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and General Government Notifications.
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PART III.—Provincial Administration.
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UNOFFICIAL ANNOUNCEMENTS.

MEMORANDUM OF ASSOCIATION OF THE KURUNEGALA DAIRY COMPANY, LIMITED.

1. The name of the Company is "The Kurunegala Dairy Company, Limited."
2. The registered office of the Company is to be established in Kurunegala, Ceylon.
3. The object for which the Company is established are —
 - (1) To purchase, lease, take in exchange, hire, or otherwise acquire land or lands, or any share or shares thereof, and any buildings, machinery, implements, tools, live and dead stock, stores, effects, and other property, real and personal, movable or immovable of any kind, and any rights, easements, patents, licenses, or privileges in Ceylon or elsewhere (including the benefit of any trade mark, or trade secret, which may be thought necessary or convenient for the purpose of the Company's business), and to erect, construct, maintain, or alter any buildings, machinery, plants, roads, ways or other works, or methods of communication.
 - (2) To engage, employ, maintain, provide for, and dismiss superintendents, managers, clerks, coolies, and other labourers and servants, and to remunerate any such at such rate as shall be thought fit, and to grant pensions or gratuities to any such or to the widow or children of any such.
 - (3) To clear, open, plant, cultivate, and improve any land or lands that may be purchased, leased, or otherwise acquired by the Company in Ceylon or elsewhere, or portions thereof, with any products, trees, plants or crops that may be approved by the Company.
To otherwise improve and develop the same.

- (4) To carry on the business of dairy keepers; milk sellers; dealers in cattle, sheep, pigs, and poultry; ice and aerated water manufacturers; merchants; commission agents, in all their branches, on behalf of the Company, or as agents for others, and on commission or otherwise.
- (5) To establish and maintain in Ceylon, stores, shops, places for the sale of milk, cream, butter, and other articles of food, drink, or refreshment, wholesale or retail.
- (6) To let, lease, exchange, or mortgage the Company's lands, buildings, or other property or any part or parts thereof, whether in consideration of rents, money, or securities for money, shares, debentures, or securities in any other Company, or for any other consideration, and otherwise to trade in, dispose of, or deal with the same or any part thereof.
- (7) To borrow or receive on loan money for the purpose of the Company upon the security of cash credit bonds or of hypothecations, or of mortgage of the Company's property, or any part or parts thereof, or otherwise, as shall be thought most expedient, and in particular by the issue of debentures, debenture stock or bonds to bearer or otherwise, either charged upon all or any part of the Company's present or future property (including uncalled capital), or not so charged, as shall be thought best.
- (8) To draw, make, accept, and endorse bills of exchange, notes, and other negotiable instruments for the purposes of the Company.
- (9) To unite, co-operate, amalgamate, or enter into partnership, or any arrangements for sharing profits of union of interests, or any other arrangement with any person or persons, company or companies already engaged in or hereafter to be established for the purpose of carrying on any business having objects wholly or in part similar or analogous, or subsidiary to those of the Company or to any of them, or capable of being conducted so as to benefit this Company, either directly or indirectly, and to subscribe for or otherwise acquire for the benefit and in the name of the Company or otherwise, and pay for in any manner that may be agreed upon, either in money or in shares or bonds or otherwise, and to hold any shares, stock, or other interest in any such Company, and to promote the formation of any such Company.
- (10) To amalgamate with any other Company having objects altogether or in part similar to this Company.
- (11) To acquire by purchase in money, shares, bonds, or otherwise, and undertake all or any part of the business, property, assets, and liabilities of any person or persons, company or companies carrying on any business in Ceylon, which this Company is authorized to carry on, or possessed of property suitable for the purposes of this Company.
- (12) To sell the property, business, or undertaking of the Company or any part or parts thereof for such consideration as the Company shall think fit, and in particular for shares, stocks, debentures, or securities of any other Company.
- (13) To procure the Company to be registered or incorporated in Ceylon, and if and when necessary elsewhere.
- (14) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

4. The liability of the Shareholders is limited.

5. The capital of the Company is ten thousand rupees (Rs. 10,000); divided into two hundred shares of fifty rupees (Rs. 50) each, to be issued and held on such terms as shall be prescribed by the Articles of Association and Regulations of the Company for the time being or otherwise.

6. The profits of any year which the Directors shall recommend for division shall be divided among the Shareholders.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in accordance with this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names:—

Name.	Address.	Number of Share.
J. D. MASON	... Kurunegala	... Two
JNO. CLOVIS DE SILVA	.. Lynn Bank, Cinnamon Gardens, Colombo	... Five
ABRAM S. GOONEWARDENE	... Kurunegala	... Two
W. H. JACOTINE	... Kurunegala	.. One
S. N. W. HULUGALLE	.. Nikaweratiya	... Ten
N. S. CASSIM	... Kurunegala	... One
COLLIN HEYNSBERGH	... Kurunegala	... Two

Witness to signatures and identity of signatories :

FRANK MODDER,
Notary Public.

ARTICLES OF ASSOCIATION OF THE KURUNEGALA DAIRY COMPANY, LIMITED.

THE regulations contained in the Table C in the schedule annexed to "The Joint Stock Companies' Ordinance, 1861," shall not apply to this Company, which shall be governed by the regulations contained in these Articles, but subject to repeal, addition, or alteration by special resolution.

The Company may, by special resolution, alter and make provisions instead of, or in addition to, any of the regulations of the Company, whether contained and comprised in these Articles or not.

INTERPRETATION CLAUSE.

1. In the interpretation of these presents the following words and expressions shall have the following meanings, unless such meanings be inconsistent with, or repugnant to, the subject or context:—

The word "Company" means "The Kurunegala Dairy Company, Limited," incorporated or established by or under the Memorandum of Association to which these Articles are attached.

The "Ordinance" means and includes "The Joint Stock Companies' Ordinance, 1861," and every other Ordinance from time to time in force concerning Joint Stock Companies which may apply to the Company.

"These presents" means and includes the Memorandum of Association and the Articles of Association of the Company from time to time in force.

"Capital" means the capital for the time being raised or authorized to be raised for the purposes of the Company.

"Shares" means the shares from time to time into which the capital of the Company may be divided.

"Shareholder" means a Shareholder of the Company.

"Presence or present" at a meeting means presence or present personally or by proxy or by attorney.

"Directors" means the Directors for the time being of the Company or (as the case may be) the Directors assembled at a Board.

"Board" means a meeting of the Directors or (as the context may require) the Directors assembled at a Board meeting, acting through at least a quorum of their body in the exercise of authority duly given to them.

"Persons" means partnerships, associations, corporations, companies, unincorporated or incorporated by Ordinance and registration, as well as individuals.

"Office" means the registered office for the time being of the Company.

"Seal" means common seal for the time being of the Company.

"Month" means a calendar month.

"Writing" means printed matter or print as well as writing.

Words importing the singular number only include the plural, and *vice versa*.

Words importing the masculine gender only include the feminine, and *vice versa*.

BUSINESS.

2. The Company may proceed to carry out the objects for which it is established, and to employ and apply its capital as soon after the registration of the Company as the Directors in their discretion shall think fit; and if the whole of the shares shall not have been subscribed, applied for, or allotted, as soon as, in the judgment of the Directors, a sufficient number of shares shall have been subscribed or applied for.

3. The business of the Company shall be carried on by, or under the management or direction of, the Directors, and subject only to the control of General Meetings, in accordance with these presents.

CAPITAL.

4. The initial capital shall be divided into 200 ordinary shares of Rupees Fifty each.

5. No new shares shall be issued with any right of equality as regards dividend or return of capital, or with any preferential rights as regards dividend, except by an extraordinary resolution passed by two-thirds in number and value of the holders of the ordinary shares, or such of them as may for the time being be present in person or by proxy at a meeting of the holders of such shares specially convened for that purpose.

6. The Company may from time to time, by special resolution, increase the capital of the Company by creation of new shares of such amount as may be deemed expedient. The new shares shall be issued on such terms and conditions, and with such preference or priority as regards dividends, or in the distribution of assets or otherwise over other shares issued or to be issued, and at any price or with such deferred rights as compared with shares then already issued or to be issued, or subject to any other special conditions, and with any special right or without any power of voting, and generally upon such terms as the Company in General Meeting may direct. Provided that no shares shall be issued or rank in priority to or *pari passu* with the 205 preference shares without the consent of an extraordinary resolution of the holders of such preference shares as hereinbefore provided.

7. The Company shall have power, by special resolution, to reduce its capital, whether paid up or uncalled, and whether by cancelling unallotted shares or otherwise, and to consolidate and also to subdivide its shares or any of them into shares of a larger or smaller denomination.

SHARES.

8. The Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls.

9. If by the conditions of allotment of any share the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the holder of the shares.

10. The shares, except when otherwise provided, shall be allotted at the discretion of and by the Directors who may from time to time issue any unissued shares, and may add to such shares such an amount of premium as they consider proper. Provided that such unissued shares shall first be offered by the Directors to the Shareholders in proportion to the existing shares held by them, and such offer shall be made by notice specifying the number of shares to which the Shareholder is entitled, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time, or on the receipt of an intimation from the Shareholder to whom such notice is given that he declines to accept the shares offered, the same shall be disposed of in such manner as the Directors may determine. Provided that the Directors may at their discretion allot such new shares or any portion of them to the vendor or vendors of any estates or lands being acquired by the Company in payment of the whole or any part of the purchase price of any such estates or lands, and that without offering the shares so allotted to the Shareholders.

11. Every person taking any share in the Company shall testify his acceptance thereof by writing under his hand in such form as the Company may from time to time direct.

