



ANNO VICESIMO QUINTO & VICESIMO SEXTO

VICTORIÆ REGINÆ.

Cap. ci.

An Act for dissolving the *Ceylon* Railway Company,
and for other Purposes connected therewith.

[30th *June* 1862.]

WHEREAS by "The *Ceylon* Railway Company's Act, 1856," the 19 & 20 Vict.
c. ci.
Ceylon Railway Company were incorporated for the Purpose
of undertaking the Establishment, Maintenance, and working
of Railway Communication between *Colombo* and *Kandy* and other
Parts and Places in the Island of *Ceylon*, and Works in connexion
therewith, and were thereby empowered from Time to Time to enter into
and conclude Contracts, Agreements, and Arrangements with the Local
Government of the Island of *Ceylon* for making any Railway or Railways
in the said Island and for maintaining and working the same, and were
empowered to make Provisions for various specified Purposes, and among
them for the Surrender or Sale to the said Government of the Railway
or Railways, or any Part thereof, and of all or any Part of the Property
of the Company at any future Period, and for the eventual or contingent
Transfer of the same Undertakings and the Property of the Company
or any Part thereof to the said Government, and from Time to Time
to alter and vary such Contracts, Agreements, and Arrangements, and
to enter into new or other Contracts, Agreements, or Arrangements in
relation to the Premises; and the Act declared that all such Contracts,

[*Local.*]

15 Y

Agree-

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Agreement,
dated 10th
June 1856.

Agreements, and Arrangements should, subject to the Provisions of the Act and of any other Law or Statute, be valid, effectual, and binding to all Intents and Purposes whatsoever, and that full Effect should be given to the same accordingly: And whereas after the passing of the recited Act a provisional Agreement, bearing Date the Tenth of *June* One thousand eight hundred and fifty-six, was made between the Right Honourable *Henry Labouchere*, Her Majesty's then Principal Secretary of State for the Colonies, on behalf of the Government of *Ceylon* of the one Part, and the *Ceylon* Railway Company of the other Part, which Agreement was confirmed by the Ordinance No. 1 of One thousand eight hundred and fifty-six, enacted by the Governor of *Ceylon* with the Advice and Consent of the Legislative Council thereof, and subsequently ratified by Her Majesty; and Two supplemental Agreements bearing Date the Fifth Day of *December* One thousand eight hundred and fifty-six, were respectively afterwards made between the same Parties varying and controlling the said provisional Agreement, and the same supplemental Agreements were respectively confirmed by the Ordinance No. 1, of One thousand eight hundred and fifty-seven, enacted and ratified as aforesaid, and a final Contract bearing Date the Nineteenth Day of *August* One thousand eight hundred and fifty-eight was made between Sir *Henry George Ward*, then Governor of the said Island, of the one Part, and the Company of the other Part, giving Effect to the said Agreements: And whereas, by virtue of the recited Agreements and Ordinances, the Company became bound to construct and work a Railway in *Ceylon*, and to raise Capital for that Purpose, and acquired various Rights and Privileges, including a preferent Claim on the Revenues of *Ceylon* for Interest guaranteed to be paid by the *Ceylon* Government to the Company on their paid-up Capital: And whereas the Company proceeded in the Execution of their Undertaking, and provided Capital for that Purpose, Portions of which Capital were from Time to Time paid up and for the most part expended, and the *Ceylon* Government paid Interest to the Company on their paid-up Capital in pursuance of the said Agreements and Ordinances, but the *Ceylon* Government has since, under the Circumstances herein-after stated, become desirous that the said Arrangements should not be further prosecuted, and the Company has, in compliance with a Proposal of the *Ceylon* Government, herein-after stated, consented that such Arrangements should be annulled: And whereas by the Ordinance No. 9 of One thousand eight hundred and sixty, enacted and ratified as aforesaid, reciting the said Agreements and Ordinances, and that the Railway had been commenced, but that it had been ascertained that the same could not be completed excepting at a Sum greatly exceeding all original Estimates, and that it was clear that the Contract was entered into on both Sides under Misapprehension of the Cost of the Work, and that, under the Circumstances, it would not only be equitable but satisfactory to both the contracting Parties that the Contract should be annulled on the Basis therein-after stated,

through

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through the Agency of Her Majesty's Principal Secretary of State for the Colonies, Her Majesty's Secretary of State for the Colonies was empowered, on behalf of the Government of *Ceylon*, to enter into a Contract with the Company for the Purpose of annulling the Contracts and Agreements then subsisting between the Government of *Ceylon* and the Company, on the following Basis; (that is to say,)

