

**115.** (1) All sinking funds established or maintained under this Act shall be subject to annual examination by the Accountant General, Bombay, who shall ascertain whether the cash and the value of the securities belonging thereto are actually equal to the amount which should be at the credit of such funds had investments been regularly made and had the rate of interest as originally estimated been obtained therefrom. Annual examination of sinking funds.

(2) The amount which should be at the credit of a sinking fund shall be calculated on the basis of the present value of all future payments required to be made to such fund under the provisions of this Act, on the assumption that all investments are regularly made and the rate of interest as originally estimated is obtained therefrom.

(3) The securities belonging to a sinking fund shall be valued for the purposes of this section at their current market value, except in the case of debentures issued under this Act or for any loan raised before the appointed day for which the Corporation is liable which shall always be valued at par, provided that the Corporation shall make good immediately any loss which may accrue on the actual sale of such debentures at the time of repayment of the loan.

(4) The Corporation shall forthwith pay into any sinking fund any amount which the Accountant General, Bombay, may certify to be deficient, unless the <sup>1</sup>[State] Government specially sanctions a gradual readjustment.

(5) If the cash and the value of the securities at the credit of any sinking fund are in excess of the amount which should be at its credit, the Accountant General, Bombay, shall certify the amount of such excess sum and the Corporation may thereupon transfer the excess sum to the Municipal Fund:

Provided that the Corporation may transfer such excess sum or such portion thereof as it may determine to the Transport Fund if the sinking fund from which the transfer is made pertains to a loan which has been raised in whole or part for the purposes of the Transport Undertaking.

(6) If any dispute arises as to the accuracy of any certificate made by the Accountant General, Bombay, under sub-section (4) or (5) the Corporation may, after making the payment or transfer, refer the matter to the <sup>1</sup>[State] Government, whose decision shall be final.

**116.** In the case of all loans raised before the appointed day for which the Corporation is liable the following provisions shall apply:— Provisions for loans raised before the appointed day.

(a) if when such loans were raised the loans were made repayable from sinking funds, the Corporation shall establish sinking funds for the repayment of such loans and shall pay into such funds such sums on such dates as may have been fixed when the loans were raised;

(b) all securities and cash held on the date immediately preceding the appointed day in sinking funds established for the repayment of such loans shall be held by the Corporation as part of the sinking funds established under clause (a);

(c) the provisions of section 112 shall apply to such sinking funds;

(d) if when any such loans were raised the loans were made repayable by equal payments of principal and interest or by equal payments of principal or by annual drawings, the Corporation shall make such payments or annual drawings on such dates and in such manner as may have been fixed when the loans were raised;

(e) the provisions of section 117 shall apply to such loans.

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1. This word was substituted for the word "Provincial" by the Adaptation of Laws Order, 1950.