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Title: Motion for consideration of the Coinage Bill, 2009 (Motion Adopted and Bill Passed).

MADAM SPEAKER : Now item No.39, Coinage Bill, 2009.

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): Madam Speaker, I beg to move:

"That the Bill to consolidate the laws relating to coinage and the Mints, the protection of coinage and to provide for the prohibition of melting or destruction of coins and prohibit the making or the possession thereof for issue and for matters connected therewith or incidental thereto, be taken into consideration."

The Coinage Bill, 2009 was introduced in the Lok Sabha on December 17, 2009 and was referred to the Standing Committee on Finance (SCF). The Standing Committee on Finance submitted its Report to the Lok Sabha on August, 31, 2010 which was also laid in the Rajya Sabha on the same day. The recommendations of the Committee were examined and a draft of Amendments to the Bill was prepared and placed before the Cabinet, which approved the same. The Bill, as sought to be amended on the recommendations of the Standing Committee on Finance, seeks to amalgamate the following four Acts and one Ordinance:

1. The Indian Coinage Act, 1906;
2. The Small Coins (Offences) Act, 1971;
3. The Metal Token Act, 1889;
4. The Bronze Coin (Legal Tender) Act, 1918; and
5. The Currency Ordinance, 1940.

The salient features of the Bill which are proposed to be amended with the approval of the House are:

- Enabling Central Government to establish a mint at any place, which may be managed by the Ministry of Finance or a person/organization authorized by it;
- Providing for making of coins from metals or mixed metals or any other material (the provision of 'any other material' has been made on the recommendations of the Committee and also to include Re. 1 notes in its purview on repealing of the Currency Ordinance, 1950);
- Providing for minting of coins of denominations not higher than Rs. 1000 in any mint established under the Act;
- Providing for payments upto Rs.1000 to be made in coins (earlier provision was upto any sum but the restriction has been proposed on recommendations of the RBI for reasons of difficulties in making transactions);
- Providing for punishment with imprisonment upto seven years for offences relating to melting and destruction of coins which is an enhancement from existing provisions prescribing imprisonment upto five years;
- Providing for coins minted under the proposed legislation to constitute legal tender;
- Empowering Central Government to notify certain categories of coins as not being legal tender any more; and
- Providing for repeal of the aforementioned existing legislations.

With these words, I commend the Bill for the consideration of the House.

12.00 hrs.

श्री शरद यादव (मधेपुरा): अध्यक्ष महोदया, वित्त मंत्री जी ने जो बिल पेश किया है, उसमें बहस की जरूरत नहीं है। आज समय की कमी है, इसलिए मैं समझता हूँ कि इसे पास कर दें और इसके बाद दूसरी बहस शुरू की जाए, तो ज्यादा अच्छा होगा।

MADAM SPEAKER: The question is:

"That the Bill to consolidate the laws relating to coinage and the Mints, the protection of coinage and to provide for the prohibition of melting or destruction of coins and prohibit the making or the possession thereof for issue and for matters connected therewith or incidental thereto, be taken into consideration."

The motion was adopted.

MADAM SPEAKER: Now, the House will take up clause-by-clause consideration of the Bill.

Clause 2 Definitions

Amendments made:

Page 1, for lines 9 to 12, *substitute* –

'(a) "coin" means any coin which is made of any metal or any other material stamped by the Government or any other authority empowered by the Government in this behalf and which is a legal tender including commemorative coin and Government of India one rupee note.

Explanation. – For the removal of doubt it is hereby clarified that a "coin" does not include the credit card, debit card, postal order and e-money issued by any bank, post office or financial institution;'. (3)

Page 2, line 8, --

for "piece of metal"

substitute "coin". (4)

Page 2, line 9, --

for "other metal"

substitute "other material". (5)

Page 2, line 11, --

for "any organisation"

substitute "the Security Printing and Minting Corporation of India Limited formed and incorporated under the Companies Act, 1956 or any other organisation". (6)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 2, as amended, stand part of the Bill".

The motion was adopted.

Clause 2, as amended, was added to the Bill.

Clause 3 Power to establish and abolish mints

Amendment made:

Page 2, lines 21 and 22, --

*for "the Government of India in the Ministry of Finance, Department of Economic Affairs"
substitute "it". (7)*

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 3, as amended, stand part of the Bill".

The motion was adopted.

Clause 3, as amended, was added to the Bill.

