



## CHAPTER viii.

An Act to empower the Bengal and North Western Railway Company Limited to redeem a portion of its existing capital and for other purposes. A.D. 1914

[8th July 1914.]

**W**HEREAS the Bengal and North Western Railway Company Limited (in this Act called "the Company") whose registered office is situate in England is a company duly registered under the Companies Acts 1862 to 1880 for the purposes set out in the Company's memorandum of association dated the twenty-first day of October one thousand eight hundred and eighty-two and more particularly for the purpose of entering into an agreement with the Secretary of State in Council in India (hereinafter called "the Secretary of State") in the memorandum more particularly referred to and for the construction and carrying on of the railways and works contemplated by the contract scheduled to the said agreement and other railways and works from time to time being the property of the Company or worked by it:

And whereas the Company was incorporated with a capital of two million two hundred thousand pounds divided into two hundred and twenty thousand shares of ten pounds each:

And whereas by its articles of association the Company in general meeting is empowered to increase its capital by the creation of new shares for such amount as might be deemed expedient and to issue such shares with a preferential or qualified right to dividend and in the distribution of the assets of the Company and with a special right or without any right of voting and otherwise and the Company in general meeting

[Ch. viii.] *Bengal and North Western Railway [4 & 5 GEO. 5.]  
Company Limited Act, 1914.*

A.D. 1914. is also empowered by such articles to convert any fully  
— paid-up shares into stock :

And whereas the capital of the Company at the present time consists of six million pounds divided into one million five hundred thousand first preference stock entitled to a cumulative preferential dividend of three and a-half per centum per annum and to priority on the return of capital but without further participation in assets or profits one million five hundred thousand pounds second preference stock entitled to a cumulative preferential dividend of four per centum per annum and to priority in the return of capital over the ordinary stock but postponed to the said first preference stock and without being entitled to any further participation in assets or profits and of three million pounds ordinary stock all of which have been issued :

And whereas the outstanding loan capital of the Company consisted on the twelfth day of December one thousand nine hundred and thirteen of three hundred and eighty-two thousand seven hundred and eighty-eight pounds debenture stock bearing interest at the rate of three per centum per annum (secured by a trust deed dated the twenty-first day of February one thousand eight hundred and ninety-nine and made between the Company of the one part and Gerard Norman and Colonel Thomas Gracey of the other part containing a specific charge on the Company's railway and a floating charge on the other assets of the Company) redeemable on the thirty-first December one thousand nine hundred and thirty-two at par or on any earlier date on six months' notice by the Company or in the event of the Company's undertaking being acquired by the Secretary of State :

And whereas all interest due on the said debenture stock and dividends payable on the said first and second preference stock have been duly paid :

And whereas under the original contract and the modifications thereof the contract may be determined by notice from the Secretary of State on the said thirty-first December one thousand nine hundred and thirty-two upon the Secretary of State paying by way of purchase money in respect of the railway (other than certain lines known as "the Doab lines") a sum based on the average net earnings of the railway (other



than the Doab lines) for five years preceding the thirty-first December one thousand nine hundred and twelve subject to certain deductions as in the said contract and modifications mentioned and in respect of the Doab lines a sum equal to the capital raised for the purpose of and expended on the Doab lines with the sanction of the Secretary of State but in the event of the contract not being so determined the right and title of the Company to the said railway concession expires by effluxion of time on the thirty-first December one thousand nine hundred and eighty-one when the railways and all other appurtenances revert to the Secretary of State the Company being only entitled to receive the fair value of the rolling stock movable machinery and stores: A.D. 1914.

And whereas it would be in the interests of the Company and of its shareholders and it is expedient that the Company should be authorised to set aside out of the revenues of the Company such sum or sums as the board of directors may from time to time determine and the Company in general meeting may approve to be employed subject to the conditions and restrictions in this Act contained in the gradual reduction of the capital of the Company as in this Act provided:

And whereas no objection is entertained by the Secretary of State to such provision for the reduction of the capital of the Company as is contained in this Act:

And whereas the object aforesaid cannot be attained without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted and be it enacted by the King'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:—

1. This Act may be cited as the Bengal and North Western Railway Company Limited Act 1914. Short title.

2. The board of directors may from time to time appropriate and set aside out of the general revenues of the Company such sum or sums as the Company shall approve in general meeting to a fund to be called "the capital redemption fund." Formation and application of capital redemption fund.