12. Shares may be registered in the name of a firm, and any partner of the firm or agent duly authorized to sign the name of the firm shall be entitled to vote and to give proxies.

13. Shares may be registered in the name of two or more persons not in partnership.

14. Any one of the joint-holders of a share other than a firm may give effectual receipts for any dividends payable in respect of such share; but the Shareholder whose name stands first on the register, and no other, shall be entitled to the right of voting and of giving proxies, and all other advantages conferred on a sole Shareholder.

15. In case of the death of any one or more of the joint-holders of any shares, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to, or interest in, such shares.

16. The Company shall not be bound to recognize (even though having notice of) any contingent, future, partial, or equitable interest in the nature of a trust or otherwise in any share, or any other right in respect of any share, except any absolute right thereto in the person from time to time registered as the holder thereof, and except also the right of any person under clause 36 to become a Shareholder in respect of any share.

17. Every Shareholder shall be entitled to a certificate or certificates under the common seal of the Company, specifying the share or shares held by him, and the amount paid thereon.

18. If any certificate be worn out or defaced, then, upon production thereof to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof; and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Directors, and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the person entitled to such lost or destroyed certificate. A sum of fifty cents shall be payable for such new certificate.

19. The certificate of shares registered in the name of two or more persons not a firm shall be delivered to the person first-named on the register.

CALLS.

20. The Directors may from time to time make such calls as they think fit upon the Shareholders in respect of all moneys unpaid on their shares, and not by the conditions of allotment made payable at fixed times, provided that two months' notice at least shall be given to the Shareholders of the time and place appointed for payment of each call; and each Shareholder shall pay the amount of every call so made to the person and at the time and place appointed by the Directors.

21. If any Shareholder fail to pay the amount of any call due by him on or before the day appointed for payment thereof, he shall be liable to pay interest for the same at the rate of nine per centum per annum from the day appointed for the payment thereof to the time of actual payment.

22. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed.

23. The Directors shall have power in their absolute discretion to give time to any one or more Shareholder or Shareholders, exclusive of the others, for payment of any call or part thereof on such terms as the Directors may determine. But no Shareholder shall be entitled to any such extension except as a matter of grace or favour.

24. The Directors may at their discretion receive from any of the Shareholders willing to advance the same, and upon such terms as they think fit, all or any part of the moneys due upon their respective shares beyond the sums actually called for; and upon the moneys so paid in advance, or upon so much thereof as from time to time and at any time thereafter exceeds the amount of the calls then made upon, and due in respect of the shares in respect of which some advances have been made, the Board may pay or allow interest at such rate as the Shareholders paying such sums in advance and the Directors may agree upon, not exceeding, however, six per centum per annum.

TRANSFER OF SHARES.

25. Subject to the restriction of these Articles, any Shareholder may transfer all or any of his shares by instrument in writing.

26. No transfer of shares shall be made to an infant or person of unsound mind.

27. The Company shall keep a book or books, to be called "The Register of Transfers," in which shall be entered the particulars of every transfer or transmission of any share.

28. The Board may, at their own absolute and uncontrolled discretion, decline to register any transfer of shares by a Shareholder who is indebted to the Company, or upon whose shares the Company have a lien or otherwise, or in case of shares not fully paid up, to any person not approved by them; and in no case shall a Shareholder or proposed transferee be entitled to require the Directors to state the reason of their refusal to register, but their declinature shall be absolute.

29. Every instrument of transfer must be left at the office of the Company to be registered, accompanied by such evidence as the Directors may reasonably require to prove the title of the transferrer, and a fee of one rupee and fifty cents, or such other sum as the Directors shall from time to time determine, must be paid to the Company for the registration of every such transfer, upon payment whereof the Directors, subject to the powers vested in them by Articles 31 and 33, shall register the transferee as a Shareholder and retain the instrument of transfer.

30. The Directors may, by such means as they shall deem expedient, authorize the registration of transferees as Shareholders without the necessity of any meeting of the Directors for that purpose.

31. In no case shall the Directors be bound to inquire into the validity, legal effect, or genuineness of any instrument of transfer produced by a person claiming a transfer of any share in accordance with these Articles; and whether they abstain from so inquiring, or do so inquire and are misled, the transferrer shall have no claim whatsoever upon the Company in respect of the share, except for the dividends previously declared in respect thereof, but only, if at all, upon the transferee.

32. The Register of Transfers may be closed during the fourteen days immediately preceding each Ordinary General Meeting; and when a dividend is declared for the three next days ensuing the meeting; also at such other times (if any) and for such periods as the Directors may from time to time determine, provided always that it shall not be closed for more than thirty days in any year.

TRANSMISSION OF SHARES.

33. The executors, or administrators, or the heirs of a deceased Shareholder shall be the only persons recognized by the Company as having any title to the shares of such Shareholder.

34. Any guardian of any infant Shareholder, or any committee of a lunatic Shareholder, or any person becoming entitled to shares in consequence of the death, bankruptcy, or liquidation of any Shareholder, or the marriage of any female Shareholder, or in any other way than by transfer, shall, upon securing such evidence that he sustains the character in respect of which he proposes to act under this clause, or of his title, as the Directors think sufficient, be forthwith entitled, subject to the provisions herein contained, to be registered as a Shareholder in respect of such shares, or may, subject to the regulations as to transfers hereinbefore contained, transfer the same to some other person.

35. If any person who shall become entitled to be registered in respect of any share under clause 34 shall not, from any cause whatever, within twelve calendar months after the event on the happening of which his title shall accrue, be registered in respect of such share, or if, in the case of the death of any Shareholder no person shall, within twelve calendar months after such death, be registered as a Shareholder in respect of the shares of such deceased Shareholder, the Company may sell such shares, either by public auction or private contract, and give a receipt for the purchase money, and the purchaser shall be entitled to be registered in respect of such share, and shall not be bound to inquire whether the events have happened which entitled the Company to sell the same, and the nett proceeds of such sale, after deducting all expenses and all moneys in respect of which the Company is entitled to a lien on the shares so sold, shall be paid to the person entitled thereto.

SURRENDER AND FORFEITURE OF SHARES.

36. The Directors may accept, in the name and for the benefit of the Company, and upon such terms and conditions as may be agreed, a surrender of the shares of Shareholders who may be desirous of retiring from the Company.

37. If any Shareholder fails to pay any call or instalment on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or instalment remains unpaid, serve a notice on such Shareholder, requiring him to pay the same, together with any interest that may have accrued, and all expenses that may have been incurred by the Company by reason of such non-payment.

The notice shall name a day (not been less than one month from the date of the notice) on, and a place or places at, which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

If the requisition of such notice as aforesaid be not complied with, every or any share or shares in respect of which such notice has been given may at any time thereafter before payment of calls or instalment with interest, and expenses due in respect thereof, be declared forfeited by a resolution of the Board to that effect.

38. Any Shareholder whose shares have been so declared forfeited shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all calls, instalments, interest, and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of forfeiture until payment at nine per cent. per annum, and the Directors may enforce the payment thereof if they think fit.

39. Every share surrendered or so declared forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of upon such terms and in such manner as the Board shall think fit.

40. The surrender or forfeiture of a share shall involve the extinction of all interest in, and also of all claims and demands against, the Company in respect of the share and the proceeds thereof, and all other rights incident to the share, except only such of those rights (if any) as by these presents are expressly saved.

41. A certificate in writing under the hands of two of the Directors and of the Secretary that a share has been duly surrendered or forfeited, stating the time when it was surrendered or forfeited, shall be conclusive evidence of the facts therein stated as against all persons who would have been entitled to the share, but for such surrender or forfeiture, and such certificate and the receipt of the Company for the price of such share shall constitute a good title to such share, and a certificate of proprietorship shall be delivered to any person who may purchase the same from the Company, and thereupon such purchaser shall be deemed the holder of such share, discharged from all calls due prior to such purchase, and he shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity in the proceedings in reference to such forfeiture or sale.

The Directors may in their discretion remit or annul the forfeiture of any share within six months from the date thereof upon the payment of all moneys due to the Company from the late holder or holders of such share or shares, and all expenses incurred in relation to such forfeiture, together with such further sum of money by way of redemption money, for the deficit, as they shall think fit, not being less than nine per cent. on the amount of the sums wherein default in payment had been made, but no share *bona fide* sold or re-allotted, or otherwise disposed of under Article 40 hereof, shall be redeemable after sale or disposal.

42. The Company shall have a first charge or paramount lien upon all the shares of any holder or joint-holders for all moneys for the time being due to the Company by such holder, or by all or any of such joint-holders respectively, either in respect of such shares or of other shares held by such holder or joint-holders or otherwise, and whether due from any such holder individually or jointly with others, including all calls which the Directors shall have resolved to make, although the times appointed for the payment thereof shall not have arrived; and where any share is held by more persons than one, the Company shall be entitled to the said charge or lien in respect of any money due to the Company from any of such persons. And the Directors may decline to register any transfer of shares subject to such charge or lien.

43. Such charge or lien may be made available by a sale of all or any of the shares subject to it, provided that no such sale shall be made except under the resolution of the Directors and until notice in writing shall have been given to the indebted Shareholder or his executors or administrators, or the assignee or trustee in his bankruptcy, requiring him or them to pay the amount for the time being due to the Company, and default shall have been made for twenty-eight days from such notice in paying the sum thereby required to be paid. Should the Shareholder over whose share the lien exists be in England or elsewhere abroad, sixty days' notice shall be allowed him.

44. The nett proceeds of any such sale shall be applied in or towards satisfaction of such debts, liabilities, or engagements, and the residue (if any) paid to such Shareholder or his representatives.

