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Cap. cxxi.

An Act to amend the Acts relating to the *East Indian* Railway Company. [21st *July* 1856.]

WHEREAS by an Act passed in the Thirteenth Year of Her Majesty's Reign, intituled *An Act for incorporating the* East Indian *Railway Company, and for other Purposes connected therewith*, certain Persons were incorporated under the Name of "The *East Indian* Railway Company" for the Purpose of making and constructing, working and maintaining, such Railway or Railways in the *East Indies*, including all necessary, accessary, or convenient Extensions, Branches, Stocks, and Works as might be agreed upon by the said Railway Company and the *East India* Company, and also of doing and performing all such Matters and Things necessary or convenient for carrying into effect the Objects and Purposes aforesaid as might also be agreed upon by the said Railway Company and the *East India* Company; and under the Deed of Settlement of the said Company and the said Act the Capital of the said Railway Company was limited to consist in the first instance of the Sum of Four million Pounds Sterling, but the Directors of the said Railway Company had Power to increase such Capital to the Amount of Fourteen million Pounds Sterling, and in the event and manner mentioned and provided in and by the said Deed of Settlement of the same Company and the said recited

12 & 13 Vict. c. xciii.

Act the said Capital may be ultimately increased to the Amount of Twenty million Pounds Sterling: And whereas by an Agreement between the *East India* Company of the one Part, and the said *East Indian* Railway Company of the other Part, dated the Seventeenth Day of *August* One thousand eight hundred and forty-nine, it was, amongst other things, agreed that the said Railway Company should construct and open an experimental Line of Railway to commence at or near *Calcutta*, in the Direction either of *Mirzapore* or of *Rajmahal* to be determined by the *East India* Company, at an estimated Cost of One million Pounds Sterling or thereabouts, and that the Land required for the Purposes of the said Railway should be provided by the *East India* Company, and that the Sum of One million Pounds Sterling, and such further Sums (if any) as might be required for the Completion of the said experimental Line of Railway, should be paid by the said Railway Company to the *East India* Company to be from Time to Time drawn out for the Purposes of the Works, and that the said experimental Line, when completed, should be leased to the said Railway Company for the Term of Ninety-nine Years from the Date of the said Agreement, determinable by Surrender or Purchase as therein and herein-after mentioned, and should during such determinable Term be kept in good Repair and working Condition by the said Railway Company, and that the *East India* Company should pay to the said Railway Company, during the said determinable Term, Interest at the Rate of Five *per Centum per Annum* on the Monies so paid to the *East India* Company, and that the net Receipts to be realized by the said Railway Company from the working of the said Line, after making certain Deductions, should be applied, in the first instance, in Relief of the Obligation on the Part of the *East India* Company to pay the current Interest on the said Monies paid to the *East India* Company, after which One Moiety of the Residue (if any) of such net Receipts should be applied in reimbursing the *East India* Company the Sums they should have previously paid for interest as aforesaid, and the other Moiety thereof should belong to the said Railway Company; and that after and subject to such keeping down and Repayment of Interest, the whole of the said net Receipts should belong to the said Railway Company; and by the said Agreement the said Railway Company had Power to require the *East India* Company to purchase the said Line and Works and the other Property of the said Railway Company, and to pay for the same the Amount of the Capital expended by the said Railway Company, and Power was also given to the *East India* Company, either at the End of the First Twenty-five Years or at the End of the First Fifty Years of the said Term, to purchase the said Railway and Works and other the Property of the said Railway Company, paying for the same the full Value of all the Shares or Capital Stock in the said Railway Company, at the average Price thereof

