

Bill Summary

The Indian Trusts (Amendment) Bill, 2015

- The Indian Trusts (Amendment) Bill, 2015 was introduced in the Lok Sabha by the Minister of Finance, Mr. Arun Jaitley, on August 13, 2015. The Bill seeks to amend the Indian Trusts Act, 1882 (Principal Act).
- The Principal Act regulates the functioning of private trusts and trustees. It also outlines the manner in which surplus funds of the trust may be invested for future use of the trust.
- The Act lists seven categories of securities in which trust money can be invested. These include some pre-Independence references such as securities issued by the United Kingdom, by municipalities of Presidency towns, Rangoon, port trust of Karachi etc. In addition, the Act allows investment in any security expressly authorised by the instrument of trust or by the central government by notification, provided that consent is taken of any person who is competent to contract and entitled to receive the trust income for his life.
- The Bill amends the Principal Act to retain only the last item, and deletes all the other investment avenues specified in the Act.

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