EXPLANATORY NOTE

(This Note is not part of the Order, but is intended to indicate its general purport.)

Section 15 (3) (*b*), Finance Act, 1956, provides that investment allowances are to be continued for expenditure incurred after 17th February, 1956, on prescribed fuel-saving plant if it is installed by way of modification or replacement of plant in use in the United Kingdom. The Investment Allowances (Fuel Economy Plant) Order, 1956, prescribed a list of fuel-saving plant and the conditions, if any, upon which such plant was prescribed. The present Order prescribes, as from the date when it comes into operation, the following additional items of fuel-saving plant, subject to the conditions shown opposite each in the Schedule to the Order:—

Paragraph 2 (*a*): oil drip feeders.
Paragraph 4 (*c*): flash steam vessels; piping, ducts, and fans.
Paragraph 8 (*b*): fuel meters.
Paragraph 9: heat pumps.
Paragraph 10: capacitors.

The Schedule to the present Order is a comprehensive list of the plant prescribed under both Orders.

INDIA

1957 No. 2223

The Government of India (Family Pension Funds) (Amendment) Order, 1957

Made - - - - 20th December, 1957

At the Court at Buckingham Palace, the 20th day of December, 1957

Present,

The Queen's Most Excellent Majesty in Council

Whereas it is expedient to amend the provisions of the Government of India (Family Pension Funds) Order, 1936(**a**), made under Section 273 of the Government of India Act, 1935(**b**):

And Whereas a draft of this Order has been laid before Parliament and an address has been presented to Her Majesty by each House of Parliament praying that an Order may be made in the terms of this Order:

Now therefore, Her Majesty, in the exercise of the power conferred on Her by Section 309 of the said Act, and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

1. This Order may be cited as the Government of India (Family Pension Funds) (Amendment) Order, 1957.

(a) S.R. & O. 1936/1310 (Rev. X, p. 624: 1936 I, p. 1385).
(b) 26 Geo. 5 & 1 Edw. 8. c. 2.

2. The Interpretation Act, 1889(**a**), applies for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

3. The Government of India (Family Pension Funds) Order, 1936, is hereby amended in the manner specified in the Schedule hereto.

4. The Government of India (Family Pension Funds) (Amendment) Order, 1945(**b**), the Government of India (Family Pension Funds) (Amendment) Order, 1948(**c**), and the Government of India (Family Pension Funds) (Amendment) Order, 1950(**d**), are hereby revoked.

W. G. Agnew.

SCHEDULE

1. In sub-paragraph (2) of paragraph 5 for the words "for a period of four years and shall be eligible for reappointment" the words "for a period not exceeding four years and shall be eligible for reappointment for further periods each of which shall not exceed four years" are substituted.

2. Paragraph 12 is revoked and the following paragraphs are substituted therefor—

"12. The Commissioners shall invest so much of the funds respectively in their hands as is available for investment, in such of the following as they may think fit—

(i) Investments authorised by the Trustee Act, 1925(**e**), or in which trustees are for the time being by law authorised to invest trust funds and investments which would but for the provisions of Section 2 of that Act be authorised by Section 1 of that Act;

(ii) The purchase of or the advance of money upon the security of any real or leasehold property in the United Kingdom;

(iii) Any stocks, funds or securities of the government of a country within the Commonwealth or of the government of any province or state within any such country;

(iv) Any stocks, bonds, mortgages, shares or securities, the capital whereof or a minimum rate of interest whereon is guaranteed by the government of any country within the Commonwealth or of any province or state within any such country;

(v) The purchase of or the advance of money upon the security of the stocks, bonds, mortgages, or securities of any public body, board or authority managing any canal, dock, harbour, water, gas, electricity or transport undertaking or any other like undertaking or of any municipal corporation or county council acting in any country within the Commonwealth under powers conferred by or under an enactment of the legislature of that country or of any province or state within that country;

(vi) The purchase of or the advance of money upon the security of the bonds, debentures, debenture stock, mortgages or securities or guaranteed or preference stock or shares of any canal, dock, harbour, water, gas, electricity or transport company or company carrying on a business of like public utility, whether any such company is a public or a private company, incorporated in any country within the Commonwealth or any province or state within any such country by or under any general or

(a) 52 & 53 Vict. c. 63.
(b) S.R. & O. 1945/321 (Rev. X, p. 624: 1945 I, p. 726).
(c) S.I. 1948/1841 (Rev. X, p. 624: 1948 I, p. 1614).
(d) S.I. 1950/1198 (1950 I, p. 1099).
(e) 15 & 16 Geo. 5. c. 19.

special enactment of the legislature of any such country, province or state, or by Royal Charter, and whether trading or carrying on business in the Commonwealth or elsewhere;