45. A certificate in writing under the hands of two of the Directors and of the Secretary, that the power of sale given by clause 44 has arisen, and is exercisable by the Company under these presents, shall be conclusive evidence of the facts therein stated.

46. Upon any such sale two of the Directors may execute a transfer of such share to the purchaser thereof, and such transfer, with the certificate last aforesaid, shall confer on the purchaser a complete title to such shares.

BORROWING POWERS.

47. The Directors shall have power to procure from time to time, in the usual course of business, such temporary advances on the produce in hand, as they may find necessary or expedient for the purpose of defraying the expenses of working the Company, or of erecting, maintaining, improving, or extending buildings, machinery, or plantations, or otherwise. Also from time to time at their discretion to borrow or raise from the Directors or other persons any sum or sums of money for the purposes of the Company, provided that the money so borrowed or raised and owing at any one time shall not without the sanction of a General Meeting exceed ten thousand rupees (Rs. 10,000).

48. With the sanction of a General Meeting the Board shall be entitled to borrow such further sum or sums and at such rate of interest as such meeting shall determine. A certificate under the hands of one Director and the Secretary, or of two Directors, to the effect that in taking any loan the Directors are not exceeding their borrowing powers, shall be sufficient and binding on the Company and all concerned, and shall be conclusive evidence thereof in all questions between the Company and its creditors.

49. For the purpose of securing the repayment of any such moneys so borrowed or raised, or for any other purposes, the Directors may grant, create, execute, and issue any mortgages, cash credits, debentures, debenture stock, bonds, or obligations of the Company, charged upon all or any part of the undertaking, revenue, lands, property, rights, and assets of the Company, both present and future, including uncalled capital or unpaid calls, or may make, accept, or endorse on behalf of the Company any promissory notes or bills of exchange.

50. Any such securities may be issued either at par or at a premium or discount, and may from time to time be cancelled, discharged, varied, or exchanged as the Directors may think fit, and

may contain special privileges as to redemption, surrender, drawings, allotment of shares, or otherwise.

51. Every debenture or other instrument issued by the Company for securing the payment of money may be so framed that the moneys thereby secured shall be assignable free from any equities between the Company and the person to whom the same may be issued.

GENERAL MEETINGS.

52. The first General Meeting shall be held at such time, not being more than twelve months after the incorporation of the Company, and at such place as the Directors may determine.

53. Subsequent General Meetings shall be held once in every year at such time and place as may be prescribed by the Company in General Meeting, and if no time or place is so prescribed, then that such place and at such time as soon after the first day in each year as may be determined by the Directors.

54. The General Meetings mentioned in the last preceding clause shall be called Ordinary General Meetings; all other meetings of the Company shall be called Extraordinary General Meetings.

55. The Directors may, whenever they think fit, call an Extraordinary General Meeting of the Company, and the Directors shall do so upon a requisition made in writing by not less than one eighth of the number of Shareholders of the Company for the time being, or by any Shareholder or Shareholders holding in the aggregate one-eighth part of the shares of the Company for the time being subscribed for.

56. Any requisition so made shall express the object of the meeting proposed to be called, shall be addressed to the Directors, and shall be sent to the registered office of the Company.

Upon the receipt of such requisition the Directors shall forthwith proceed to convene an Extraordinary General Meeting, to be held at such time and place as they shall determine. If they do not proceed to convene the same within seven days from the delivery of the requisition, the requisitionists may themselves convene an Extraordinary General Meeting, to be held at such place and at such time as the Shareholders convening the meeting may themselves fix.

57. Any Shareholder may, on giving not less than ten days' previous notice of any resolution, submit the same to a meeting.

58. Such notice shall be given by leaving a copy of the resolution at the registered office of the Company.

59. Seven days' notice at least of every General Meeting, Ordinary or Extraordinary, and by whomsoever convened, specifying the place, date, hour of meeting, and the object and business of the meeting, shall be given by advertisement in the *Ceylon Government Gazette*, or in such other manner (if any) as may be prescribed by the Company in General Meeting.

60. Every Ordinary General Meeting shall be competent, without special notice having been given of the purposes for which it is convened, or of the business to be transacted thereat, to receive and discuss any report and any accounts presented thereto by the Directors, and to pass resolutions in approval or disapproval thereof, and to declare dividends, and to elect Directors and Auditors in the place of those retiring by rotation, and to fix the remuneration of the Auditors; and shall also be competent to enter upon, discuss, and transact any business whatsoever, of which special mention shall have been given in the notice or notices upon which the meeting was convened.

61. With the exceptions mentioned in the foregoing Articles as to the business which may be transacted at Ordinary General Meetings without notice, no General Meeting, Ordinary or Extraordinary, shall be competent to enter upon, discuss, or transact any business which has not been specially mentioned in the notice or notices upon which it was convened.

62. No business shall be transacted at any General Meeting except the declaration of a dividend recommended by a report of the Directors or election of a Chairman, unless there shall be present or represented at the commencement of the business three or more Shareholders entitled to vote.

63. If at the expiration of half an hour from the time appointed for the meeting the required number of Shareholders shall not be present at the meeting, the meeting, if convened by or upon the requisition of Shareholders, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week at the same time and place; and if at such adjourned meeting a quorum is not present, those Shareholders who are present shall be a quorum, and may transact the business for which the meeting was called.

64. The Chairman (if any) of the Directors shall be entitled to take the chair at every General Meeting, whether Ordinary or Extraordinary, or if there be no Chairman, or if at any meeting he shall not be present at the time appointed for holding such meeting, or if he shall refuse to take the chair, the Shareholders shall choose another Director as Chairman; and if no Directors be present, or if all the Directors present decline to take the chair, then the Shareholders present shall choose one of their number to be a Chairman.

65. No business shall be discussed at any General Meeting except the election of a Chairman whilst the chair is vacant.

66. The Chairman may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place, unless due notice thereof shall be given.

67. Minutes of the proceedings of every General Meeting, whether Ordinary or Extraordinary, shall be entered in a book to be kept for that purpose, and shall when so entered be signed as soon as practicable by the Chairman of the same meeting, or by the Chairman of the succeeding meeting, and the same when so entered and signed shall be evidence of all such proceedings, and of the proper election of the Chairman.

VOTING AT MEETINGS.

68. At any meeting every resolution shall be decided by the votes of the Shareholders present in person or by proxy, and in case there shall be an equality of votes, the Chairman at such meeting shall be entitled to give a casting vote in addition to the vote to which he may be entitled as a Shareholder; and unless a poll be immediately demanded by some member present and entitled to vote, a declaration by the Chairman that a resolution has been carried, and an entry to that effect in the Minute Book of the Company, shall be sufficient evidence of the fact without proof of the number or proportion of votes recorded in favour of or against such resolution.

69. If at any meeting a poll be demanded by some Shareholder present at the meeting and entitled to vote, the meeting shall, if necessary, be adjourned, and the poll shall be taken at such time and place and in such manner as the Chairman shall direct, and in such case every Shareholder shall have the number of votes to which he may be entitled as hereinafter provided; and in case at any such poll there shall be an equality of votes, the Chairman of the meeting at which such poll shall have been demanded shall be entitled to a casting vote in addition to any votes to which he may be entitled as a Shareholder and proxy, and the result of such poll shall be deemed to be the resolution of the Company in such meeting.

70. The demand of a poll shall not prevent the continuance of a meeting for the transaction of business other than the question on which a poll has been demanded.

71. No poll shall be demanded on the election of a Chairman of the meeting or on any question of adjournment.

72. On a show of hands every member shall have one vote only. In case of a poll every Shareholder shall have one vote for every share held by him up to ten, and an additional vote for every ten shares beyond the first ten up to one hundred, and an additional vote for every twenty-five shares held by him beyond the first hundred.

73. The parent or guardian of an infant Shareholder, the committee or other legal guardian of any lunatic Shareholder, the husband of any female Shareholder not entitled to her shares as separate estate, and the executor or administrator of any deceased Shareholder, or any one of such persons as aforesaid, if more than one, shall not be entitled to vote in the place of such infant, lunatic, female, or deceased person, unless such person shall have been registered as a Shareholder.

74. Votes may be given either personally or by proxy.

75. No Shareholder shall be entitled to vote at any meeting unless all calls due from him on his shares have been paid, and no Shareholder other than the trustee or assignee of a bankrupt or representative of a deceased Shareholder or person acquiring by marriage shall be entitled to vote at any meeting held after the expiration of three months from the registration of the Company in respect of any share which he has acquired by transfer, unless he has been possessed of the share in respect of which he claims to vote at least three months previously to the time of holding the meeting at which he proposes to vote.

76. No Shareholder, who has not been duly registered as such for three weeks previous to the General Meeting, shall be entitled to be present and to speak and vote at any meeting held after the expiry of three weeks from the incorporation of the Company.

77. No person shall be entitled to hold a proxy who is not a Shareholder of the Company.

78. The instrument appointing a proxy shall be printed or written, and shall be signed by the appointor, or if such appointor be a company or corporation, it shall be under the common seal of such company or corporation.

79. The instrument appointing a proxy shall be deposited at the registered office of the Company not less than twenty-four hours before the time appointed for holding the meeting at which the person named in such instrument proposes to vote.

The instrument appointing a proxy may be in the following form:—

The Kurunegala Dairy Company, Limited.

I, _____, of _____, appoint _____, of _____ (a Shareholder in the Company), as my proxy to represent me and to vote for me and on my behalf at the Ordinary (or Extraordinary, as the case may be) General Meeting of the Company to be held on the _____ day of _____, One thousand Nine hundred and _____, and at any adjournment thereof, and at every poll which may be taken in consequence thereof.