“The *Ceylon* Government to pay to the *Ceylon* Railway Company
 “ on the Execution of the said Contract, or within such Time as
 “ shall be therein agreed upon between the Secretary of State and
 “ the *Ceylon* Railway Company, all their Capital paid up, and the
 “ Interest due thereon up to the Date of Payment, and further to
 “ pay, accept, and assume all the Debts, executory Contracts, and
 “ Liabilities whatsoever of the said Company, the *Ceylon* Railway
 “ Company to effectually vest in and convey to the Government of
 “ *Ceylon* all Lands, and all Things moveable and immoveable, cor-
 “ poreal and incorporeal, together with all Rights, Claims, Monies,
 “ and Property whatsoever belonging to the said Company, and to
 “ confer upon, give, and transfer to the said Government all Powers
 “ necessary to enable the said Government to obtain the full
 “ Possession, Benefit, and Enjoyment intended by such effectual
 “ Investment and Conveyance :”

And whereas by the same Ordinance Her Majesty's Principal Secretary of State for the Colonies was empowered on behalf of the *Ceylon* Government to make and execute the requisite Acts and Deeds, and was invested with all Powers and Authority necessary for the Purpose of effectually carrying out the Object of finally dissolving the Engagements of the Parties on the Basis above stated, in such Manner and on such Terms as to him should appear just and expedient; and the same Ordinance declared that the recited Ordinances of One thousand eight hundred and fifty-six and One thousand eight hundred and fifty-seven should cease to have Operation and Effect on the complete Execution of the Contract which the Secretary of State was, by the Ordinance now in recital, authorized to enter into with the Company, and that certain Lands and immoveable Property should be taken and considered as vested in the *Ceylon* Government from the Time that the recited Ordinances of One thousand eight hundred and fifty-six and One thousand eight hundred and fifty-seven should cease to have Operation and Effect: And whereas at an Extraordinary General Meeting of the Shareholders of the Company, duly convened and held on the Fourteenth Day of *February* One thousand eight hundred and sixty-one it was resolved that the Proposition of the *Ceylon* Government should be unconditionally accepted: And whereas by a further Contract bearing Date the Nineteenth Day of *August* One thousand eight hundred and sixty-one, and made between the Company of the one Part and His Grace the Duke of *Newcastle*, Her Majesty's Principal Secretary of State for the Colonies, on behalf of the Government of *Ceylon*, of the other Part, and containing

Agreement
with Secretary of State,
dated 19th
Aug. 1861.

Recitals

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Recitals to the Effect of the Matter herein-before stated, His Grace the Duke of *Newcastle*, being Her Majesty's then present Principal Secretary of State for the Colonies, in pursuance and exercise of the Power conferred upon him by the lastly recited Ordinance, and of every or any other Power, did on behalf of the Government of *Ceylon* contract and agree with the Company, and the Company did contract and agree with His Grace the Duke of *Newcastle* on behalf of the Government of *Ceylon* in manner following; (that is to say,)

“ The Contracts and Agreements now subsisting between the
 “ Government of *Ceylon* and the *Ceylon* Railway Company shall
 “ be annulled on the Basis in the said lastly recited Ordinance
 “ mentioned and in accordance with the Terms and Conditions
 “ herein-after expressed and contained :

“ The *Ceylon* Government shall on or before the Twenty-first
 “ Day of *August* One thousand eight hundred and sixty-one pay to
 “ the *Ceylon* Railway Company, as and for their Capital paid up,
 “ the said Sum of Two hundred and ninety-seven thousand five
 “ hundred Pounds, with Interest after the Rate of Six Pounds
 “ *per Centum per Annum*, and the *Ceylon* Government shall pay,
 “ accept, and assume, in exoneration of the said Company, all the
 “ Debts, executory Contracts, Engagements, and Liabilities what-
 “ soever which shall be owing from or entered into, or subsisting
 “ against the said Company on the Day on which such Payment as
 “ aforesaid shall be made by the said *Ceylon* Government to the
 “ said Company :

“ And shall indemnify the said Company therefrom, and from all
 “ Losses, Damages, Costs, Charges, and Expenses whatsoever
 “ which shall be occasioned to or incurred by the Company by
 “ reason or in consequence of the Assumption, or Execution or
 “ Performance, or Non-execution or Non-performance by the said
 “ Government of such Contracts, Engagements, and Liabilities, or
 “ any or either of them, and from all Consequences and Liabilities
 “ whatsoever, whether present or future, which may happen, arise,
 “ ensue, exist, or be occasioned for or by reason or in consequence
 “ of any such Contracts or Engagements, or any past Contracts,
 “ Acts, Deeds, Omissions, Defaults, Neglects, or Torts of the said
 “ Company, and from all Costs, Charges, Damages, Losses, and
 “ Expenses to which the Company is or may become subjected, or
 “ which shall be occasioned to or incurred by the Company by
 “ reason or in consequence thereof :

