ANNO TRICESIMO SEPTIMO

Georgii III. Regis.

CAP. XXXI.

An Act to enable the *Eaſt India* Company to raiſe Money by further increaſing their Capital Stock, and to extend the Proviſions now exiſting reſpecting the preſent Stock of the Company to the ſaid increaſed Stock. [7th *March* 1797.]

Preamble

WHEREAS the Affairs of the United Company of Merchants of *England* trading to the *Eaſt Indies* require a permanent Advance of a conſiderable Sum of Money beyond what the ſaid Company can raiſe under the Powers now veſted in them by Law; and it is expedient that ſuch Money ſhould be raiſed by an Increaſe of their Capital Stock; may it therefore pleaſe Your moſt Excellent 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, That it ſhall and may be lawful to and for the ſaid United Company, and they are hereby authorized and empowered, by and with the Conſent and Approbation of the Commiſſioners of His Majeſty's Treaſury for the Time being, or any Three or more of them, or of the High Treaſurer for the Time being, from Time to Time, and at any Time or Times hereafter, to open Books and receive Subſcriptions from any Perſon or Perſons, Natives or Foreigners, Bodies Politick or Corporate, for enlarging their preſent

The Company, with Conſent of the Treaſury, may add 1,000,000 *l.* to their Capital Stock.

preſent Capital Stock or Fund of Six Millions of Pounds to any Sum or Sums, not exceeding the further Sum of Two Millions Capital Stock, ſo that their whole Capital Stock ſhall not exceed the Capital Sum of Eight Millions; which ſaid additional Capital Stock ſhall from Time to Time be ſubſcribed and paid for at ſuch Rate for every One hundred Pounds of ſuch Stock as the Court of Directors of the ſaid United Company, with the Conſent and Approbation of the Commiſſioners of His Majeſty's Treaſury for the Time being, or any Three or more of them, or of the High Treaſurer for the Time being, ſhall direct; which ſaid Subſcriptions ſhall be made, and the Money for the ſaid additional Stock ſhall, from Time to Time, be paid, in ſuch Manner and Form, and by ſuch Inſtalments and Proportions, as the ſaid Court of Directors, with ſuch Conſent and Approbation as aforeſaid, ſhall appoint; and the Capital Stock ſo ſubſcribed and paid for, ſhall, from and after the Time of ſuch Payment, be deemed, conſidered, and taken, as and for a Part of the Capital Stock of the ſaid Company; and the ſaid Subſcribers, from and after the Time of making full Payment for the ſaid additional Stock, and their reſpective Executors or Adminiſtrators and Aſſigns, ſhall at all Times be deemed and reputed to be Members of the ſaid United Company, and incorporated therewith, and ſhall be entitled unto, and have, hold, and enjoy all and every the Profits, Benefits, Privileges, Advantages, and Immunities, and be ſubject and liable to all and every the Regulations, Rules, and Orders, whereto the preſent Stockholders and Members of the ſaid United Company, in reſpect of the Stock held by and belonging to them, are reſpectively entitled, ſubject, and liable unto by any Act or Acts of Parliament, Charter, or Bye-law, or otherwiſe howſoever; and the ſaid additional Stock ſhall be transferrable and aſſignable in the like Manner, and the Proprietors and Holders thereof ſhall hold their reſpective Shares of the ſaid additional Stock in like Manner, as the reſpective preſent Stockholders of the ſaid Company now do, and hereafter ſhall hold and enjoy the reſpective Sums now belonging to them in the preſent Capital Stock of the ſaid United Company, and the ſame ſhall in all reſpects be conſolidated and united as One Joint Stock.

Subſcribers to be incorporated with the Company.

II. And be it further enacted by the Authority aforeſaid, That the ſaid United Company ſhall and may, from Time to Time, make and pay the like Dividends to the Proprietors of the ſaid additional Stock as they now do, and hereafter ſhall and may make and pay to the Proprietors and Holders of the preſent Stock of the ſaid United Company, the Firſt of which ſaid Dividends ſhall commence from ſuch Time as ſhall be ſpecified in the Propoſals or Terms to be offered for the ſaid Subſcription, by the ſaid Court of Directors, with ſuch Conſent and Approbation as aforeſaid.

