coins at Mints.** Nothing in this Act shall be deemed to prohibit or restrict the making at the Mint of coins intended for issue as money by the Government of any territories beyond the limits of <sup>1</sup>[Pakistan].

**24.** [*Saving of copper coins.*] *Rep. by the Indian Coinage (Amendment) Act, 1947 (XXVIII of 1947), s. 10.*

*THE SCHEDULE.*—[*Enactments repealed.*] *Rep. by the Repealing and Amending Act, 1914 (X of 1914), Schedule II.*



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<sup>1</sup> The original words "British India" have successively been amended by A. O., 1949, Arts. 3(2) and 4, A. O., 1964. Art. 2 and Sch. and the Repealing and Amending Ordinance, 1965 (10 of 1965), s. 3 and 2nd Sch., to read above.