

THE SMALL COINS (OFFENCES) ACT, 1971

Act No.52 of 1971

An Act to provide for the prevention of melting or destruction of small coins, hoarding of small coins for the purpose of melting or destruction thereof, and for matters connected therewith or incidental thereto.

[11th December, 1971]

WHEREAS an acute shortage of small coins has been felt in the country and it is necessary, in the interests of the general public, to take steps to relieve such shortage;

BE it enacted by Parliament in the Twenty-second Year of the Republic of India as follows:-

Short title -

1. (1) This Act may be called the Small Coins (Offences) Act, 1971.
- (2) *'deleted'*.

Definition -

2. In this Act, unless the context otherwise requires,-
 - (a) "mint" means a mint of the Government of India;
 - (b) "small coin" means any coin of the value of less than one rupee, which is legal tender under the Indian Coinage Act, 1906.

Prohibition on melting destruction of small coins -

3. (1) No person shall-

- (a) melt or destroy any small coin, or
- (b) have in his possession, custody or control-
 - (i) any melted coin, whether in the molten state or in a solid state, or
 - (ii) any small coin in a destroyed or mutilated state, or
 - (iii) small coins substantially in excess of his reasonable requirements in such circumstances as to indicate that he is having the possession, custody or control of such small coins for the purpose of melting or destroying such small coins.

Explanation- For the purpose of determining the reasonable requirements of small coins of a person, due regard shall be had to-

- (i) his total daily requirements of small coins,
- (ii) the nature of his business, occupation or profession,
- (iii) the mode of his acquisition of small coins, and
- (iv) the manner in which, and the place at which, such small coins are being possessed, held or controlled by him.

(2) Whoever is found to be in the possession of any metal, which contain alloys in the same proportions in which they have been in the manufacture of any small coin, shall be presumed, until the contrary is proved, to have contravened the provisions of sub-section (1)

(3) Nothing contained in sub-section (1) or sub-section (2) shall apply to the mint.

Penalty for contravention of section 3 -

4. Whoever contravenes any provisions of sub-section (1) of section 3 without any reasonable excuse, the burden of proving of which shall lie on such person, shall be punishable with imprisonment a term of not less than three months but not more than five years.

Offences by companies -

5. (1) Where an offence against this Act has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was reasonable to , the company for the of its business, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall any render person liable to punishment, if he proves that the offence committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1) where any offence under this Act has been committed by a company and is proved that the offence has been committed with the consent connivance of, or is attributable to, any neglect on the part of director, manager, secretary or other officer of the company director, manager, secretary or other officer shall be deemed to guilty of that offence and shall be liable to be proceeded against punished accordingly.

Explanation - For the purposes of this section,-

(a) “company” means anybody corporate and includes a firm society or other association of individuals; and

(b) “director”,-

(i) in relation to a firm means a partner in the firm,

(ii) in relation to a society or other association of individuals, means the person who is entrusted, under the rules of the society or other association, with the management of the affairs of the society or other association,` as the case any be.

6. Notwithstanding anything contained in the code of Criminal Procedure, 1898, offences against this Act shall be cognizable and bailable but shall not be compoundable.

7. Notwithstanding anything contained in section 260 of the code of Criminal Procedure, 1898, offences against this Act may be tried summarily by a Presidency Magistrate or a Magistrate of the first class.

8. Any small coin or metal in relation to which any offence against this Act has been committed shall be forfeited to Government.

9. Nothing in the probation of Offenders Act, 1958, shall apply to any offence against this Act.

10. The Small Coins (Offences) Ordinance, 1971, is hereby repealed.