The like Dividends to be paid on the additional as on the preſent Stock.

III. Provided nevertheleſs, and be it further enacted by the Authority aforeſaid, That it ſhall and may be lawful to and for the ſaid Court of Directors, with ſuch Conſent and Approbation as aforeſaid, to give the Option and Preference in ſubſcribing for the ſaid additional Stock, to ſuch Perſons as ſhall hold the ſaid Company's Stock at the Time or Times of ſuch Subſcription as aforeſaid, as far as and not exceeding the Amount of Fifty Pounds *per Centum* on the Capital Stock, which ſhall then be held by each Stockholder ſo ſubſcribing, for all ſuch Sums as they

Preference to be given to preſent Proprietors, not exceeding 50 *l. per Cent.* of their Capital.

they ſhall ſubſcribe, on or before a Day to be named by the ſaid Court of Directors, with ſuch Conſent and Approbation as aforeſaid; and in caſe the Subſcriptions made by them, on or before ſuch Day, ſhall exceed the Sum propoſed to be ſold at that Time, a proportionable Deduction ſhall be made from each Subſcription; and if ſuch Subſcription ſhall, on the Cloſe thereof on ſuch Day as aforeſaid, fall ſhort of the Sum propoſed to be ſold, the Deficiency ſhall be diſpoſed of to other Perſons, as the ſaid Court of Directors, with ſuch Conſent and Approbation as aforeſaid, ſhall think fit.

If their Subſcriptions be more than ſufficient, a proportionable Deduction to be made; and if leſs, the Deficiency may be ſupplied by others.

IV. Provided always, and be it further enacted by the Authority aforeſaid, That nothing herein contained ſhall extend, or be conſtrued to extend, to prevent or reſtrain the Court of Directors of the ſaid United Company, by and with ſuch Conſent and Approbation as aforeſaid, from agreeing with One or more Perſon or Perſons, Bodies Politick or Corporate, for the Sale of the Whole of the ſaid additional Capital Stock, or for ſuch Part or Parts thereof, as they ſhall from Time to Time think fit, and find it neceſſary and proper to ſell; but it ſhall and may be lawful for the ſaid Court, with ſuch Conſent and Approbation as aforeſaid, to contract for and agree to ſell the Whole, or any Part thereof, to One or more Perſon or Perſons.

The additional Stock, with Conſent of the Treaſury, may be ſold to One or more Perſons.

V. And be it further enacted by the Authority aforeſaid, That as ſoon as reaſonably may be after the Depoſit or Firſt Payment ſhall be made for the ſaid additional Stock to be ſubſcribed for, the ſaid Company's Caſhier or Treaſurer ſhall give a Receipt for the ſame, and ſo from Time to Time as future Payments ſhall be made; which ſaid Receipts ſhall be aſſignable and transferrable by Indorſement thereon; and when the laſt Payment ſhall be made on the ſaid additional Stock to be ſubſcribed for as aforeſaid, the Holder of ſuch Receipt, on delivering up the ſame, ſhall have his or her Name entered in proper Books to be kept by the ſaid United Company for that Purpoſe, with an Account of the Capital Stock belonging to each Proprietor in like Manner as the Accounts of the preſent Proprietors of *India* Stock are kept.

Receipts to be given for Depoſits, which may be aſſigned, &c.

VI. Provided always nevertheleſs, and be it further enacted, That in caſe any Subſcriber or Subſcribers, after having ſubſcribed, ſhall fail in making all or any the Payments agreed at the reſpective Times for ſuch Payments, then and in every ſuch Caſe the ſaid United Company ſhall and may take in Subſcriptions for, and ſell the Stock ſubſcribed for by ſuch Defaulter, to any other Perſon or Perſons; and all Depoſits and Payments made by ſuch Defaulter, previous to ſuch Default, ſhall be forfeited to and become the Property of the ſaid United Company.

Depoſits of Defaulters to be forfeited.