As witness my hand this _____ day of _____, One thousand Nine hundred and _____.

80. No objection shall be made to the validity of any vote, whether given personally or by proxy, except at the meeting or poll at which such vote shall be tendered, and every vote (whether given personally or by proxy) to which no objection shall be made at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

81. No Shareholder shall be prevented from voting by reason of his being personally interested in the result of the voting.

DIRECTORS.

82. The number of Directors shall never be less than two nor more than seven, but this clause shall be construed as being directory only, and the continuing Directors may act notwithstanding any number of vacancies.

The qualification of a Director shall be his holding in his own right at least two shares in the Company upon which all calls for the time being have been paid, and this qualification shall apply as well to the first Directors as to all future Directors.

As a remuneration for their services, the Directors shall be entitled to appropriate a sum not exceeding one thousand rupees (Rs. 1,000) annually, to be divided between them in such manner as they may determine, but the Company in General Meeting may at any time alter the amount of

such remuneration for the future, and such remuneration shall not be considered as including any remuneration granted for special or extra services hereinafter referred to, nor any extra remuneration to the Managing Directors of the Company.

83. The first Directors shall be F. C. Fisher, J. D. Mason, J. Clovis de Silva, D. C. Attygalle, S. N.W. Hulugalle, V. Sithemparapillai, and Dr. E. de Livera, who shall hold office till the first Ordinary General Meeting of the Company, when they shall all retire, but shall be eligible for re-election.

84. One or more of the Directors may be appointed by the Directors to act as Managing Director or Managing Directors and (or) visiting agent or agents of the Company, for such time and on such terms as the Directors may determine or may fix by agreement with the person or persons appointed to the office, and they may, from time to time, revoke such appointment and appoint another or other Managing Director or Managing Directors and (or) visiting agent or agents.

The Director may confer on the Managing Director or Managing Directors all or any duties and powers that might be conferred on any Manager of the Company.

If any Director shall be called upon to perform any extra services, the Directors may arrange with such Director for such special remuneration for such services, either by way of salary, commission, or the payment of a lump sum of money as they shall think fit.

ROTATION OF DIRECTORS.

85. At the first Ordinary General Meeting of the Company all the Directors shall retire from office, and at the first Ordinary General Meeting in every subsequent year one of the Directors for the time being shall retire from office as provided in clause 87.

86. The Directors to retire from office at the second and third Ordinary General Meetings shall, unless the Directors otherwise arrange among themselves, be determined by ballot; in every subsequent year the Directors to retire shall be those who have been longest in office.

87. In case any question shall arise as to which of the Directors who have been the same time in office shall retire, the same shall be decided by the Directors by ballot.

88. Retiring Directors shall be eligible for re-election.

89. The Ordinary General Meeting at which Directors retire or ought to retire by rotation shall appoint successors to them, and in default thereof such successors may be appointed at a subsequent Ordinary General Meeting.

90. Any casual vacancy occurring in the number of Directors or provisional Directors arising from death, resignation, or otherwise, may be filled up by the Directors, but any person appointed to fill such vacancy shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred.

91. The Directors, subject to the approval of a General Meeting, may from time to time at any time subsequent to the second Ordinary General Meeting increase or reduce the number of Directors, and may also, subject to the like approval, determine in what rotation such increased or reduced number is to go out of office.

92. If at any meeting at which an election of a Director ought to take place the place of the retiring Director is not filled up, the retiring Director may continue in office until the first Ordinary General Meeting in the next year, and so on from meeting to meeting until his place is filled up, unless it shall be determined at such meeting to reduce the number of Directors.

93. A Director may at any time give notice in writing of his intention to resign by delivering such notice to the Secretary, or by leaving the same at the registered office of the Company, or by tendering his written resignation at a meeting of the Directors, and on the acceptance of his resignation by the Directors, but not before, his office shall become vacant.

94. The Company may, by a special resolution, remove any Director before the expiration of his period of office, and may, by an ordinary resolution, appoint another person in his stead. The Director so appointed shall hold office only during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

95. Every Director or officer of the Company, and his heirs, executors, and administrators shall be indemnified by the Company from all losses and expenses incurred by him in or about the discharge of his duties, except such as happen from his respective wilful acts or defaults; and no Director or officer shall, nor shall the heirs, executors, or administrators of any Director or officer, be liable for the acts or defaults of any other Director or officer, or for any loss or expense happening to the Company by the insufficiency or deficiency of title to any property acquired for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any person with whom any moneys, securities, or effects shall be deposited, or for any other loss, damage, or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own wilful act or default.

96. No contribution shall be required from any present or past Director or Manager exceeding the amount, if any, unpaid on the shares in respect of which he is liable as a present or past Shareholder.

DISQUALIFICATION OF DIRECTORS.

97. The office of the Director shall be vacated—

- (a) If he accepts or holds any office or place of profit other than Managing Director, Visiting Agent, or Secretary under the Company.
- (b) If he becomes bankrupt or insolvent, or suspends payment, or files a petition for the liquidation of his affairs, or compounds with his creditors.
- (c) If by reason of mental or bodily infirmity he becomes incapable of acting.

- (d) If he ceases to hold the required number of shares to qualify him for the office.
 (e) If he is concerned or participates in the profits of any contract with, or work done for, the Company.

Provided that no Director shall vacate his office by reason of his being a member of any corporation, company, or firm which has entered into any contract with or done any work for the company of which he is a Director, or by his being agent, or secretary, or solicitor, or by his being a member of a firm who are agents, or secretaries, or solicitors of the company; nevertheless he shall not vote in respect of any contract work or business in which he may be personally interested.

POWERS OF DIRECTORS.

98. The business of the Company shall be managed by the Directors either by themselves or through a Managing Director, or with the assistance of an agent or agents, and secretary or secretaries of the Company, to be appointed by the Directors for such a period and on such terms as they shall determine, and the Directors shall pay out of the funds of the Company all costs and expenses, as well preliminary as otherwise, paid or incurred in and about the formation and the registration of the Company, and in and about the valuation, purchase, lease, or acquisition of the said estates and lands, and the opening, clearing, planting, and cultivation thereof, and otherwise in or about the working and business of the Company.

99. The Directors shall have power to make, and may make such rules or regulations for the management of the business and property of the Company as they may from time to time think proper, and shall carry on the business of the Company in such manner as they may think most expedient; and in addition to the powers and authorities by any Ordinance or by these presents expressly conferred on them, they may exercise all such powers, give all such consents, make all such arrangements, appoint all such agents, managers, secretaries, treasurers, accountants, and other officers, superintendents, assistants, clerks, artisans, labourers, and other servants, for such period or periods, and with such remuneration, and at such salaries, and upon such terms and conditions as they may consider advisable, and may pay the expenses occasioned thereby out of the funds of the Company, and may from time to time remove or suspend all or any of the managers, agents, treasurers; accountants, officers, clerks, or servants of the Company, for such reasons as they may think proper and advisable, and without assigning any cause for so doing.

100. The Directors shall exercise in the name and on behalf of the Company all such powers of the Company as are not expressly required to be exercised by the Company in General Meeting, and shall generally do all such acts and things as are or shall be by any Ordinance and by these presents directed and authorized to be exercised, given, made, or done by the Company, and are not by any Ordinance or by these presents required to be exercised or done by the Company in General Meeting, subject, nevertheless, to the provisions of any such Ordinance and of these presents and to such regulations and provisions (if any) as may from time to time be prescribed by the Company in General Meeting, but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

The generality of the powers conferred by any clause in these presents on the Directors shall not be taken to be limited by any clause conferring any special or expressed power.

101. The Directors shall have power to appoint a proctor or proctors, solicitor or solicitors, attorney or attorneys, to assist in carrying on or protecting the business of the Company on such terms as they may consider proper, and from time to time to revoke such appointment.

102. The Directors shall have power to open from time to time on behalf of the Company any account or accounts with such bank or banks as they may select or appoint, and also by such signatures as they may appoint to draw, accept, make, endorse, sign, and execute cheques, bills of exchange, and promissory notes, bills of lading, receipts, contracts, and agreements, bonds, mortgages, proxies to any proctor or proctors, and other documents on behalf of and to further the interests of the Company.

103. The seal of the Company shall not be affixed to any instrument except in the presence of two or more of the Directors, or of one Director and the Secretary or Secretaries, who shall attest the sealing thereof; such attestation on the part of the Secretaries in the event of a firm being the Secretaries being signified by a partner of the said firm signing for and on behalf of the said firm as such Secretaries.

104. It shall be lawful for the Directors, if authorized so to do by the Shareholders in General Meeting, to arrange terms for the amalgamation of the Company with any other company or companies, or individual or individuals, or for the sale or disposal of the business, estates, and effects of the Company or any part or parts, share or shares thereof, respectively, to any company or companies, or person or persons upon such terms and in such manner as the Directors shall think fit; and the Directors shall have power to do all such things as may be necessary for carrying such amalgamation, sale, or other disposition into effect so far as a resolution or special resolution of the Company is not by law necessary for such purpose, and in case any terms so arranged by the Directors include or make necessary the dissolution of the Company, the Company shall be dissolved to that end.

105. In furtherance and not in limitation of, and without prejudice to the general powers conferred or implied in the last preceding clause and of the other powers conferred by these presents, it is hereby expressly declared that the Directors shall have the powers following (that is to say):—

- (a) To institute, conduct, defend, compromise, settle, or abandon any action, suit, prosecution, or other legal proceedings on behalf of the Company, and also to compound and allow time for payment or satisfaction of any debts due to or from the Company, and any claims or demands made by or against the Company.