“ The said Company shall, with all possible Expedition after the
 “ Payment by the *Ceylon* Government to the said Company of such
 “ Capital and Interest for the same as aforesaid, and concurrently
 “ with the Payment, Acceptance, and Assumption by the *Ceylon*
 “ Government, in exoneration of the said Company, of such Debts,
 “ Contracts, Engagements, and Liabilities of the said Company as
 “ aforesaid,

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“ aforesaid, make, do, enter into, and execute, at the Expense of
 “ the *Ceylon* Government, all Conveyances, Assurances, Acts,
 “ Deeds, Matters, and Things which shall be requisite and neces-
 “ sary to vest in and convey or surrender to the Government of
 “ *Ceylon* all Lands and all Things moveable and immoveable, cor-
 “ poreal and incorporeal, together with all Rights, Claims, Monies,
 “ and Property whatsoever which shall then belong or appertain to
 “ the said Company other than the said Sum of Two hundred and
 “ ninety-seven thousand five hundred Pounds hereby made payable;
 “ and the Interest thereof, and to confer upon, give, and transfer
 “ to the said Government all Powers necessary to enable the said
 “ Government to obtain the full Possession, Benefit, and Enjoyment
 “ intended by such effectual Investment and Conveyance :

“ The *Ceylon* Government shall also at their own Expense make,
 “ do, execute, and carry into effect all Acts, Deeds, Matters, and
 “ Things which shall be requisite or necessary for ratifying and
 “ confirming the Agreement herein expressed, and making the
 “ same binding upon the *Ceylon* Government and the Company
 “ respectively, and enabling and compelling them respectively to
 “ fulfil, execute, and carry out the same, and for releasing and
 “ discharging the said Company from all Liabilities, Claims, or
 “ Demands under or in virtue of the said Contract now existing
 “ between them, and to be annulled as aforesaid ; and further,
 “ without Prejudice to the Generality of the Stipulation lastly
 “ herein-before expressed, the *Ceylon* Government and the said
 “ Company shall respectively, at the Expense in all Things of the
 “ *Ceylon* Government, concur in making and prosecuting such Ap-
 “ plications, Matters, and Things as may be requisite or necessary
 “ for the passing or obtaining such public Laws, Ordinances, and
 “ Acts in the Island of *Ceylon* and in *Great Britain* respectively as
 “ may be, requisite or necessary for any of the aforesaid Purposes,
 “ or for disincorporating or dissolving the Company, or for autho-
 “ rizing and effecting the Discontinuation or Abandonment by the
 “ Company of the Undertakings for which it was formed or incor-
 “ porated, and transferring the Obligation of continuing the same
 “ to the *Ceylon* Government, or relieving the Company from all
 “ further Responsibilities, Obligations, and Liabilities in respect
 “ thereof, or for obtaining and carrying out and giving full Effect
 “ to such Resolution or Resolutions (if any) as the Shareholders of
 “ the Company may duly pass or come to in order to attain or
 “ effect any or either of such Matters or Things or otherwise, in
 “ order to carry into effect this Contract or any of the Terms or
 “ Conditions herein expressed or contained :

“ While the Acts, Deeds, Matters, and Things which shall be
 “ requisite or necessary to be done, performed, fulfilled, or executed
 “ on the Part of the *Ceylon* Government in order to carry out or
 “ [Local.] 15 Z “ give

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“ give effect to this Agreement shall be in progress of execution,
 “ the Company shall not enter into or incur any new Contracts or
 “ Liabilities with a view to the continued Prosecution or Accom-
 “ plishment by the Company of the Undertakings for the Prose-
 “ cution or Accomplishment whereof it has been formed and
 “ incorporated, and will restrict its Expenditure and Outlay, as
 “ far as Circumstances may permit, to the Discharge of existing
 “ Liabilities, and such Acts, Matters, Things, and Proceedings as
 “ may be undertaken or carried on in pursuance of, and conformity
 “ with, the Provisions of these Presents, and in order to the due
 “ Execution and Fulfilment and Observance thereof :