VII. And be it further enacted by the Authority aforeſaid, That it ſhall and may be lawful for any Guardian or Truſtee having the Diſpoſition of the Money of any Infant, to ſubſcribe and pay for the ſaid additional Stock, or any Part thereof, upon the Terms and Conditions contained in this Act; and ſuch Infant, upon the Payment of ſuch Sum or Sums by ſuch Guardian or Truſtee, ſhall be entitled unto the Stock ſo ſubſcribed and paid for on his Account, and to all Advantages in reſpect thereof, in like Manner as any other Purchaſer or Subſcriber; and the ſaid Guardian or Truſtee, as to the Sum or Sums advanced by him,

Guardians may ſubſcribe for Infants.

ſhall be, and is hereby diſcharged in reſpect thereof, ſo as the Name of ſuch Infant ſhall be expreſſed in the Receipt or Receipts for ſuch Money.

33 *Geo.* III, Cap. 52, recited.

VIII. And whereas, by an Act made in the Thirty-third Year of the Reign of His preſent Majeſty, intituled, *An Act for continuing in the* Eaſt India Company, *for a further Term, the Poſſeſſion of the* Britiſh *Territories in* India, *together with their excluſive Trade, under certain Limitations; for eſtabliſhing further Regulations for the Government of the ſaid Territories, and the better Adminiſtration of Juſtice within the ſame; for appropriating to certain Uſes the Revenues and Profits of the ſaid Company; and for making Proviſion for the good Order and Government of the Towns of* Calcutta, Madras, *and* Bombay, it was (amongſt other Things) enacted, That, during the Continuance of the excluſive Trade to the ſaid Company, the Net Proceeds of their Sales of Goods at Home, with the Duties and Allowances ariſing by private Trade, and all other Profits of the ſaid Company in *Great Britain*, after providing for the Payment of Bills of Exchange then already accepted by the ſaid Company, as the ſame ſhould become due, and for the current Payments of other Debts, Intereſt, and other Outgoings, Charges, and Expences of the ſaid Company (their Bond Debt always excepted), ſhould be applied and diſpoſed of in the following Manner; (that is to ſay), Firſt, in the Payment of a Dividend after the Rate of Ten Pounds *per Centum per Annum*, on the preſent or any future Amount of the Capital Stock of the ſaid Company, the Firſt Half-year's Payment thereof to commence and be made at *Midſummer* One thouſand ſeven hundred and ninety-three; Secondly, in Payment of Five hundred thouſand Pounds *per Annum*, the ſame to be ſet apart on the Firſt Day of *March* and the Firſt Day of *September*, Half-yearly, in equal Portions, and applied in the Diſcharge of Bills of Exchange drawn or to be drawn in *India*, for the Transfer or Remittance of the Debts of the ſaid Company from thence to *Great Britain*, for the Diminution of ſuch Debts, until the ſame ſhould be reduced to Two Crores of Current Rupees, or Two millions of Pounds Sterling; Thirdly, in Payment of a Sum not exceeding Five hundred thouſand Pounds in every Year into the Receipt of His Majeſty's Exchequer, to be applied as Parliament ſhould direct; and that, until the ſaid Debts in *India* ſhould be reduced to the Amount of Two Crores of Current Rupees, or Two millions of Pounds Sterling, the ultimate Surplus which ſhould remain of the ſaid Net Proceeds, after ſuch Payments thereout made as aforeſaid, ſhould and might be from Time to Time ſet apart and applied in Augmentation of the ſaid Fund or Annual Sum of Five hundred thouſand Pounds a Year, thereby appropriated for the Reduction of the ſaid Debts in *India*, in and for the Reduction thereof by the Diſcharge of any further Bills of Exchange to be drawn from thence either for the Transfer and Remittance thereof to *Great Britain*, or for Loans of Money to be borrowed on the Credit of any Bills of Exchange which ſhould be granted by the Order of the Court of Directors to any greater Amount than was therein before limited or directed in that Behalf, or otherwiſe it ſhould be lawful for the ſaid Court of Directors to apply any Part of the ſaid ultimate Surplus of the ſaid Net Proceeds in the Payment of any Debts of the ſaid Company in *Great Britain* (the Bond Debt therein mentioned, of One million five hundred thouſand Pounds only excepted), or to the Purchaſe of any Goods, Wares, or other Merchandize, to be diſpoſed of in