- (b) To refer any claims or demands by or against the Company to arbitration, and observe and perform or enforce the award.
- (c) To make and give receipts, releases, and other discharges for money payable to the Company and for claims and demands by the Company.
- (d) To act on behalf of the Company in all matters relating to bankrupts and insolvents, with power to accept the office of trustee, assignee, liquidator, or inspector, or any similar office.
- (e) To invest any of the moneys of the Company which the Directors may consider not to be immediately required for the purposes thereof, upon such securities and in such manner as they may think fit, and so that they shall not be restricted to such securities as are permissible to trustees without special powers, and from time to time to vary or release such investments.
- (f) To delegate to any one or more of the Directors of the Company for the time being, or any other person or Company for the time being, residing or carrying on business in Ceylon or elsewhere all or any of the powers or functions given to or exercisable by the Directors; and to confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as the Directors may think expedient, and to confer such powers either collaterally with or to the exclusion of and in the substitution for all or any of the powers of the Directors in that behalf, and from time to time to revoke, withdraw, alter, or vary all or any of such powers. The Directors may allow to any person or company to whom any powers may be so delegated such remuneration as they in their absolute discretion shall think fit.

PROCEEDINGS OF DIRECTORS.

106. The Directors may meet for the despatch of business, adjourn, and otherwise regulate their meetings as they may think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined two Directors shall be a quorum.

107. A Director may at any time summon a meeting of Directors.

108. The Board may elect a Chairman of their meetings, and determine the period for which he is to hold office, and all meetings of the Directors shall be presided over by the Chairman if one has been elected and if present, but if there be a vacancy in the office of Chairman, or if at any meeting of Directors the Chairman be not present at the time appointed for holding the same, then and in that case the Directors present shall choose one of their number to be Chairman of such meeting.

109. Any question which shall arise at any meeting of the Directors shall be decided by a majority of votes, and in case of an equality of votes the Chairman thereat shall have a casting vote in addition to his vote as a Director.

110. The Board may delegate any of their powers to committees consisting of such member or members of their body as the Board think fit, and they may from time to time revoke and discharge any such committee, either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in exercise of the powers delegated to it, conform to all such regulations as may be prescribed by the Board. All acts done by any such committee, in conformity with such regulations and in the fulfilment of the purposes of their appointment, but not otherwise, shall have the like force and effect as if done by the Board.

111. The meetings and proceedings of such committees shall be governed by the provisions herein contained for regulating the meetings and proceedings of Directors, so far as the same are applicable thereto, and are not superseded by the express terms of the appointment of such committee respectively, or any regulation imposed by the Board.

112. The acts of the Board and of any committees appointed by the Board shall, notwithstanding any vacancy in the Board or Committee, or defect in the appointment or qualification of any Director or of any member of the Committee, be as valid as if no such vacancy or defect had existed, and as if such person had been duly appointed or qualified, provided the same be done before the discovery of the vacancy or defect.

113. A resolution in writing signed by all the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.

114. The Directors shall cause minutes to be made in a book or books to be provided for the purpose:—

- (1) Of all appointments of (a) officers and (b) committees made by the Directors.
- (2) Of the names of the Directors present at each meeting of the Directors.
- (3) Of the names of the members of the Committee appointed by the Board present at each meeting of the Committee.
- (4) Of all orders made by the Directors.
- (5) Of all resolutions and proceedings of all General Meetings of the Company.
- (6) Of all resolutions and proceedings of all meetings of the Directors.
- (7) Of all resolutions and proceedings of all meetings of Committees appointed by the Board.

115. All such minutes shall be signed by the person who shall have presided as Chairman at the General Meeting, the Board Meeting, or Committee Meeting at which the business minuted shall have been transacted, or by the person who shall preside as Chairman at the next ensuing General Meeting, or Board Meeting, or Committee Meeting, as the case may be; and all minutes purporting to have been signed by any Chairman of any General Meeting, Board Meeting, or

Committee Meeting, respectively, shall, for all purposes whatsoever, be *prima facie* evidence of the actual and regular passing of the resolutions, and the actual and regular transaction or occurrence of the proceedings and other matters purporting to be so recorded, and of the regularity of the meeting at which the same shall appear to have taken place, and of the Chairmanship and signature of the person appearing to have signed as Chairman, and of the date on which such meeting was held.

ACCOUNTS.

116. The agent or secretary or the agents or secretaries for the time being, or, if there be no agent or secretary or agents or secretaries, the Directors shall cause true accounts to be kept of the paid up capital for the time being of the Company, and of all sums of money received and expended by the Company, and of the matters in respect of which such sums were received and expended, and of the assets, credits, and liabilities of the Company, and generally of all its commercial, financial, and other affairs, transactions, and engagements, and of all other matters necessary for showing the true financial state and condition of the Company. The accounts shall be kept in such books and in such a manner at the registered office of the Company as the Directors think fit.

117. The Directors shall from time to time determine whether, and to what extent, and at what times and places, and under what conditions or regulations the accounts and books of the Company or of any of them shall be open to the inspection of the Shareholders, and no Shareholder shall have any right of inspecting any account, or book, or document of the Company, except as conferred by statute or authorized by the Directors, or by a resolution of the Company in General Meeting.

118. At the Ordinary General Meeting in every year the Directors shall lay before the Company a statement of the income and expenditure of the Company for the previous financial year and a balance sheet containing a summary of the property and liabilities of the Company made up to the end of the same period.

119. The statement so made shall show, arranged under the most convenient heads, the amount of gross income, distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenses of the establishment, salaries, and other heads of expenditure. Every item of expenditure fairly chargeable against the year's income shall be brought into account, so that a just balance of profit and loss may be laid before the meeting, and in case where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such items shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year.

120. The balance sheet shall contain a summary of the property and liabilities of the Company, arranged under the heads appearing in the form annexed to the table referred to in Schedule C to "The Joint Stock Companies' Ordinance, 1861," or as near thereto as circumstances admit.

121. Every such statement shall be accompanied by a report as to the state and condition of the Company, and as to the amount which the Directors recommend should be paid out of the profits by way of dividend or bonus to the Shareholders, and the statement, report, and balance sheet shall be signed by the Directors.

122. A printed copy of such balance sheet shall, at least seven days previous to such meeting, be delivered at or posted to the registered address of every Shareholder.

123. The accounts of the Company shall from time to time be examined, and the correctness of the balance sheet ascertained by one or more Auditor or Auditors.

AUDIT.

124. No person shall be eligible as an Auditor who is interested otherwise than as a Shareholder in any transaction of the Company, but it shall not be a necessary qualification for an Auditor that he be a Shareholder of the Company, and no Director or officer of the Company shall, during his continuance in office, be eligible as an Auditor.

125. The Directors shall appoint the first Auditor of the Company and fix his remuneration. He shall hold office till the second General Meeting of the Company. All subsequent appointments shall, except as is hereinafter mentioned, be made at the first Ordinary General Meeting of the Company in each year by the Shareholders present thereat, and the Auditor or Auditors appointed at such meeting shall hold office only until the first Ordinary General Meeting after his or their appointments, or until otherwise ordered by a General Meeting.

126. The remuneration of the Auditors other than the first shall be fixed by the Company in General Meeting, and this remuneration may from time to time be varied by a General Meeting.

127. Retiring Auditors shall be eligible for re-election.

128. If any vacancy that may occur in the office of Auditor is not supplied at the next Ordinary General Meeting, or if any casual vacancy shall occur in the office of Auditor, the Directors shall fill up the vacancy by the appointment of a person who shall hold office until the next Ordinary General Meeting after his appointment.

129. Every Auditor shall be supplied with a copy of the balance sheet intended to be laid before the next Ordinary General Meeting after his appointment, and it shall be his duty to examine the same with the accounts and vouchers relating thereto, and to report thereon to the meeting, generally or specially, as he may think fit.

130. The Auditor or Auditors for the time being shall have a list delivered to him or them of all books kept by the Company, and he or they shall at all reasonable hours in the daytime have access to all accounts, books, and documents whatsoever of the Company for the purpose of audit.

DIVIDENDS, BONUS, AND RESERVE FUND.

131. The Directors may, with the sanction of the Company in General Meeting, from time to time declare a dividend to be paid, and (or) pay a bonus to the Shareholders in proportion to their shares, but no dividend shall be payable except out of nett profits.

132. The Directors may, if they think fit, determine on and declare an interim dividend to be paid, or pay a bonus to the Shareholders on account, and in anticipation of the dividend for the then current year.

133. The Directors may, before recommending any dividend or bonus, set aside out of the profits of the Company such a sum as they think proper as a reserve fund, and shall invest the same in such securities as they may, with the sanction of the Company, select, or shall place the same in fixed deposit in any bank or banks.

134. The Directors may from time to time apply such portion as they think fit of the reserve fund to meet contingencies, or for equalizing dividends, or for working the business of the Company, or for repairing, or maintaining, or extending the buildings and premises of the Company, or for the repair or renewal, or extension of the property or plant of the Company or any part thereof, or for any other purposes connected with the interest of the Company that they may from time to time deem expedient.

135. No unpaid dividend or bonus shall ever bear interest against the Company.

136. No Shareholder shall be entitled to receive payment of any dividend or bonus in respect of his share or shares whilst any moneys may be due or owing from him (whether alone or jointly with any other person) to the Company in respect of such share or shares, or otherwise howsoever.

137. The Directors may deduct from the dividend or bonus payable to any Shareholder all such sums of money as may be due from him (whether alone or jointly with any other person) to the Company, and notwithstanding the fact that such sums or any of them are not payable until after the date when such dividend or bonus is payable.