thereof during the Three Years preceding such Purchase, with an Option to commute such Payment for an Annuity of the same Value for the Residue of the said Term of Ninety-nine Years: And whereas Fifty thousand Shares of Twenty Pounds each in the Capital of the said Railway Company, numbered consecutively from One to Fifty thousand, both inclusive, were issued, and the full Amount was some Time since called up on such Shares, and a Sum amounting to One million Pounds Sterling was paid up thereon, and paid into the Treasury of the *East India* Company in pursuance of the before-mentioned Agreement: And whereas in the Year One thousand eight hundred and fifty-three a further Capital of One million Pounds Sterling, divided into Fifty thousand Shares of Twenty Pounds each, was created and partly subscribed for in order to carry into effect certain Proposals made by the *East India* Company for the Extension of the said experimental Line to *Rajmahal*, the Interest to be paid by the *East India* Company in respect of such further Capital being at the Rate of Four Pounds Ten Shillings *per Centum per Annum*: And whereas by an Act passed in the Seventeenth Year of Her Majesty's Reign, intituled *An Act to amend an Act, intituled* '*An Act for incorporating the* East Indian *Railway Company, and for other Purposes connected therewith*,' the said Railway Company were authorized to make such Contract or Contracts as might be agreed upon in lieu of the said proposed Contract for Extension to *Rajmahal*; and it was by the said Act enacted, that, subject to any Agreement or Arrangement that might thereafter be lawfully made to the contrary, all the Shareholders for the Time being in the said Company should in each Year be entitled to participate rateably in the Profits of the Company (including the Interest paid by the *East India* Company applicable to Dividend) until they should have received in respect of the current Year Four Pounds Ten Shillings *per Centum* upon the Amounts paid up on their respective Shares; but if in any Year the Profits of the said Railway Company, including the Interest paid by the said *East India* Company applicable to Dividend, should be more than sufficient to pay such Dividend of Four Pounds Ten Shillings *per Centum* on the Amount of the total paid-up Capital of the Company for the Time being, then, after Payment of such Dividend, the Residue of the said Profits applicable to Dividend should be applied, first, in or towards increasing the Dividends on the said original Shares numbered from One to Fifty thousand, both inclusive, and the Shares to be issued for the Purpose of raising further Capital for the Completion of the said experimental Line, to Five Pounds *per Centum* on the Amount paid thereon, next in or towards making up the Dividend on the other Shares equal to such Dividend on the said Shares representing the Capital of the said experimental Line, and then for the rateable Benefit of all the Shareholders entitled to Dividend, but so, nevertheless, that no Shareholder

16 & 17 Vict. c. ccxxvi.

of

of either Class should be entitled to any Allowance or Payment out of the Profits of any Year by way of Compensation for any Deficiency in any preceding Year; and it was also enacted, that if the Railway or Railways and Works of the said Railway Company should at any Time thereafter be purchased or taken by the *East India* Company before the Expiration of the said Term of Ninety-nine Years on any Terms other than the simple Repayment of the Capital expended by the said Railway Company, together with any Balance of the Capital of the Company which might be in the Hands of the *East India* Company, the net Purchase Money or Consideration for the same should be divided among the Holders for the Time being of the said original Shares and the other Shareholders of the said Company in proportion to the mean Market Values in *London* of the respective Shares during the Three Years ending on the Seventeenth Day of *August* which should immediately precede such Purchase: And whereas by an Agreement between the *East India* Company of the one Part, and the said *East Indian* Railway Company of the other Part, dated the Fifteenth Day of *February* One thousand eight hundred and fifty-four, it was agreed that the said Railway Company should construct and open an Extension Line of Railway, to commence at some Point on the said experimental Line, to be determined by the Government of *India*, and to proceed to *Delhi*, at an estimated Cost of Nine million Pounds Sterling or thereabouts, on Terms and Conditions as to the whole Line, including the said experimental Line, corresponding with those contained in the herein-before recited Agreement of the Seventeenth Day of *August* One thousand eight hundred and forty-nine, except that the Interest to be paid by the *East India* Company on the Capital of such Extension should be at the Rate of Four Pounds Ten Shillings *per Centum per Annum:* And whereas a large Number of Shares of Twenty Pounds each in the Capital required for the said Extension Line were issued to various Persons, and a considerable Sum of Money has been paid upon Account of such Shares, and paid into the Treasury of the *East India* Company: And whereas Debentures of the said Railway Company for Sums amounting in the aggregate to One million Pounds, or thereabouts, were issued by the said Railway Company, under an Agreement by the *East India* Company to guarantee to the Holders of such Debentures the Repayment of their Advances at the Expiration of Three or Five Years, and the Payment of Interest thereon after the Rate of Four Pounds Ten Shillings *per Centum per Annum*, and such Debentures were and are by the Terms thereof convertible into Shares in the said Extension Capital of the said Railway Company: And whereas the *East India* Company, in the Month of *December* One thousand eight hundred and fifty-four, agreed with the said Railway Company to advance the Rate of guaranteed Interest from Four Pounds Ten Shillings *per Centum per Annnm* to Five Pounds *per Centum per Annum* upon a certain