India or *China*, and to appropriate the Produce thereof in and towards the more ſpeedy Diminution of the ſaid Debts in *India*; and that when and ſo ſoon as the ſaid Debts in *India* ſhould have been reduced to the Amount therein before limited in reſpect thereof, and the Bond Debt in *Great Britain* to One million five hundred thouſand Pounds, the Surplus of the ſaid Net Proceeds, after providing for the current Payments of Intereſt, and other Outgoings, Charges, and Expences, of the ſaid Company, and of a Dividend after the Rate of Ten Pounds *per Centum per Annum* on the ſaid Capital Stock, and the ſaid Annual Sum of Five hundred thouſand Pounds to be paid into the Exchequer, and after making good all former Deficiencies in the ſaid Annual Payments, otherwiſe than was provided by the ſaid Act, ſhould be applied and diſpoſed of in the Manner following; (that is to ſay), One Sixth Part of the ſaid Surplus, computed and adjuſted to the Firſt Day of *March* in every Year, ſhould be reſerved and retained by the ſaid Company for their own Uſe, and applied in Augmentation of the Dividends on their Capital Stock, and that the Reſidue of the ſaid Surplus ſhould be ſet apart, and from Time to Time paid by the ſaid Company into the Bank of *England*, within the Firſt Week in *April* in each Year, to be there placed to the Account of the Commiſſioners appointed by an Act of the Twenty-ſixth Year of His Majeſty's Reign, intituled, *An Act for veſting certain Sums in Commiſſioners, at the End of every Quarter of a Year, to be by them applied in the Reduction of the National Debt*, until the Monies ſo paid, together with the Sums ariſing by the growing Intereſt thereof, ſhould have amounted to Twelve millions of Pounds Sterling; and that, from and after ſuch Payments, together with the Money ſo ariſing by the ſaid growing Intereſt, ſhould have amounted to the ſaid Sum of Twelve millions of Pounds Sterling, the ſaid Surplus ſhould be, from Time to Time, paid into the Receipt of His Majeſty's Exchequer, and be there placed to the Account of the Conſolidated Fund, as the Property of the Publick, in full Right: And it was thereby further enacted, that the Governor and Company of the Bank of *England* ſhould raiſe, and keep an Account with the ſaid Commiſſioners in their Books, to be intituled, *The Account of the Guarantee Fund of the United Company of Merchants of* England *trading to the* Eaſt Indies; and that as well all ſuch Monies as ſhould be paid by the ſaid United Company to the ſaid Governor and Company, by virtue of that Act, as alſo the annual Dividends or Intereſt to ariſe therefrom, in Manner by that Act provided, ſhould be placed to the ſaid Account, and ſhould be ſeverally and reſpectively, under the Order and Direction of the ſaid Governor and Company of the Bank of *England*, laid out and inveſted in the Names of the ſaid Commiſſioners in the Purchaſe of Capital Stock in any of the redeemable Publick Annuities tranſferrable at the Bank of *England*, the ſame to be transferred to the ſaid Commiſſioners, on account of the ſaid Guarantee Fund in the Books of the ſaid Governor and Company of the Bank of *England*, and that the Dividends payable thereon, ſhould from Time to Time be received by the ſaid Governor and Company of the Bank of *England*, and be placed to the Account of the ſaid Commiſſioners: And it was thereby further enacted, that when and after the Monies paid by the ſaid United Company to the ſaid Governor and Company of the Bank, together with the Monies received for Dividends on the Capital Stock of Annuities purchaſed therewith, and with the Proceeds thereof, ſhould have amounted