“ All Costs, Charges, and Expenses which shall be incurred by
 “ or occasioned to the said Company, by reason or in consequence
 “ of their being Parties to these Presents, or the carrying or
 “ attempting to carry the Provisions or Stipulations thereof into
 “ effect, or by reason or in consequence of any Acts, Deeds, Matters,
 “ or Things which may be consequential thereon, or resulting
 “ therefrom, or connected therewith, and including all Costs,
 “ Charges, and Expenses which may be incurred by or occasioned
 “ to the Company in procuring or attempting to procure its Dis-
 “ incorporation and Dissolution, and in winding up and closing its
 “ Affairs and Business, or endeavouring so to do, shall be borne
 “ and defrayed by, and fully reimbursed to, the said Company by
 “ the Government of *Ceylon*; and the said Company shall be fully
 “ indemnified and saved harmless by the said Government, not
 “ only against all such Costs, Charges, and Expenses, but against
 “ all Claims, Demands, Liabilities, and Consequences of every
 “ Description arising or resulting from or out of this Contract, or
 “ from or out of any Acts, Deeds, Arrangements, Matters, and
 “ Things which may be made, done, executed, entered into, or
 “ attempted in pursuance thereof, or in accordance therewith, or in
 “ order to give effect thereto :

“ His Grace the Duke of *Newcastle* shall not be in anywise
 “ personally bound for the Acts and Observances of the *Ceylon*
 “ Government under these Presents, or answerable for any
 “ Default or Omission in the Observance, Performance, or Ful-
 “ filment of the Acts, Deeds, Matters, or Things which are hereby
 “ made or expressed to be made obligatory on the *Ceylon Govern-*
 “ ment :”

And whereas an Extraordinary General Meeting of the Shareholders in the Company was duly convened and held on the Nineteenth Day of *August* One thousand eight hundred and sixty-one, prior to the Company's Seal being affixed to the lastly-recited Contract, and the Directors having reported that they had caused such Contract to be prepared, and having submitted the same in Draft to the Meeting, the Report of the Directors to the Meeting was approved and adopted, and it was resolved that

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that the Common Seal of the Company should be affixed to the Contract, and that on Receipt by the Company of its Capital from the *Ceylon* Government, each Shareholder should be forthwith repaid the Amount which had been paid up on his Shares with Interest for the same after the Rate of Six Pounds *per Centum per Annum* up to the Day on which Interest on the Company's Capital should be received from the *Ceylon* Government, and that the Operations of the Company should be limited for the future to the Matters and Things which the Directors might consider requisite for carrying out the new Contract and effecting the Disincorporation and Dissolution of the Company, and that the Directors should take all requisite Measures for dissolving and disincorporating the Company at as early a Period as might be practicable consistently with the Purposes to be so accomplished: And whereas the *Ceylon* Government, on the Twenty-first Day of *August* One thousand eight hundred and sixty-one, paid to the said Company the Sum of Two hundred and ninety-seven thousand five hundred Pounds, as and for its Capital paid up, together with Interest on that Sum to the Day of Payment: And whereas, by a Proclamation issued on the Twenty-eighth of *September* One thousand eight hundred and sixty-one, the Governor of *Ceylon* proclaimed and required all Parties concerned to take Notice that the complete Execution of the lastly-recited Contract had taken place on the Nineteenth Day of *August* One thousand eight hundred and sixty-one, and that on that Day the recited Ordinances of One thousand eight hundred and fifty-six and One thousand eight hundred and fifty-seven had ceased to have Operation and Effect, and that the *Ceylon* Government, having paid to the Company the Sum due to it and assumed all its Debts, executory Contracts, and Liabilities, had become entitled to all the Rights of the Company and its Property moveable and immoveable: And whereas ever since the Date of the lastly-recited Contract the Company has entirely ceased to carry on Business except for the Purpose of winding up and closing its Affairs and fulfilling and giving Effect to the said Contract and the carrying out the said Resolution passed at the General Meeting of Shareholders held on the Nineteenth Day of *August* One thousand eight hundred and sixty-one, and all known Debts and Liabilities of the Company, except Three Contracts with Messieurs *Robert Stephenson* and Company, Messieurs *Samuel Beale* and Company, and Messieurs *Weston* and *Grice*, which have, with the written Consents of those respective Parties, been taken over by the *Ceylon* Government, in exoneration of the Company, and except the Claims of certain Shareholders herein-after specified, have been satisfied or extinguished: And whereas the Company has notified to all its Shareholders by Advertisements and Circulars that Warrants would be issued to them for Payment of the Principal and Interest due to them on their lodging with the Company the Certificates of their Shares: And whereas all the Shareholders in the Company except the Holders of the Shares mentioned in the Schedule hereto have claimed and received the Amounts theretofore paid up on their Shares,

with

Proclama-
tion of
Governor of
Ceylon,
dated 28th
Sept. 1861.