certain Portion of the said Extension Capital, then issued or to be issued, to the Extent of Three million Pounds Sterling, upon certain Conditions which have since been complied with: And whereas a further Capital amounting to upwards of Seven hundred thousand Pounds, divided into Shares of Twenty Pounds each, was in the Month of *November* One thousand eight hundred and fifty-five, created and subscribed for the Purposes of the said experimental Line, the Interest guaranteed thereon being at the Rate of Five Pounds *per Centum per Annum*, in pursuance of the said Agreement of the Seventeenth Day of *August* One thousand eight hundred and forty-nine: And whereas the *East India* Company have also agreed with the said Railway Company to advance the Rate of guaranteed Interest from Four Pounds Ten Shillings to Five Pounds *per Centum* upon a further Portion of the Capital, for the Purposes of the said Agreement of the Fifteenth Day of *February* One thousand eight hundred and fifty-four, to the Extent of One million five hundred thousand Pounds Sterling, upon certain Conditions which have since been complied with, and also to guarantee Interest at the Rate of Five Pounds *per Centum per Annum* on the Capital represented by any such Debentures which had been or might be converted into Shares: And whereas the Capital of the said Railway Company at present issued consists of the Sum of One million seven hundred thousand Pounds Sterling, or thereabouts, issued for the Purposes of the said experimental Line, under the said Agreement of the Seventeenth Day of *August* One thousand eight hundred and forty-nine, and of the Sum of Five million five hundred thousand Pounds Sterling, or thereabouts, issued for the Purposes of the said Extension Line, under the said Agreement of the Fifteenth Day of *February* One thousand eight hundred and fifty-four, including the Amount of the said Debentures, and the whole of such Capital bears Interest, guaranteed by the *East India* Company, at the Rate of Five Pounds *per Centum per Annum:* And whereas, in consequence of the Equalization of the Rate of Interest so guaranteed as aforesaid upon the existing Share Capital, it is expedient that the Provisions of the said Act passed in the Seventeenth Year of Her Majesty's Reign, with respect to the Division of Profits and the Division of the Purchase Money of the said Railway and Works, should be altered so as to place all the existing Capital on an equal Footing: And whereas further Capital will be required for the Completion of the said Extension Line, and Capital may also be required to be raised by the said Railway Company for the Purpose of further extending the said Line, or for the Purpose of constructing other Railways in *India*, and it may hereafter from Time to Time be found expedient by the *East India* Company and the said Railway Company to enter into Agreements for raising various Portions of such further Capital for any of the Purposes aforesaid, at various Rates of Interest, to be

paid by the *East India* Company to the said Railway Company, and it is therefore expedient that the said Railway Company should have Power to issue Shares in the Capital of the said Company, bearing Interest at different Rates: And whereas it may be found expedient to consolidate all or any Part or Parts of all the Shares in the Capital of the said Railway Company which bear or shall bear the same Rate of Interest under the said existing or any future Contracts with the *East India* Company into Stock bearing a like Rate of Interest; and the Objects aforesaid cannot be carried into effect without the Authority of Parliament: May it therefore please Your Majesty that it may be enacted; and be it enacted by the Queen's most Excellent Majesty, by and with the Advice and Consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the Authority of the same, as follows:

Sections 2. & 3. of 16 & 17 Vict. c. ccxxvi. repealed.

