



Transport Act 1962

1962 CHAPTER 46

PART I

THE BOARDS AND THE HOLDING COMPANY

Supplemental provisions relating to the Boards

25 The Boards' subsidiaries

- (1) It shall be the duty of a Board which has a subsidiary to exercise its control over the subsidiary so as to ensure that the subsidiary—
 - (a) does not engage in activities in which the Board has no power to engage (including activities in which the Board has no power to engage because the consent of the Minister has not been obtained), and
 - (b) does not do anything which the Minister has directed the Board not to do, and
 - (c) does not, except with the consent of the Minister, borrow money from any person other than the Board, and
 - (d) does not, except with the consent of the Minister, raise money by the issue of shares or stock to any person other than the Board.
- (2) The Minister may give to a Board such directions as appear to him appropriate for ensuring that the Board carry out the duty imposed on them by the foregoing subsection.
- (3) Paragraph (a) of subsection (1) of this section shall not apply to the power of managing hotels exercisable by the Hotel Company, but, without prejudice to that paragraph as it applies in relation to any subsidiary of the Railways Board, the Railways Board shall in exercise of their control of their subsidiaries take such steps as are open to them to ensure that nothing is done which will result in the Board having a subsidiary, other than the Hotel Company, which owns or manages a hotel.
- (4) Paragraph (a) of subsection (1) of this section shall not apply to the provision of any shipping service by the Caledonian Steam Packet Company Limited in the River or Firth of Clyde or in the lochs, bays, channels or inlets connecting therewith.