Clause 4 Denominations, dimension, designs and composition of coins

Amendment made:

Page 2, line 36, --

*for "mixed metals of such composition"
substitute "mixed metals of such composition or any other material". (8)*

(Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 4, as amended, stand part of the Bill."

The motion was adopted.

Clause 4, as amended, was added to the Bill.

Clause 5 was added to the Bill.

Clause 6 Coin when a legal tender

Amendments made:

Page 2, line 43, --

*after "any sum"
insert "not exceeding one thousand rupees". (9)*

Page 3, *omit* lines 5 to 17. (10)

Page 3, line 18, --

for "(4)"

substitute "(2)". (11)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 6, as amended, stand part of the Bill".

The motion was adopted.

Clause 6, as amended, was added to the Bill.

Clauses 7 and 8 were added to the Bill.

**Clause 9 Power to certain persons to cut,
diminished or defaced coins**

Amendment made:

Page 4, *omit* lines 15 and 16. (12)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

That clause 9, as amended, stand part of the Bill".

The motion was adopted.

Clause 9, as amended, was added to the Bill.

Clause 10 was added to the Bill.

Clause 11 Power of mint to delegate its functions

Amendment made:

Page 4, line 21, --

for "any officer of the Mint duly empowered by the Government"

substitute "The Mint". (13)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

That clause 11, as amended, stand part of the Bill".

The motion was adopted.

Clause 11, as amended, was added to the Bill.

Clauses 12 to 15 were added to the Bill.

Clause 16 Offences by companies

Amendment made:

Page 5, line 43,-

for "guilty"

substitute "guilty". (14)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 16, as amended, stand part of the Bill."

The motion was adopted.

Clause 16, as amended, was added to the Bill.

Clauses 17 to 22 were added to the Bill.

Clause 23 Power to remark difficulties

Amendment made:

Page 6, line 34, -

for "two"

substitute "five". (15)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 23, as amended, stand part of the Bill."

The motion was adopted.

Clause 23, as amended, was added to the Bill.

Clause 24 Power to make rules

Amendment made:

Page 7, *omit* lines 5 and 6. (16)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 24, as amended, stand part of the Bill."

The motion was adopted.

Clause 24, as amended, was added to the Bill.

Clauses 25 and 26 were added to the Bill.

Clause 27 Repeal and savings

Amendments made:

Page 7, after line 21,-

insert "(d) the Currency Ordinance, 1940;" . Ord. IV of 1940 (17)

Page 7, line 22,-

for "(d)"

substitute "(e)". (18)

Page 7, line 23,-

after "enactment"

insert "and Ordinance" (19)

Page 7, line 24,-

after "the repealed enactment"

insert "or Ordinance". (20)

Page 7, line 34, -

after "any enactment"

insert "or Ordinance". (21)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 27, as amended, stand part of the Bill."

The motion was adopted.

Clause 27, as amended, was added to the Bill.

Clause 28 Continuance of existing coins

Amendment made:

Page 7, for lines 42 to 45, *substitute –*

"Continuance **28**. Notwithstanding the repeal of the
of existing coins. enactments and the Ordinance specified
in sub-section (1) of Section 27, --

(a) all coins issued under the said enactments;

and
(b) Government of India Ord. IV of 1940.
One rupee note issued
Under the Currency
Ordinance, 1940.

which are legal tender immediately before the
commencement of the Coinage Act, 2011, shall be
deemed to be the coin and continue to be legal tender
in payment or on account under the corresponding
provisions of this Act." (22)
(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 28, as amended, stand part of the Bill."

The motion was adopted.

Clause 28, as amended, was added to the Bill.

Clause 1 Short title, extent and commencement

Amendment made:

Page 1, line 4, -

for "2009"

substitute "2011" (2)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That clause 1, as amended, stand part of the Bill.

The motion was adopted.

Clause 1, as amended, was added to the Bill.

Enacting Formula

Amendment made:

Page 1, line 1, -

for "Sixtieth"

substitute "Sixty-second". (1)

(Shri Pranab Mukherjee)

MADAM SPEAKER: The question is:

"That the Enacting Formula, as amended, stand part of the Bill.

The motion was adopted.

The Enacting Formula, as amended, was added to the Bill.

The Title was added to the Bill.

SHRI PRANAB MUKHERJEE: Madam, with your permission, I beg to move:

"That the Bill, as amended, be passed."

MADAM SPEAKER: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.