In each half-year the board of directors shall appropriate and set aside out of the general revenues of the Company to

[Ch. viii.] *Bengal and North Western Railway [4 & 5 GEO. 5.]  
Company Limited Act, 1914.*

A.D. 1914. — the capital redemption fund (in addition to any sum or sums so appropriated and set aside under the preceding provisions of this section) a sum equal to a half-year's dividend on the total preference stock (if any) which shall have been previously purchased and cancelled under the powers of this Act.

The directors of the Company may from time to time invest all or any of the moneys forming the capital redemption fund in such investments as they shall determine and may vary or exchange any such investment at their discretion and all dividends interest or income accruing from any such investment shall fall into and form part of the capital redemption fund.

Subject to the provisions of this Act the directors of the Company may from time to time and on such terms as they may deem fit apply all or any of the moneys forming the capital redemption fund in the purchase either in the open market or otherwise of the first preference stock and the second preference stock of the Company or either of them or any portion thereof respectively provided that such purchase shall only be made at a price not exceeding the market value for the time being and below par exclusive of any accrued dividend thereon.

Cancellation of purchased stock. **3.** On the completion of each purchase the preference stock so purchased shall be cancelled and extinguished and the capital of the Company shall be deemed to be reduced by the amount of the preference stock so cancelled and extinguished.

Saving rights of debenture stockholders. **4.** Nothing in this Act contained shall extinguish or limit or be deemed to authorise any extinction or limitation of the powers rights and privileges of the holders of the three per cent. debenture stock of the Company and the holders of the said stock shall have and may exercise after the passing of this Act the same powers rights and privileges as they had and were entitled to exercise immediately before the passing of this Act and in the same manner and to the same extent as if this Act had not been passed.

Trustees &c. may sell preference stock. **5.** All trustees executors administrators and other persons holding first and second preference stock of the Company and the guardians or the committees of any infants or lunatics who may hold or be entitled to or interested in such stock may from time to time and on such terms as they may deem fit



[4 & 5 GEO. 5.] *Bengal and North Western Railway* [Ch. viii.]  
*Company Limited Act, 1914.*

agree to sell to the directors of the Company the whole or any part of such stock in consideration of the payment to them by the directors of the Company in cash of such sum or sums as may be agreed. A.D. 1914.

6. All sums of money paid by the directors of the Company to any trustee executor administrator or other person holding first and second preference stock of the Company or the guardian or committee of any infant or lunatic who may hold or be entitled to or interested in the first and second preference stock of the Company for the sale to the directors of the Company of the whole or any part of such stock under the provisions of this Act shall be held on the same trusts and subject to the same powers provisions charges and liabilities (if any) as those in on or subject to which the stock in respect of which the money was paid was held immediately before the date of sale and so as to give effect to and not revoke any deed will or other instrument or testamentary or other disposition disposing of or affecting the whole or any part of the stock so sold and every such deed will or other instrument or testamentary or other disposition shall in so far as it deals with any first and second preference stock of the Company take effect with respect to such sum or sums of cash as is paid for the sale and purchase of the whole or any part of such stock or the investments for the time being representing such sum or sums as the case may be. Continuanee of trusts.

7. The Company shall deliver to the Registrar of Joint Stock Companies a printed copy of this Act and he shall retain and register the same and if such copy is not so delivered within three months from the passing of this Act the Company shall incur a penalty not exceeding two pounds for every day after the expiration of those three months during which the default continues and any director or manager of the Company who knowingly and wilfully authorises such default shall incur the like penalty Every penalty under this section shall be recoverable summarily There shall be paid to the Registrar by the Company on such copy being registered the like fee as is for the time being payable under the Companies (Consolidation) Act 1908 on registration of any document other than the memorandum or the abstract required to be filed with the Registrar by a receiver or manager or the statement required to be sent to the Registrar by the liquidator in a winding up in England. Copy of Act to be registered.

[Ch. viii.] *Bengal and North Western Railway [4 & 5 GEO. 5.]  
Company Limited Act, 1914.*

A.D. 1914.  
Copy of Act  
to be sup-  
plied to  
members.

8. To every copy of the memorandum and articles of association of the Company supplied after the passing of this Act to any member under the provisions of the Companies (Consolidation) Act 1908 there shall be annexed a copy of this Act.

General  
saving.

9. Nothing in this Act shall operate or be construed to repeal or vary any of the provisions of the Company's memorandum and articles of association save so far as such provisions may be expressly repealed or varied by or may be inconsistent with this Act or shall prejudice or affect the Company's power to alter the articles of association or to make any compromise or arrangement under the provisions of the Companies (Consolidation) Act 1908 or any Act amending the same.

Costs of  
Act.

10. The costs charges and expenses preliminary to and of and incidental to the preparation of and applying for and the obtaining and passing of this Act and carrying the same into effect shall be paid by the Company.

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