amounted to Twelve millions of Pounds Sterling, the Dividends of the ſaid Capital Stock of Annuities ſhould, in preference to any other Diſpoſition thereof, be ſubject and liable to make good to the ſaid United Company, for and during ſuch Time as they ſhall continue to trade with a Joint Stock, any Deficiency of Deficiencies in their own Funds, applicable to the Payment of the Dividends in the ſaid Act mentioned of Ten Pounds *per Centum per Annum* on the Capital Stock of the ſaid United Company, if any ſuch Deficiency ſhould happen in ſuch Payment or Payments; and that when there ſhould be no ſuch Deficiency, or being ſuch after the ſame ſhould be made good out of the ſaid Dividends, ſuch Dividends, or the Surplus thereof, ſhould be deemed to be the Property of the Publick, and ſhould be paid, when and as often as the ſame ſhould ariſe, by the Governor and Company of the Bank of *England* into the Receipt of the Exchequer, and be there carried to the Account of the Conſolidated Fund: And it was further enacted, that the Capital Stock of Annuities wherein or in the Purchaſe whereof the ſaid Sum of Twelve millions of Pounds Sterling ſhould be inveſted purſuant to the Directions of that Act, ſhould be deemed and conſidered as a Guarantee Fund for the better ſecuring to the ſaid United Company their Capital Stock, or the Value thereof, ſuch Value being always computed for that Purpoſe after the Rate of Two hundred Pounds for every One hundred Pounds of ſuch Capital Stock; and that if at the Time of the Right and Title of the ſaid United Company to the ſaid whole, ſole, and excluſive Trade (limited as in the ſaid Act is mentioned) becoming determined, their own Funds and Aſſets, Real and Perſonal, ſhould be inſufficient to pay and ſatisfy all their juſt Debts, and to make good to the ſaid Company their ſaid Capital Stock, or the Value thereof, computing the ſame after the Rate of Two hundred Pounds for every One hundred Pounds of the ſaid Stock, that then the ſaid Capital Stock of Annuities, or Guarantee Fund, ſhould be deemed and conſidered, as far as the ſame ſhould or might extend for that Purpoſe, to be, in the Firſt Place, and before any other Application thereof, ſubject and liable to make good to the ſaid Company and their Creditors the Deficiency ſo ariſing in their own Funds and Effects for the Purpoſe aforeſaid; and that the ſaid Capital Stock of Annuities, or the Surplus thereof, after making good ſuch Deficiency (if any ſuch there ſhould be) ſhould remain and continue as a Guarantee Fund, for the better ſecuring the Capital Stock of the ſaid United Company, or the Value thereof, rating the ſame as aforeſaid, after ſuch Determination of their whole, ſole, and excluſive Trade, for ſo long Time as they ſhould continue to trade with a Joint Stock, and ſubject thereto; and after making good all ſuch Deficiencies, the ſaid Capital Stock of Annuities, or ſo much thereof as ſhould then remain, ſhould be and be deemed the Property of the Publick, as by the ſaid recited Act may appear: And whereas it is juſt and expedient that, after the Stock of the ſaid Company ſhall be encreaſed, the ſaid Guarantee Fund ſhould be alſo encreaſed, ſo as to give the Proprietors of the ſaid encreaſed Stock the ſame Security and Benefit as the Proprietors of the preſent Stock of the ſaid Company are entitled to; be it therefore further enacted by the Authority aforeſaid, That, from Time to Time when and as the ſaid Company's Stock ſhall be encreaſed, the ſaid Fund, in the ſaid recited Act, called *The Guarantee Fund*, ſhall alſo be encreaſed, by the Means and in the Manner in which

As the Stock ſhall be encreaſed, the Guarantee

the ſaid Guarantee Fund of Twelve millions of Pounds Sterling is to be raiſed, ſo that the ſame may amount to the Sum of the Capital Stock of the ſaid Company, computing the ſame at ſuch Rate as in the ſaid recited Act is mentioned; and the ſaid Guarantee Fund, ſo encreaſed as aforeſaid, ſhall be ſubject unto and a Security for ſuch Payments, and ſhall be applied in the ſame Manner in every Reſpect, to all Intents and Purpoſes, as the ſaid Guarantee Fund is directed to be paid and applied, ſo as to ſecure and make good to the Creditors of the ſaid Company any Deficiency of their Funds for the Payment of Debts, and alſo any Deficiency to the Proprietors of the ſaid increaſed Stock, as well as the Proprietors of the preſent Stock of the ſaid Company, of the ſaid Dividend of Ten Pounds *per Centum*, and of the Value of the ſaid Stock, at the Times and under the Circumſtances in the ſaid Act mentioned, rating ſuch Value at Two hundred Pounds for every One hundred Pounds Capital Stock, as in the ſaid Act is mentioned.