(vii) The advance of money in or upon the security of the rates, revenues, funds, property or profits of or leviable by or belonging to any municipal corporation or county council in any country within the Commonwealth and authorised by any general or special enactment of the legislature of any such country or any province or state within such country to be mortgaged or charged;

(viii) Debentures, debenture stock, bonds or other obligations of any company, public or private, incorporated with limited liability in the United Kingdom;

(ix) Preference, preferred or ordinary stock or shares of any public company incorporated with limited liability in the United Kingdom, provided that

(*a*) the said stock or shares are quoted on the London Stock Exchange or other recognised Stock Exchange as defined in the Prevention of Fraud (Investments) Act, 1939(a), or permission to deal in them has been given by the Committee of any such Stock Exchange; and

(*b*) a dividend of at least 5 per cent. has been paid on the ordinary stock or shares of the company for each of the ten years immediately preceding the date of investment by the Commissioners or, if the company has been incorporated or has been trading for less than ten years before such date, such dividend has been paid for each of the years since incorporation or commencement of trading as the case may be; and

(*c*) at the date of investment in any such preference, preferred or ordinary stock or shares, the total market value of all preference, preferred or ordinary stock or shares held or purchased under the authority only of this sub-paragraph by the Commissioners of the Fund purchasing such stock or shares does not and with the stock or shares to be purchased will not at the said date equal or exceed 30 per cent. of the total market value of the assets of that Fund; and the total market value of all preference, preferred or ordinary stock or shares held or purchased by the said Commissioners under the authority only of this sub-paragraph in companies which were incorporated or commenced trading less than two years before the said date does not and with the stock or shares proposed to be purchased will not at the said date exceed one third of the total market value of all stock or shares held or purchased by the said Commissioners under the authority only of this sub-paragraph;

(x) The purchase of annuities payable during the lives of persons in receipt of benefit from the Fund;

(xi) The placing of money on loan with or on deposit or on current account with any bank or banking house in the United Kingdom or on deposit with a society incorporated under the Building Societies Act, 1874(b).

12A.—(1) The Commissioners may, as and when they think fit, realise, convert or otherwise deal with any investments held by them.

(2) The Commissioners may, in relation to any preference, preferred, or ordinary stock or shares of a public company incorporated with limited liability in the United Kingdom (hereafter referred to as the "transferor company") held by them, concur in any scheme or proposal involving the transfer of the said stock or shares to another such company and may accept

(a) 2 & 3 Geo. 6. c. 16. (b) 37 & 38 Vict. c. 42.

any such stock or shares of such other company in exchange for the said stock or shares of the transferor company. For the purpose of proviso (c) to sub-paragraph (ix) of paragraph 12 the stock or shares so accepted shall be deemed not to be stock or shares of a company which was incorporated or commenced trading less than two years before the purchase of the stock or shares so accepted.

(3) In lending on mortgage, including transfer of an existing security,—

(i) the Commissioners of any one Fund may lend money by way of contributory mortgage in conjunction with money lent by the Commissioners of any one or more of the other Funds, such mortgage to be taken in the name of the Commissioners of each of the Funds from which such money is lent, and the provisions of paragraph 7 of this Order shall apply to such mortgages; and

(ii) the Commissioners may agree that the money lent shall not be called in for any period which they may think fit not exceeding 21 years or may take a transfer of a mortgage which is subject to such an agreement for a period expiring not later than 21 years from the date of transfer.

(4) The Commissioners of any one Fund may provide money in conjunction with money provided by the Commissioners of any one or more of the other Funds for the purchase of any real or leasehold property in the United Kingdom. In every case in which any such joint purchase shall be made, the property purchased shall be conveyed to the Public Trustee upon trust to sell the same with the consent or upon the direction of the Commissioners of the several Funds out of which the purchase money shall have been provided and the net proceeds of sale shall be held upon trust for the Commissioners of such several Funds as part of such Funds respectively in the proportions in which the said purchase money shall have been provided out of such Funds."

EXPLANATORY NOTE

(This Note is not part of the Order, but is intended to indicate its general purport.)

Under the terms of the Government of India (Family Pension Funds) Order, 1936, the balances of four Funds established to provide pensions for the widows and children of certain civil and military officers of the Indian Services were transferred to Commissioners in the United Kingdom. The Commissioners' powers of investment were laid down in paragraph 12 of the Order of 1936 and have been extended by subsequent amendments. The present Order substitutes two new paragraphs for paragraph 12 of the Order of 1936, as amended, and its principal purpose is to extend and consolidate the Commissioners' powers of investment, including therein power, subject to conditions laid down in the Order, to invest in industrial concerns.

The Order of 1936 empowered the Secretary of State to appoint Commissioners for periods of four years. The present Order amends that provision so as to enable appointments for periods of less than four years to be made.