

CHAPTER 92

DECIMAL CURRENCY ACT

ARRANGEMENT OF SECTIONS

SECTION

1. Currency of Nigeria.
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CHAPTER 92

DECIMAL CURRENCY ACT

An Act to establish a decimal currency for Nigeria. The unit of currency will be the naira which will be divided into one hundred kobo. One naira will be equivalent to ten shillings in the existing currency. A Decimal Currency Board to superintend the change-over is also established.

*[Sections 7 to 10 and 11 – 6th July, 1971
All other sections – 3rd July, 1972]*

1. (1) The unit of currency in Nigeria shall be the naira which shall be divided into one hundred kobo.

(2) Every contract, sale, payment, bill, note, instrument an

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*Currency of
Nigeria.*

Decimal Currency Act

security for money and every transaction, dealing, matter and thing whatsoever relating to money or involving the payment of or the liability to pay any money which, but for this subsection, would have been deemed to be made, executed, entered into, done and had, in and in relation to Nigerian pounds shall in Nigeria be deemed instead to be made, executed, entered into, done and had, in and in relation to naira on the basis that one Nigerian pound equals two naira.

(3) Accordingly and unless the context otherwise requires, any reference in any existing law to an amount expressed in Nigerian pounds or any fraction thereof shall, upon the coming into force of this Act, be construed as a reference to the corresponding amount of naira or any fraction thereof.

Parity of naira.

2(1) Subject to the provisions of subsection (2) of this section, the parity of the naira shall be equivalent to 1.24414 grams fine gold.

(2) The parity of the naira may, from time to time, be changed by the Bank with the approval of the National Council of Ministers; and the notice of the change shall as soon as possible thereafter be published in the *Federal Gazette*.

Denomination
and form of
notes and
coins.

3. (1) Notes and coins issued by the Bank-

(a) shall be in such denominations of the naira or fractions thereof as are approved by the Minister on the recommendation of the Bank;

(b) shall be of such form and designs and bear such devices as are approved by the Minister on the recommendation of the Bank.

(2) The standard weight and composition of coins issued by the Bank and the amount of remedy and variation shall be determined by the Minister on the recommendation of the Bank.

4. (1) Notes issued by the Bank shall be legal tender in Nigeria at their face value for payment of any amount.

Bank currency
to be legal
tender.

(2) Coins issued by the Bank shall, if such coins have not been tampered with, be legal tender in Nigeria at their face value up to an amount not exceeding twenty naira in the case of coins of denominations of not less than five kobo and up to an amount not exceeding ten kobo in the case of coins of a lower denomination.

(3) Notwithstanding the provisions of subsections (1) and (2) of this section, the Bank shall have power, on giving not less than three months' notice in the *Federal Gazette*, to call in any of its notes and coins on payment of the face value thereof and any such notes or coins with respect to which a notice has been given under this subsection shall, on the expiration of the notice, cease to be legal tender but, subject to the provisions of section 21 of the Act, shall be redeemed by the Bank upon demand.

5. Unless otherwise prohibited by any law relating to the control of exchange the Bank shall, at its head office in Lagos, issue and redeem Nigerian currency against gold or such currencies as are eligible for inclusion in the reserve of external assets under the Act.

Obligation in
respect of
currency.

Provided that the rates of exchange quoted by the Bank for spot transactions shall not differ by more than one *per cent* from the parity of the naira with the parity of any such currency.

6. (1) Currency notes and coins issued by the Bank by virtue of section 17 of the Act which are legal tender in Nigeria shall on and after the day on which this Act comes into operation remain legal tender until such further day as the Governor of the Bank, giving at least six weeks' notice as respects notes and

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currency.

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at least nine months' notice as respects coins, in the *Federal Gazette*, may specify and shall then cease to be legal tender in Nigeria:

Provided that the Governor of the Bank may as respects currency notes extend the period aforesaid for another two weeks unless further extended by the Governor with the approval of the National Council of Ministers.