138. Notice of any dividend that has been declared, or of any bonus to be paid, shall be given to each Shareholder entitled thereto, and any dividend or bonus unclaimed by any Shareholder for three years after notice thereof is given may be forfeited by the Directors for the benefit of the Company, and if the Directors think fit may be applied in augmentation of the reserve fund.

139. Every dividend or bonus payable in respect of any share held by a firm may be paid to, and an effectual receipt given by, any partner of such firm or agent duly authorized to sign the name of the firm.

140. Every dividend or bonus payable in respect of any share held by several persons jointly other than a firm may be paid to, and an effectual receipt given by, any one of such persons.

NOTICES.

141. Notices from the Company may be authenticated by the signature (printed or written) of the agent or secretary, agents or secretaries, or persons appointed by the Board to authenticate the same.

142. Every Shareholder shall give an address in Ceylon, which shall be deemed to be his place of abode, and shall be registered as such in the books of the Company.

143. A notice may be served by the Company upon any Shareholder, either personally or by being sent through the post in a prepaid letter addressed to such Shareholder at his registered address or place of abode, and any notice so served shall be deemed to be well served, notwithstanding that the Shareholder to whom such notice is addressed be dead, unless his executors or administrators shall have given to the Directors or to the agent, or secretary or agents or secretaries of the Company their own or some other address to which notices may be sent.

144. All notices directed to be given to Shareholders shall, with respect to any share to which persons are jointly entitled other than a firm, be given to whichever of such persons is named first in the Register of Shareholders, and notice so given shall be sufficient notice to all the holders of such shares.

145. Any notice if served by post shall be deemed to have been served on the day on which the letter containing the same would in ordinary course of post have been delivered at its address, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into a Post Office or post box, and the entry in the Company's books of the leaving or sending by post of any notice at or to such address shall be sufficient evidence thereof, and no further evidence shall be necessary.

146. Every Shareholders residing out of Ceylon shall name and register in the books of the Company an address within Ceylon at which all notices shall be served upon him, and all notices served at such address shall be deemed to be well served. If he shall not have named and registered such an address, he shall not be entitled to any notices.

147. All notices required to be given by advertisement shall be published in the *Ceylon Government Gazette*.

ARBITRATION.

148. Whenever any question or other matter whatsoever arises in dispute between the Company and any other company or person, the same may be referred by the Directors to arbitration.

EVIDENCE.

149. On the trial or hearing of any action or suit brought or instituted by the Company against any Shareholder or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was

when the claim arose on the Register of Shareholders of the Company as a holder of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company; and it shall not be necessary to prove the registration of the Company, nor the appointment of the Directors who made any call, nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted, nor any other matter whatsoever, but the proof aforesaid shall be conclusive evidence of the debt.

PROVISION RELATIVE TO WINDING UP OR DISSOLUTION OF THE COMPANY.

150. Any Shareholder, whether a Director or not, and whether alone or jointly with any other Shareholder or Director, and any person not a Shareholder, may become the purchaser of the property of the Company or any part thereof in the event of winding up or a dissolution, or at any other time when a sale of the Company's property or effects or any part thereof shall be made by the Directors under the powers hereby or under the Ordinance conferred upon them.

In witness whereof the subscribers to the Memorandum of Association have hereto set and subscribed their names at Kurunegala this 10th day of November, 1900.

J. D. MASON.
JNO. CLOVIS DE SILVA.
ABRAM S. GOONEWARDENE.
W. H. JACOTINE.
S. N. W. HULUGALLE.
N. S. CASSIM.
COLLIN HEYNSBERGH.

Witness : FRANK MODDER,
Notary Public.

MEMORANDUM OF ASSOCIATION OF THE KALU-GANGA NAVIGATION COMPANY, LIMITED.

1. The name of the Company is "The Kalu-ganga Navigation Company, Limited."
2. The registered office of the Company is to be established in Colombo.
3. The objects for which the Company is established are—
 - (a) To carry on in the Island of Ceylon or elsewhere all or any of the following business, that is to say, carriers of passengers and goods by land or by water, forwarding agents, and any other business which can or may conveniently be carried on in connection with the above.
 - (b) To carry on in the said Island the business of proprietors of docks, wharves, jetties, piers, and warehouses, and of tugowners, wharfingers, and any other business which can conveniently be carried on in connection with the above.
 - (c) To purchase, take in exchange, hire or otherwise acquire and hold boats, barges, tugs, launches, and vessels of any description whatsoever, and to purchase and take in exchange, hire or otherwise acquire and hold vans, omnibuses, carriages, and carts, and other vehicles of any description whatsoever, and to purchase, take in exchange, or hire or otherwise acquire and hold all live and dead stock, chattels, and effects required for the maintenance and working of the business of carriers by land or water, of proprietors of docks, wharves, jetties, piers, warehouses, of tugowners, wharfingers, and of any other business which can or may be conveniently carried on in connection with the above respectively.
 - (d) To purchase, take on lease or in exchange, or otherwise acquire any immovable or movable property, and any rights or privileges which the Company may think necessary or convenient for the purpose of its business, and in particular any lands, buildings, easements, machinery, plant, and stock-in-trade.
 - (e) To construct, improve, maintain, work, manage, carry out, or control any roadways, water-courses, docks, wharves, jetties, buildings, and other works and conveniences which may be necessary or convenient for the purposes of the Company, or may seem calculated directly or indirectly to advance the Company's interests and contribute to subsidize or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out, or control thereof. And to improve work and facilitate the navigation of any rivers, canals, lakes, and other waters.
 - (f) To enter into any arrangements with any authorities, Government, municipal, local, or otherwise, that may seem conducive to the Company's objects or any of them, and to obtain from any such authority any rights, privileges, and concessions which the Company may think it desirable to obtain, and to carry out, exercise, and comply with such arrangements, rights, privileges, and concessions.

- (g) To acquire and undertake the whole or any part of the business, property, and liabilities, of any person or Company carrying on any business which this Company is authorized to carry on or possessed of property suitable for the purposes of this Company.
- (h) To sell the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities for any other Company having objects altogether or in part similar to those of this Company.
- (i) To promote any other Company for the purpose of acquiring all or any part of the property and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
- (j) To borrow or raise money in such manner as the Company shall think fit.
- (k) To make, accept, endorse, and issue promissory notes, bills of exchange, debentures, and other negotiable or transferable instruments.
- (l) To sell, improve, develop, exchange, lease, mortgage, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company.
- (m) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

4. The liability of the Shareholders is limited.

5. The nominal capital of the Company is two hundred and fifty thousand rupees, divided into two thousand and five hundred shares of one hundred rupees each, the Company having power to increase the capital. In case the Company shall increase its capital by the issue of new shares, such shares may be issued with any preferential, deferred, qualified, or special rights, privileges, or conditions attached thereto.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names and Addresses of Subscribers.				Number of Shares taken by each Subscriber.
JAMES F. HEADRICK, Colombo	...	...	...	One
A. C. RAINNIE, Colombo	...	...	...	One
W. C. GOWANS, Colombo	...	...	...	One
TUDOR STANTON, Colombo	...	...	...	One
ROBT. DAVIDSON, Colombo	...	...	...	One
FRANK S. MITCHELL, Colombo	...	...	...	One
DAVID MICHIE, Colombo	...	...	...	One

Dated at Colombo this 27th day of November, 1900.

Witness to the above signatures :

F. J. DE SARAM, Proctor, Supreme Court, Colombo.

ARTICLES OF ASSOCIATION OF THE KALU-GANGA NAVIGATION COMPANY, LIMITED.

REGULATIONS.

1. THE regulations contained in Table C in the schedule annexed to "The Joint Stock Companies' Ordinance, 1861," shall not apply to this Company, which shall be governed by the regulations contained in these Articles, but subject to repeal, addition, or alteration by special resolutions. The Company may, by special resolution, alter or make provisions instead of, or in addition to, any of the regulations of the Company, whether contained or comprised in these Articles or not.

BUSINESS.

2. *Commencement and Conduct of Business.*—The Company may proceed to carry on business and to employ and apply its capital as soon after the registration of the Company as the Directors in their discretion shall think fit; and notwithstanding that the whole of the shares shall not have been subscribed or applied for or allotted, they shall do so as soon as in the judgment of the Directors a sufficient number of shares shall have been subscribed or applied for. The business of the Company shall be carried on by or under the management or direction of the Directors, and subject only to the control of General Meetings in accordance with these presents.

ORIGINAL CAPITAL.

3. *Nature and Amount.*—The original capital of the Company is two hundred and fifty thousand rupees, divided into two thousand and five hundred shares of one hundred rupees each.

ORIGINAL SHARES.

4. *Acceptance.*—Every person taking any share in the Company shall testify his acceptance thereof by writing under his hand in such form as the Company from time to time directs.

5. *Payment.*—The sum of one hundred rupees for each share shall be paid in such manner and at such time or times as the Directors may from time to time appoint.

6. *Interest on unpaid Shares.*—If before or on the day appointed for payment any Shareholder does not pay the amount for which he is liable, then such Shareholder shall be liable to pay interest for the same at the rate of nine per cent. per annum from the day appointed for the payment thereof to the time of the actual payment.

7. *Issue.*—The shares, except where otherwise provided, shall be allotted at the discretion of and by the Directors, who may from time to time issue any unissued shares, and may add to such shares such an amount of premium as they may consider proper. Provided that such unissued shares shall first be offered by the Directors to the registered Shareholders for the time being of the Company as nearly as possible, in proportion to the shares already held by them, and such shares as shall not be accepted by the Shareholder or Shareholders to whom the shares shall have been offered, within the time specified in that behalf by the Directors, may be disposed of by the Directors in such manner as they think most beneficial to the Company.

INCREASE OF CAPITAL.

