

# ACT NO. I OF 1916.

PASSED BY THE INDIAN LEGISLATIVE COUNCIL.

(Received the assent of the Governor General on the  
15th February, 1916.)

An Act further to amend the Indian Trusts  
Act, 1882.

WHEREAS it is expedient further to amend the  
Indian Trusts Act, 1882; It is hereby enacted  
as follows:—

1. This Act may be called the Indian Trusts Short title.  
(Amendment) Act, 1916.

2. In section 20 of the Indian Trusts Act, 1882 Amendment  
of section 20  
of Act II of  
1882. (hereinafter called the said Act), the following amend-  
ments shall be made, namely:—

(i) To clause (b), the following proviso shall be  
added, namely:—

“ Provided that, after the fifteenth day of Febru-  
ary, 1916, no money shall be invested in any such  
annuity being a terminable annuity unless a sinking  
fund has been established in connection with such  
annuity; but nothing in this proviso shall apply to  
investments made before the date aforesaid.”

(ii) After clause (b), the following new clause  
shall be inserted, namely:—

“(bb) in India three and a half per cent. stock,  
India three per cent. stock, India two and a half  
per cent. stock or any other capital stock which  
may at any time hereafter be issued by the Secre-  
tary of State for India in Council under the authority  
of an Act of Parliament and charged on the revenues  
of India;”

(iii) In clause (c) after the word “ Council ” the  
words “ or by the Government of India ” shall be  
added.

3. After

Insertion of  
new section  
20A in Act  
II of 1882.

Power to  
purchase  
redeemable  
stock at a  
premium.

3. After section 20 of the said Act, the following section shall be inserted, namely :—

“20A. (1) A trustee may invest in any of the securities mentioned or referred to in section 20, notwithstanding that the same may be redeemable and that the price exceeds the redemption value :

Provided that a trustee may not purchase at a price exceeding its redemption value any security mentioned or referred to in clauses (c) and (d) of section 20 which is liable to be redeemed within fifteen years of the date of purchase at par or at some other fixed rate, or purchase any such security as is mentioned or referred to in the said clauses which is liable to be redeemed at par or at some other fixed rate at a price exceeding fifteen per centum above par or such other fixed rate.

(2) A trustee may retain until redemption any redeemable stock, fund or security which may have been purchased in accordance with this section.”