- (2) For the purposes of subsection (1) of this section-
- (a) the Bank may so specify different days in relation to different denominations of such currency notes and coins;
 - (b) with effect from the coming into operation of this Act, and thereafter while coins issued by the Bank which are legal tender in Nigeria on the coming into operation of this Act remain legal tender in Nigeria, such coins shall be legal tender at their face value up to an amount not exceeding ten Nigerian pounds in the case of coins of denominations of not less than sixpence and up to an amount not exceeding one shilling in the case of coins of a lower denomination.

7. There is hereby established a body to be known as the Decimal Currency Board and the functions of the Board shall be-

- (a) to inform and educate the public in all matters concerning the change-over to the decimal currency system;
- (b) to co-ordinate all administrative arrangements to ensure a smooth transition to the decimal currency system;
- (c) to advise on the conversion of machines and on other technical aspects of the decimalisation of the currency; and
- (d) to perform such other functions relating to the decimalisation of the currency as the Minister may

determine.

8. (1) Subject to this section, the Board shall consist of fifteen members to be appointed by the Minister with the prior approval of the National Council of Ministers and shall comprise-

Membership
of the Board.

- (a) a Chairman, being a person appearing to the Minister to be capable of conducting the affairs of the Board;
- (b) a representative of the Bank;
- (c) one representative from each of the following Federal Ministries, that is-
 - (i) Finance,
 - (ii) Economic Development,
 - (iii) Trade and Tourism,
 - (iv) Industries,
 - (v) Education, and
 - (vi) Information; and
- (d) seven representatives drawn from the following bodies, that is-
 - (i) the universities,
 - (ii) the Bankers Committee, and
 - (iii) chambers of commerce, industry and mines.

[2 Subject to this section and to section 11 of the Interpretation Act (which relates to appointments), a member of the Board shall hold office from the effective date of his appointment to 30th June 1973 or for such further period as the Minister, with the approval of the National Council of Ministers, may determine.

9. (1) subject to this section and section 27 of the Interpretation Act (which provides for decisions of a statutory body to be taken by a majority of its members and for the chairman to have a second or casting vote), the Board may make such standing orders regulating the proceedings of the Board or any committee

Proceedings of
the Board
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thereof.

(2) The Chairman shall preside at every meeting of the Board, but in his absence the members present at the meeting shall elect one of their number to preside at the meeting.

(3) The quorum of the Board shall be six and the quorum of any committee of the Board shall be determined by the Board.

(4) Subject to its standing orders, the Board may appoint such committees as it thinks fit, but the decision of any committee appointed under this subsection shall be of no effect until confirmed by the Board.

(5) Where the Board desires to obtain the advice of any person on a particular matter, the Board may co-opt him as a member for such period as it thinks fit; but a person who is a member by virtue of this subsection shall not be entitled to vote at any meeting of the Board and shall not count towards a quorum.

Interpretation.
Cap. 47

10. In this Act, unless the context otherwise requires-

“the Act” means the Central Bank of Nigeria Act;

“the Bank” means the Central Bank of Nigeria established in pursuance of the Central Bank of Nigeria Act;

“Board” means the Decimal Currency Board established under section 7 of this Act;

“Chairman” means the Chairman of the Decimal Currency Board;

“Minister” means the Minister charged with responsibility for finance;

“member” means a member of the Decimal Currency Board and includes the Chairman.

II. (1) This Act may be cited as the Decimal Currency Act.

DECIMAL CURRENCY ACT

CHAPTER 92

SUBSIDIARY LEGISLATION

List of Subsidiary Legislation

Decimal Currency (Exchange) Notice

DECIMAL CURRENCY (EXCHANGE) NOTICE

under section 6(1)

Commencement: 30th December, 1972

1971 No. 21.

1. All existing currency notes and coins issued by the Central Bank of Nigeria, which are legal tender in Nigeria on 3rd July, 1972 (being the date of the coming into operation of certain relevant provisions of the Decimal Currency Act), shall continue to be legal tender in Nigeria-

Currency
exchange.