I. The Second and Third Sections of the herein-before mentioned Act of the Seventeenth Year of Her Majesty's Reign shall be and the same are hereby repealed; and all the Holders of the existing Capital of the said Railway Company bearing Interest at the Rate of Five *per Cent.*, and also all the Holders of Shares into which any such Debentures as aforesaid shall be converted, shall share rateably in the Profits of the said Railway Company, applicable to Dividend on their respective Shares, including the Interest paid by the *East India* Company.

Power to the Railway Company to issue Shares of different Rates of Interest.

II. When and as often as the *East India* Company, with a view to the raising of further Capital for the Purposes of the said Railway Company, shall agree with the said Railway Company to guarantee Interest on such further Capital at any Rate, it shall be lawful for the said Railway Company to issue Shares in the Capital of the said Railway Company to represent such further Capital as aforesaid, and bearing Interest at the Rate guaranteed thereon by the *East India* Company.

As to the Division of Profits.

III. Subject to any Agreement or Arrangement that may hereafter be lawfully made to the contrary, the Profits of the Company applicable to Dividend (including the Interest paid by the *East India* Company) shall in each Year be divided in the first place rateably among all the Shareholders for the Time being in the Company, in proportion to the Amount paid up on their respective Shares, until they shall have received in respect of the current Year a Sum equal to the lowest Rate of guaranteed Interest, and shall in the next place be divided rateably amongst such Shareholders, exclusive of the Holders of Shares on which the lowest Rate of Interest is guaranteed, until they shall have received in respect of the current Year a Sum equal to the next lowest Rate of Interest, and so on in regular Successions until

until the highest Rate of guaranteed Interest shall have been made up on the Shares bearing Interest at such Rate; and if in any Year the Profits of the said Railway Company applicable to Dividend (including the Interest paid by the *East India* Company) should be more than sufficient to pay the Amount of the several Guarantees as aforesaid, then, after Payment of such Guarantees among the respective Shareholders, the Residue of the said Profits applicable to Dividend shall be applied for the Benefit of all the Shareholders entitled to Dividend in proportion to the Amount paid up on their respective Shares, but so, nevertheless, that no Shareholder of either Class shall be entitled to any Allowance or Payment out of the Profits of any Year by way of Compensation for any Deficiency in any preceding Year.

As to the Division of Purchase Money in the event of East India Company purchasing the Railway.

IV. If the Railway or Railways and Works of the said Railway Company should at any Time hereafter be purchased or taken by the *East India* Company before the Expiration of the said Term of Ninety-nine Years on any Terms other than the simple Repayment of the Capital expended by the said Railway Company, together with any Balance of the Capital of the said Railway Company which may be in the Hands of the *East India* Company, the net Purchase Money or Consideration for the same shall be divided among the Shareholders or Stockholders of the said Railway Company in proportion to the mean Market Value in *London* of their respective Shares or Stock during the Three Years ending on the Fifteenth Day of *February* immediately preceding such Purchase.

Power to consolidate Shares into Stock.

V. In addition to the Power of consolidating Shares into Stock which the said Railway Company now has, it shall be lawful for the said Railway Company from Time to Time, with the Consent of the Holders of any Shares in the Capital of the said Railway Company, or in any Portion of such Capital in respect of which Shares the whole Money subscribed thereon shall have been paid up, to consolidate such Shares into a general Capital Stock to be divided amongst the Holders of the Shares which shall be so consolidated in proportion to their respective Shares, and in lieu thereof; and all the Provisions of "The Companies Clauses Consolidation Act, 1845," with respect to Shares consolidated into Stock, shall apply to Stock which shall be created by the Consolidation of Shares under the Power herein contained; and the Provisions herein contained, with respect to the Payment of Interest or Dividends on any Shares in the Capital of the said Railway Company, shall extend to the Payment of Interest or Dividends on the consolidated Stock into which any such Shares shall be converted; and in case Shares on which Interest or Dividend shall be payable under the foregoing Provisions or otherwise shall be consolidated

dated into One Stock, then the Interest or Dividend to be paid on the whole Amount of such consolidated Stock shall be equal to the Sum of the Interest or Dividend which would have been payable on the whole of the Shares from which it shall have been formed if such Shares had not been consolidated.

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