8. *Nature and Amount.*—The Directors may, with the sanction of a special resolution of the Company in General Meeting, increase its capital by the creation of new shares of such amount per share and in the aggregate as such resolution shall direct. Any capital raised by the creation of new shares shall, subject as aforesaid, be considered part of the original capital, and shall, accordingly, be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, and otherwise.

NEW SHARES.

9. *Terms and Conditions.*—The new shares shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto, as the General Meeting resolving on the creation thereof, or any other General Meeting of the Company, shall direct; and if no direction shall be given, as the Directors shall determine, and in particular such shares may be issued with a preferential, qualified, deferred, or special right.

10. *Issue: Premium.*—All new shares shall be offered by the Directors to the registered Shareholders for the time being of the Company, as nearly as possible in proportion to the amount of the existing shares held by them; and such shares as shall not be accepted by the Shareholder or Shareholders to whom the same shall have been offered within the time specified in that behalf by the Directors may be disposed of by the Directors in such manner as they think most beneficial to the Company. The Directors shall have power to add to such new shares such an amount of premium as they may consider proper.

SHARE CERTIFICATES.

11. *Certificates how issued.*—The certificates of title to shares shall be issued under the seal of the Company and signed by two Directors or by one Director and the Secretary or Secretaries of the Company, or in such other manner as the Directors shall prescribe. Every member shall be entitled to one certificate for each share registered in his name, and every certificate of shares shall specify the class and the amount paid up thereon or credited thereto.

12. *Renewal of Certificate; Fee for same.*—If any certificate be worn out or defaced, then, upon production thereof to the Directors, they may order the same to be cancelled, and may issue a new certificate in lieu thereof; and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Directors, and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the person entitled to such lost or destroyed certificate. Such sum (if any) not exceeding fifty cents, as the Directors may determine, shall be paid to the Company for every certificate so issued in the place of a certificate lost or destroyed.

13. *What Interest recognized.*—The Company shall not be bound to recognize (even though having notice of) any contingent, future, partial, or equitable interest in the nature of a trust, or otherwise in any share or any other right in respect of any share, except any absolute right thereto in the person from time to time registered as the holder thereof, and except also the right of any person under clause 22 to become a Shareholder in respect of any share.

JOINT HOLDERS.

14. *Certificate to the first named; Receipts and Votes.*—The certificates of shares registered in the names of two or more persons shall be delivered to the person first-named in the register in respect thereof. Any one of the joint-holders of the share may give effectual receipts for any dividends payable in respect of such share, but the Shareholder whose name stands first on the register, and no other, shall be entitled to the right of voting and of giving proxies and all other advantages conferred on a sole Shareholder.

15. *Liability of Joint-holders; Survivor.*—Joint-holders shall be severally as well as jointly liable for all instalments and calls in respect thereof. In case of the death of any one or more of the joint-holders of any shares, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to, or interest in, such shares.

CALLS.

16. *Directors may make Calls.*—The Directors may from time to time make such calls as they think fit upon the holders of registered shares in respect of moneys unpaid thereon, and not by the conditions of allotment made payable at fixed times; and each Shareholder shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors, provided that one month's notice at least shall be given to the Shareholder of the time and place appointed for payment of each call. If any Shareholder fail to pay any call due from him on the day appointed for payment thereof, he shall be liable to pay interest for the same at the rate of nine per cent. per annum from the day appointed for the payment thereof to the time of actual payment.

Calls, time when made.—A call shall be deemed to have been made at the time when the resolution authorizing the call was passed at a Board meeting of the Directors.

Extension of time for payment of Call.—The Directors shall have power in their absolute discretion to give time to any one or more Shareholder or Shareholders, exclusive of the others, for payment of any call or part thereof, on such terms as the Directors may determine. But no Shareholder shall be entitled to any such extension except as a matter of grace or favour.

17. *Payments in anticipation of Calls at Interest.*—The Directors may at their discretion receive from any Shareholder willing to advance the same, and upon such terms as they think fit, all or any part of the amount of his shares beyond the sum actually called up.

TRANSFER OF SHARES.

18. *Transfer of Shares.*—Subject to the restrictions of these Articles, any Shareholder may transfer all or any of his shares. The instrument of transfer of any share shall be in writing signed both by the transferor and the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof.

19. *Refusal to Register.*—The Directors may decline to register any transfer of shares by a Shareholder who is indebted to the Company, or of any share on which the Company has a lien, or any transfer of shares made by any person in any case where they shall consider the proposed transferee to be an irresponsible person, or that the transfer will not be conducive to the interests of the Company, or in case of shares not fully paid up to any person not approved by them. The Directors shall not be required to assign any reason for so declining. In the event of the Directors declining to register a transfer, they shall, upon the request of the Shareholder desirous of executing the same, convene an Extraordinary General Meeting of the Company, to resolve whether the said transfer shall be registered or not; and the resolution of such General Meeting shall be absolute.

20. *Registration of Transfer.*—Every instrument of transfer must be left at the office of the Company to be registered, accompanied by such evidence as the Directors may reasonably require to prove the title of the transferor or his right to transfer his shares, and a fee of two rupees and fifty cents, or such other sum as the Directors shall from time to time determine, must be paid, and thereupon the Directors, subject to the powers vested in them by Article 19, shall register the transferee as a Shareholder and retain the instrument of transfer, but any instrument of transfer which the Directors may decline to register shall on demand be returned to the person depositing the same.

21. *Close of Books.*—The transfer books shall be closed during the fourteen days immediately preceding the Ordinary General Meeting in each year.

TRANSMISSION OF SHARES.

22. *Death of Shareholder.*—The executors, or administrators, or heirs of a deceased Shareholder shall be the only persons recognized by the Company as having any title to his share.

23. *Registration of New Interest.*—Any person becoming entitled to a share in consequence of the death, bankruptcy, or insolvency of any Shareholder, or in consequence of the marriage of any female Shareholder, or in any way other than by transfer, may be registered as a Shareholder upon such evidence being produced as may from time to time be required by the Directors.

24. *Transfer of New Interest.*—Any person who has become entitled to a share in any way other than by transfer may, instead of being registered himself, elect to have some person to be named by him registered as a holder of such share. The person so becoming entitled shall testify such election by executing to his nominee a transfer of such share. The instrument of transfer shall be presented to the Company, accompanied with such evidence as the Directors may require to prove the title of the transferor, and thereupon the Company shall, subject to the power vested in them by Article 19, register the transferee as a Shareholder.

SURRENDER OF SHARES.

25. *Terms of.*—The Directors may accept, in the name and for the benefit of the Company, upon such terms and conditions as may be arranged, the surrender of any share or shares in the capital of the Company, and any share or shares so surrendered shall be dealt with in the same manner as is provided in these Articles with regard to forfeited shares.

FORFEITURE OF SHARES.

26. *Preliminary Notice.*—If any Shareholder fails to pay any allotment money, or call, or instalment on the appointed day, the Company may at any time thereafter, during such time as the call remains unpaid, serve a notice on him requiring him to pay such call, together with any interest that may have accrued, and all expenses that may have been incurred by the Company by reason of such non-payment.

27. *Terms of Notice.*—The notice shall name a day (not being less than twenty-one days from the date of the notice) and a place or places on and at which such allotment money, or call, or instalment, and such interest and expenses as aforesaid are to be paid. The notice shall also state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the allotment money or call is payable will be liable to be forfeited.

28. *Forfeiture; Disposal of Shares forfeited; Annulment.*—If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before payment of all moneys, calls, or instalment and interest, and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Any shares so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot, or otherwise dispose of the same in such manner as they think fit. The Directors may, at any time, before any share so forfeited shall have been sold, re-allotted, or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

29. *Continuing Liability.*—Any member whose shares have been forfeited shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all moneys, calls, instalments, interest, and expenses owing upon or in respect of such shares at the time of the forfeiture, together with legal interest thereon from the time of forfeiture until payment; and the Directors may enforce the payment of such moneys or any part thereof if they think fit.

PREFERENCE AND DEFERRED SHARES.

30. *Preference and Deferred Shares.*—Any shares from time to time to be issued or created may from time to time be issued with any such guarantee or any such right of preference, whether in respect of dividend or of repayment of capital, or both, or any such other special privilege or advantage over any shares previously issued, or then about to be issued (other than shares issued with a preference), or at such a premium, or with such deferred rights as compared with any shares previously issued, or then about to be issued, or subject to any such conditions or provisions, and with any such right or without any right of voting, and generally on such terms as the Company may from time by special resolution determine.

31. *Resolutions affecting a particular class of Shares.*—If at any time by the issue of preference shares or otherwise the capital is divided into shares of different classes, then the holders of any class of shares may, by an extraordinary resolution passed at a meeting of such holders, consent, on behalf of all the holders of shares of the class, to the issue or creation of any shares ranking equally therewith, or having any priority thereto, or to the abandonment of any preference or priority, or of any accrued dividend, or the reduction for any time, or permanently of the dividends payable thereon, or to any scheme for the reduction of the Company's capital affecting the class of shares, and such resolution shall be binding upon all the holders of shares of the class, provided that this Article shall not be read as implying the necessity for such consent in any case in which but for this Article the object of the resolution could have been effected without it.

32. *Meeting affecting a particular class of Shares.*—Any meeting for the purpose of the last preceding clause shall be convened and conducted in all respects as nearly as possible in the same way as an Extraordinary General Meeting of the Company, provided that no Shareholder, not being a Director, shall be entitled to notice thereof or to attend thereat, unless he be a holder of shares of the class intended to be affected by the resolution, and that no vote shall be given except in respect of a share of that class, and that at any such meeting a poll may be demanded in writing by any five members personally present and entitled to vote at the meeting.