(a) as respects currency notes, up to and including 14th February 1973; and

(b) as respects coins, up to and including 30th September 1973,

and as from 15th February 1973 and 1st October 1973, respectively, the said currency notes and coins shall then cease to be legal tender in Nigeria.

2. This Notice may be cited as the Decimal Currency (Exchange) Notice. Short title.

CHAPTER 102**DISHONoured CHEQUES (OFFENCES) ACT**

ARRANGEMENT OF SECTIONS

SECTIONS

1. Offences in relation to dishonoured cheques, etc.
2. Offences by body corporate
3. Procedure for trial of offences.
4. Short title, etc.

CHAPTER 102**DISHONoured CHEQUES (OFFENCES) ACT**

An Act to make it an offence for any person anywhere in Nigeria to induce the delivery of any property or to purport to settle a lawful obligation by means of a cheque which when presented within a reasonable time is dishonoured on the grounds that no funds or insufficient funds were standing to the credit of the drawer of the cheque and for matters connected.

1977 No. 44

[20th May, 1977]

Commencement.

1. (1) Any person who-
 - (a) obtains or induces the delivery of anything capable of being stolen either to himself or to any other person; or
 - (b) obtains credit for himself or any other person, by means of a cheque that, when presented for payment not later than three months after the date of the cheque, is dishonoured on the ground that no funds or insufficient funds were standing to the credit of the drawer of the cheque in the

Offences in relation to dishonoured cheques, etc.

Dishonoured Cheques (Offences) Act

bank on which the cheque was drawn, shall be guilty of an offence and on conviction shall-

- (i) in the case of an individual be sentenced to imprisonment for two years, without the option of a fine, and
- (ii) in the case of a body corporate be sentenced to a fine of not less than ₦5,000.

(2) For the purposes of subsection (1) of this section-

(a) the reference to anything capable of being stolen shall be deemed to include a reference to money and every other description of property, things in action and other intangible property;

(b) a person who draws a cheque which is dishonoured on the ground stated in the subsection and which was issued in settlement or purported settlement of any obligation under an enforceable contract entered into between the drawer of the cheque and the person to whom the cheque was issued, shall be deemed to have obtained credit for himself by means of the cheque notwithstanding that at the time when the contract was entered into, the manner in which the obligation would be settled was not specified.

(3) A person shall not be guilty of an offence under this section if he proves to the satisfaction of the court that when he issued the cheque he had reasonable grounds for believing, and did believe in fact, that it would be honoured if presented for payment within the period specified in subsection (1) of this section.

2. Where any offence under this Act by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer, servant or agent of the body corporate (or any person purporting to act in

Offences by
body
corporate.

any such capacity), he, as well as the body corporate shall be deemed to be guilty of the offence and may be proceeded against and punished in the same manner as an individual.

3 (1) Offences under this Act shall be triable summarily by the High Court of the State where the offence was committed and the procedure applicable in the case of summary trial of offences before such court shall apply to the same extent for the purposes of trials for offences under this Act.

Procedure for
trial of
offence.s.

(2) Authority to exercise the powers of the Attorney-General of the Federation under section 160 of the Constitution of the Federal Republic of Nigeria (which relates to the initiation and conduct of criminal proceedings for offences under an enactment) is hereby, in respect of any offence under this Act committed in a State, conferred on the Attorney-General of that State but nothing in this subsection shall be construed as precluding the Attorney-General of the Federation from exercising any of the powers to which this subsection relates.

Cap. 62

4. (1) This Act may be cited as the Dishonoured Cheques (Offences) Act.

Short title, etc

(2) Section 25 of the Interpretation Act (which provides that a person shall not be punished twice when guilty of an offence under more than one enactment) shall apply in respect of offences under this Act.

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Dishonoured Cheques (Offences) Act

DISHONOURD CHEQUES (OFFENCES) ACT

CHAPTER 102

SUBSIDIARY LEGISLATION

No Subsidiary Legislation