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with Interest on those Amounts, to the Twenty-first Day of *August* last : And whereas no Repayment has yet been made in respect of the Shares mentioned in the Schedule hereto, which Shares stand registered in the Register of Shareholders in the Names of the Persons whose Names and Addresses are also mentioned in the said Schedule, and the Amounts paid up on those Shares, with Interest as aforesaid, are also stated in the said Schedule : And whereas it is expedient that the Company should be dissolved, and that Provision should be made for the Custody and Distribution of the Monies mentioned in the said Schedule, but these Objects cannot be accomplished 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 ; (that is to say,)

The Com-
pany to pay
the un-
distributed
Residue of
its Capital
into the
Court of
Chancery.

1. The Company shall with all convenient Speed after the passing of this Act pay the Monies mentioned in the said Schedule into the Bank of *England* in the Name and with the Privity of the Accountant General of Her Majesty's High Court of Chancery in *England*, to be placed to his Account in the Matter of this Act "the Shareholders unclaimed Capital and Interest Account," pursuant to the Method prescribed by the Acts of Parliament and General Rules and Orders of that Court for regulating Monies paid into the said Court, and the same Sums when so paid in shall be forthwith laid out and invested in the purchase of Three Pounds *per Centum* Consolidated Bank Annuities by the said Accountant General, who shall in like Manner lay out and invest the Interest of the said Bank Annuities so to be purchased and of all Accumulations thereof or of such Part of the said Bank Annuities and Accumulations as shall from Time to Time remain standing to the Credit of the said Account in the Purchase of the like Three Pounds *per Centum* Consolidated Bank Annuities, subject to the Order of the said Court.

Payment to
be made to
the Share-
holders on
summary
Application.

2. It shall be lawful for the said Court, on the Application by Petition in a summary Way of any or either of the Shareholders whose Names are mentioned in the Schedule, or of any legal personal Representatives or Representative of any or either of such Shareholders or other rightful Claimants, to direct the Transfer of the Bank Annuities which shall from Time to Time be purchased as aforesaid and standing to the Credit of the said Account, and the Payment of any Interest which shall from Time to Time be standing to the Credit of the said Account uninvested, or any Part of such Bank Annuities or Interest to any or either of such Shareholders, or to the legal personal Representatives or Representative of any or either of them, or other rightful Claimants who shall respectively duly substantiate their or his Title thereto to the Satisfaction of the said Court, according to their or his Shares or Share thereof or

Interests

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Interests or Interest therein, corresponding with and proportioned to the Sums which are respectively set opposite the Names of the several Shareholders whose Names are set forth in the said Schedule.

3. When the Company shall have paid the said Monies to the said Accountant General the Company shall immediately cease to exist and be dissolved to all Intents and Purposes whatsoever, and in the meantime and from henceforth the Company shall not incur or contract and shall be incapable of incurring or contracting any new Debt, Obligation, or Liability whatsoever.

On Payment into Court, Company, to be dissolved, &c.

4. Provided always, That the Dissolution of the Company shall not prejudice or affect the Title of the *Ceylon* Government to the Lands and immoveable Property referred to in the lastly-recited Ordinance or other the immoveable or moveable real or personal Property, Rights or Powers of the Company, or suspend, extinguish, lessen, or prejudicially affect any of such Rights or Powers, so far as the same in virtue of the said lastly-recited Ordinance or the lastly-recited Contract can lawfully continue and be available and exercisable by or for the Benefit of the *Ceylon* Government, and that such Rights and Powers shall remain in force and available unto and exercisable by and for the Benefit of the *Ceylon* Government in the Name of the Company or otherwise, notwithstanding the Dissolution of the Company, as fully and effectually as if it had continued to subsist, and that the Dissolution of the Company shall not prejudice any Conveyances, Demises, Assurances, or other lawful Acts or Deeds at any Time theretofore made or done by the Company or any Titles or Rights thereunder.

Dissolution not to invalidate the Titles and Rights acquired by the *Ceylon* Government.

5. In citing this Act for any Purpose whatsoever it shall be sufficient to describe it as "The *Ceylon* Railway Company's Dissolution Act, 1862."

Short Title.

The Ceylon Railway Company's Dissolution Act, 1862.

The SCHEDULE referred to in the foregoing Act.

Name and Address of Shareholder.	Distinctive Numbers of Shares, all inclusive.	Number of Shares.	Amount of Principal and Interest.		
			£	s.	d.
Manuel De Fonseka, of Caltura, Ceylon	36,088 to 36,091	4	30	4	11
William Henry Herft, of Kaigalle, do.	35,412	1	7	11	3
Thomas Treen, of Kaduganava, do.	36,487 to 36,496	10	75	12	4
Total - -	- - -	15	113	8	6

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