Fund, mentioned in the recited Act, to be alſo encreaſed.

IX. And whereas, by the ſaid Act made in the Thirty-third Year of the Reign of His preſent Majeſty, taking Notice of a Fund ſeparately belonging to the ſaid United Company, and therein called *The Company's Separate Fund*, it was enacted, that the ſaid ſeparate Fund, or the Monies conſtituting the ſame, ſhould continue in the Hands of the ſaid Company, bearing Intereſt, and be employed in their Trade, ſubject to the Payment of ſuch Dividends as were therein-after ſpecified; and that the ſaid ſeparate Fund, with the growing Intereſt thereof, ſhould be divided and diſtributed in the Manner therein after mentioned, and in no other Manner whatſoever, that is to ſay, that after Payment ſhould be made by the Company into His Majeſty's Exchequer of the Two Firſt Inſtalments of Two hundred and fifty thouſand Pounds each, which by force and virtue of that Act would become due from the ſaid Company to the Publick on the Firſt Day of *July* One thouſand ſeven hundred and ninety-three, and the Firſt Day of *January* One thouſand ſeven hundred and ninety-four, reſpectively, or otherwiſe, after ſetting apart a ſufficient Sum for ſuch Payments (which ſaid Payments were duly made agreeable to the Proviſion of the ſaid Act), it ſhould be lawful for the ſaid Company, out of the ſaid ſeparate Fund, and the Intereſt or growing Income thereof, to make and declare a Dividend or Dividends after the Rate of Ten Shillings *per Centum per Annum* on the preſent or any future Amount of their Capital Stock, which ſaid Dividend or Dividends ſhould be paid and payable to the ſaid Company over and above any other Dividend or Dividends which ſhould become due in reſpect thereof; and that after the Expiration of the further Term thereby granted in the ſaid excluſive Trade, it ſhould be lawful for the ſaid Company to retain and diſpoſe of what ſhould then remain of the ſaid Company's ſeparate Fund, or of the Monies conſtituting the ſame, and the Intereſt or other Annual Proceeds thereof, in ſuch Manner as they ſhould then think fit: And whereas the Payment of the ſaid Dividend of Ten Shillings *per Centum* to the Proprietors of the ſaid increaſed Stock out of the ſaid ſeparate Fund as in the ſaid recited Act is mentioned, will exhauſt the ſame long before the Expiration of the Term of the ſaid excluſive Trade, to the Injury of the preſent Proprietors of the Stock of the ſaid Company, who would thereby be deprived of ſuch Dividend for the Remainder of the ſaid

33 *Geo.* III. Cap. 52, further recited.

Term, and in regard the Money to be raiſed by the ſaid increaſed Stock is for the mutual Benefit of the Publick and the ſaid United Company, it is fit that the ſaid Dividend ſhould be conſidered as a Charge upon the ſaid Trade; be it therefore further enacted by the Authority aforeſaid, That the ſaid Dividend of Ten Shillings *per Centum*, which under the Authority of the ſaid recited Act will be payable to the Proprietors of the ſaid increaſed Stock out of the ſaid ſeparate Fund, ſhall be paid to them out of the Annual Profits of the ſaid Company, in the ſame Manner, and at the ſame Times, as the Dividend of Ten Pounds *per Centum* in the ſaid Act mentioned is to be paid to the Proprietors of the Stock of the ſaid Company; and for that Purpoſe a Sum equal to the Amount of ſuch Dividends ſhall, from Time to Time, be debited to the Annual Account, as a Charge on the ſaid Trade, and carried to the Account of the ſaid ſeparate Fund; any Thing in the ſaid recited Act to the contrary notwithſtanding.

Dividend of 10 *s. per Cent.* payable under recited Act, out of the ſeparate Fund, to be paid out of the Profits of the Company.

X. And be it further enacted by the Authority aforeſaid, That this Act ſhall be deemed and taken to be a Publick Act; and ſhall be judicially taken Notice of as ſuch, by all Judges, Juſtices, and other Perſons whomſoever, without ſpecially pleading the ſame.

Publick Act.

FINIS.