

No. 9 of 1878.

An Ordinance for the raising by Debentures of a sum of One Million Pounds sterling for the construction of a Railway from Nawalapitiya to Nanu-oya.

Preamble.

WHEREAS it is expedient to provide for the construction of a railway from Nawalapitiya to Nanu-oya: It is hereby enacted by the Governor of Ceylon, with the advice and consent of the Legislative Council thereof, as follows:

Short title.

1 This Ordinance may be cited for all purposes as "The Nanu-oya Railway Ordinance, 1878."

**Power to borrow
£1,000,000
sterling on
debentures.**

2 It shall be lawful for the Governor to raise by the issue of debentures under this Ordinance any sum or sums not exceeding in the whole one million pounds sterling, to be applied exclusively in the construction of a railway from Nawalapitiya to Nanu-oya, and in the purchase of such material, plant, rolling stock, and other things as may be required for or in connection with such work.

**Loan to be a
charge upon
general
revenue.**

3 The principal moneys and interest secured by the debentures issued under this Ordinance are hereby charged upon and shall be payable out of the general revenues and assets of the Government of Ceylon.

**Amount of each
debenture and
rate of interest.**

4 Every debenture issued under this Ordinance shall be for a sum of not less than one hundred pounds sterling, and shall bear interest at a rate not exceeding five per centum per annum.

Nānu-oya Railway.

5 The debentures shall be issued in London on behalf of the Government of Ceylon by the Crown Agents for the Colonies (in this Ordinance referred to as the Crown Agents), and shall be signed by them on that behalf.

Issue and signature of debentures.

6 Every debenture shall, before being issued, be registered in a register book to be kept for that purpose at the office in London of the Crown Agents.

Registry of debentures.

7 There shall be attached to every debenture coupons for the payment of the interest to become due in each half-year upon the principal secured by the debenture. The coupons shall be sufficient in number to provide for the payment of the interest, either during the whole period for which the debenture has to run, or for such limited period as the Crown Agents, acting on behalf of the Government of Ceylon, may determine.

Interest coupons.

8 The debentures, and the coupons thereto, may be in such form as the Governor, or the Crown Agents acting on his behalf, may direct or approve.

Form of debentures and coupons.

9 Every debenture and coupon, and the right to receive the principal and interest secured or represented thereby, shall be transferable by delivery.

Debentures and coupons transferable by delivery.

10 So long as any of the debentures remain outstanding the Governor shall in each half-year ending with the day on which the interest on the debentures falls due appropriate out of the general revenues and assets of this colony a sum equal to one half-year's interest on the whole of the debentures previously issued, including any which may have been redeemed, and remit that sum to the Crown Agents at such time as will enable them to pay thereout the then current half-year's interest on the day when it falls due. After the expiration of five years from the day on which the first of the debentures is issued, and so long thereafter as any of the debentures remain outstanding, the Governor shall, in each half-year ending as aforesaid, appropriate out of the revenues and assets of this colony an additional sum equal to ten shillings sterling per centum on the total nominal amount of all the debentures issued on or before the first day of that half-year, including any which may have been redeemed, and remit that sum to the Crown Agents with the remittance hereinbefore mentioned.

Mode of providing for payment of interest and principal.

11 The Crown Agents shall, subject to the approval of Her Majesty's Principal Secretary of State for the Colonies for the time being, place and keep the moneys so remitted to them, or so much thereof as may not be required for immediate payments, on deposit at interest in their names with some bank or banks in London or Westminster, and shall hold all such moneys and the accumulations thereon in trust, to apply them, in the first place, in payment of the interest for the current half-year upon the debentures for the time being outstanding, and, in the next place, in the formation of a sinking fund.

Application of moneys remitted to Crown Agents.

Nānu-oya Railway.

Payment of interest.

12 The interest upon the principal secured by each debenture shall run from the day named in that behalf in the debenture, and shall be paid half-yearly, on the days named in that behalf in the debenture, at the office in London of the Crown Agents.

Application of sinking fund.

13 The sinking fund shall be applied in the first place in payment of all expenses of, or incidental to, the redemption of debentures, including the charges of the notary public attending at any drawing thereof, and the costs and expenses of all notices required by this Ordinance to be given, and in the next place, and subject to the aforesaid payments, in repayment of the principal moneys for the time being secured by the debentures.

Debentures to be redeemed by purchase or by annual drawings.

14 The debentures shall, at the option of the Crown Agents, subject to the approval of Her Majesty's Principal Secretary of State for the Colonies for the time being, be redeemed either by purchase in the open market or by annual drawings, and, subject to the aforesaid payments, the sum to be applied annually to such redemption shall correspond as nearly as may be to, but not exceed, the amount for the time being standing to the credit of the sinking fund.

Appointment of day for drawing of debentures.

15 So long as any of the debentures remain outstanding and unsatisfied, the Crown Agents shall in every year, after the day on which the first of the debentures is issued, unless the whole of the money applicable in that year to the redemption of debentures has been applied in the purchase thereof, appoint a day in that year for the drawing by lot of the debentures to be redeemed.

Notice of time and place appointed for drawing.

16 If a day is appointed for drawing, the Crown Agents shall give, by advertisement in the London *Times* newspaper, not less than fifteen days' previous notice, specifying the day on which, and the hour and place at which, the drawing will take place, and the nominal amount of the debentures to be redeemed at that drawing.

Mode of drawing.

17 On the day and at the hour and place so specified the Crown Agents shall hold a meeting, at which the holder of any debenture may, if he think fit, be present, and shall then in the presence of such debenture-holders (if any) as may attend, and of a notary public, draw by lot out of the whole number of debentures for the time being outstanding debentures of the specified nominal amount.

Notice of debentures drawn for redemption.

18 The Crown Agents shall thereupon declare the distinguishing numbers of the debentures drawn for redemption, and shall, as soon as may be, by advertisement in the London *Times* newspaper, specify those numbers and appoint a day (not being later as to each debenture than the day on which the then current half-year's interest thereon is payable) on which the principal moneys secured by the debentures so distinguished will be repaid.

Payment of drawn debentures.

19 On the day so appointed the Crown Agents shall at their office in London, on demand, pay to the holders of the

debentures drawn for repayment the principal moneys secured by those debentures, with all interest payable thereon up to that day.

20 From and after the day appointed for the repayment of any debenture, all interest on the principal moneys secured thereby shall cease and determine, whether payment of the principal have or have not been demanded.

Cesser of interest from day appointed for payment of principal.

21 Upon the repayment of the principal moneys secured by any debenture, the debenture with all the coupons thereunto belonging shall be delivered up to the Crown Agents, to be by them cancelled and forwarded to the Government of Ceylon. Any debenture redeemed by purchase shall likewise be so cancelled and forwarded.

Redeemed debentures to be cancelled.

22 No money applied in redemption of a debenture shall be re-borrowed, and no debenture shall be issued in respect of, or in substitution for, any cancelled debenture.

Money repaid not to be re-borrowed.

14th December, 1878.