BORROWING POWERS.

33. *Power to Borrow.*—The Directors shall have power to borrow money for the purposes of the Company, and for this purpose to grant bonds, promissory notes, bills, debentures, bonds for cash credits or other documents, and to grant mortgages or other deed or deeds of security over all or any of the Company's lands, property, estate, and assets, provided that the moneys so borrowed and owing at any one time shall not, without the sanction of the General Meeting, exceed fifty thousand rupees. Provided also that nothing herein contained shall be held to prevent the Directors procuring from time to time in the usual course of business such temporary advances as they may find it to be necessary for the purpose of defraying the expenses of working the business of the Company.

34. *Proof of Power to Borrow.*—A declaration under the Company's seal contained in or endorsed upon any of the documents mentioned in Article 33, and subscribed by two or more of the Directors or by one Director and the Secretary or Secretaries of the Company, to the effect that the Directors have power to borrow the amount which such document may represent, shall be conclusive evidence thereof in all questions between the Company and its creditors; and no such document containing such declaration shall, as regards the creditor, be void on the ground of its being granted in excess of the aforesaid borrowing power, unless it be proved that such creditor was aware that it was so granted.

GENERAL MEETINGS.

35. *First and subsequent General Meetings.*—The First General Meeting shall be held at such time, not being more than twelve months after the incorporation of the Company, and at such place as the Director

may determine. Subsequent General Meetings may be held at such time and place as may be prescribed by the Company in General Meeting, and if not so prescribed, then at such place and at such time as soon after the 1st day of January in each year as the Directors shall determine.

36. *Ordinary and Extraordinary.*—The above-named General Meetings shall be called Ordinary Meetings; all other General Meetings shall be called Extraordinary.

37. *Convening and Requisition for Extraordinary.*—The Directors may, whenever they think fit, and they shall, upon a requisition made in writing by not less than one-fifth in number of the Shareholders of the Company for the time being, or by any Shareholder or Shareholders holding not less than one-fifth part of the shares of the Company for the time being subscribed for, convene an Extraordinary General Meeting. Any requisition so made by the Shareholder or Shareholders shall express the object of the meeting proposed to be called, and shall be left at the registered office of the Company.

38. *On receipt of Requisition the Directors to call Meeting; otherwise Independent Shareholders may do so.*—Upon the receipt of such requisition, the Directors shall forthwith proceed to convene an Extraordinary General Meeting, to be held at such time and place as they shall think fit, not being more than twenty-one days after the leaving of the requisition; and if they do not proceed to convene the said meeting within twenty-one days after the leaving of the requisition, the requisitioner or requisitionists, or any other Shareholders amounting to the required number may, himself or themselves, convene an Extraordinary General Meeting to be held at such time or place as he or they shall think fit.

39. *Seven Days' Notice of Meeting to be given.*—Seven days' notice at least of every General meeting, Ordinary or Extraordinary, and by whomsoever convened, specifying the place, day, and the hour of meeting, and purpose for which any meeting is to be held, shall be given by advertisement in the *Ceylon Government Gazette*, or in such other manner, if any, as may be prescribed by the Company.

PROCEEDINGS AT GENERAL MEETINGS.

40. *Resolution; Notice.*—Any Shareholder may, on giving not less than ten days' previous notice of any resolution, submit the same to a meeting. Such notice shall be given by leaving a copy of the resolution at the registered office of the Company.

41. *Quorum; Want of Quorum.*—In order to constitute a meeting, whether Ordinary or Extraordinary, there shall be present either personally or by proxy three or more Shareholders entitled to vote. If within one hour from the time appointed for the meeting the required number of Shareholders is not present, the Meeting, if convened upon the requisition of a Shareholder or Shareholders, shall be dissolved. In any other case it shall stand adjourned to the following day at the same time and place; and if at such adjourned meeting the required number of Shareholders is not present, it shall be adjourned *sine die*.

42. *Quorum for sale of Property or Dissolution.*—In the event of a resolution being brought before a General Meeting involving the sale of the Company's property or any portion thereof, a majority of three-fourths of the Shareholders present and (or) represented by proxy shall be necessary to carry such resolution.

43. *Chairman; Choice of Chairman.*—The Chairman (if any) of the Board of Directors shall preside as Chairman at every meeting of the Company. If there be no such Chairman, or if at any meeting he is not present at the time of holding the same, the Shareholders present shall choose some one of their number to be Chairman of such meeting.

44. *Adjournment.*—The Chairman may, with the consent of the Meeting, adjourn any meeting, from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

45. *Poll.*—At any General Meeting, unless a poll is demanded by at least two Shareholders present and entitled to vote a declaration by the Chairman that a resolution has been carried, and an entry to that effect in the book of proceedings of the Company, shall be sufficient evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. If a poll is demanded in manner aforesaid, the same shall be taken in such manner as the Chairman directs, and the result of such poll shall be deemed to be the resolution of the Company in General Meeting.

VOTES OF SHAREHOLDERS.

46. *Votes.*—At any meeting every resolution shall be decided by the votes of the Shareholders present in person or by proxy, and in case there shall be an equality of votes, the Chairman at such meeting shall be entitled to give a casting vote, in addition to the vote to which he may be entitled as a Shareholder.

47. *Number of Votes to which Shareholders are entitled.*—On a show of hands every Shareholder shall have one vote only; in case of a poll every Shareholder shall have one vote for every share up to ten; an additional vote for every five shares beyond the first ten up to one hundred; and an additional vote for every ten shares beyond the first one hundred up to four hundred, beyond which shares will not carry votes.

48. *Sale or Winding Up.*—When voting on a resolution involving the sale of the Company's estates or any portion thereof, or the winding up of the Company, every Shareholder shall have one vote for every share held by him.

49. *Legal Disability; Disqualification to Vote.*—If any Shareholder is a minor, lunatic, or idiot, or prodigal, he may vote by the person, or one of the persons if more than one, legally appointed to the charge and administration of his property. No Shareholder shall be entitled to vote at any meeting unless all calls due from him have been paid; and no Shareholder other than the trustee or assignee of a bankrupt or representative of a deceased Shareholder, or person acquiring by marriage, shall be entitled to vote at any meeting held after the expiration of three months from the registration of the Company in respect of any share which he has acquired by transfer, unless he has been possessed of the share in respect of which he claims to vote at least three months previously to the time of holding the meeting at which he proposes to vote.

50. *Joint Shareholders.*—If one or more persons are jointly entitled to a share or shares, the person whose names stands first in the register of Shareholders as one of the holders of such share or shares, and no other, shall be entitled to vote in respect of the same.

51. *Mode of Voting; Proxy.*—Votes may be given either personally or by proxy. A proxy shall be appointed in writing under the hand of the appointor, or, if such appointor is a corporation, under their common seal, and shall have affixed thereto a stamp of such value as shall in law be requisite. No person shall be appointed a proxy who is not a Shareholder; and the instrument or mandate appointing him shall be deposited at the registered office of the Company not less than twenty-four hours before the time of holding the meeting at which he proposes to vote, but no instrument or mandate appointing a proxy shall be valid after the expiration of three months from the date of its execution.

DIRECTORS.

52. *Number of Directors; Qualification of Directors.*—Until otherwise determined by a General Meeting, the number of Directors shall not be less than three nor exceed six. The qualification of a Director shall be the holding of shares in his own name of the nominal amount of 1,500 rupees. A first Director may act before acquiring this qualification, but shall in any case acquire the same within one month from his appointment; and unless he shall do so, he shall be deemed to have agreed to take the said shares from the Company and the same shall be forthwith allotted to him accordingly.

53. *First Directors.*—The first Directors shall be James Fullerton Headrick, Charles Davidson, David Michie, and Edward Devereux Harrison, all of Colombo, and they shall hold office, except in the event of their becoming respectively disqualified, until the First Ordinary General Meeting of the Company.

54. *Vacancy.*—Any casual vacancy in the Board may be filled up by the Board, but any person so chosen shall hold his office during such time only as the Director in whose place he is appointed would have held the same if he had not vacated the office.

55. *Remuneration of Directors.*—As remuneration for their services the Directors shall be entitled to receive out of the funds of the Company an annual sum not exceeding 2,000 rupees, or such other sum as may be voted by the Shareholders in General Meeting, and shall be divided among the Directors as they may determine.

56. *Removal.*—The Company in General Meeting may by a special resolution remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed.

DISQUALIFICATION OF DIRECTORS.

57. *Resignation.*—A Director may retire from his office upon giving one month's notice in writing to the Board of his intention so to do, and such resignation shall take effect upon the expiration of such notice or its earlier acceptance.

58. *When Office of Director to be vacated.*—The office of a Director shall be vacated—

If he ceases to hold the required number of shares to qualify him for the office.

If by notice in writing to the Company he resigns his office.

If he becomes bankrupt or insolvent, or files a petition for the liquidation of his affairs, or compounds with his creditors.

If he is found lunatic, or becomes of unsound mind.

59. *Director may contract with Company.*—No Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, or otherwise; nor shall any such contract or arrangement entered into by or on behalf of the Company with the Company or partnership of or in which any Director shall be a member or otherwise interested be avoided; nor shall any Director so contracting, or being such a member, or so interested, be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, provided that the fact of his interest or connection therewith be fully disclosed to the Company or its Directors; but no Director shall vote in respect of any such contract or arrangement; and the nature of his interest, where it does not appear on the face of the contract, shall be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interest.

ROTATION OF DIRECTORS.

60. *Number to Retire; Retirement by Seniority.*—At the first Ordinary Meeting of the Company all the Directors shall retire, and at the first Ordinary Meeting in every subsequent year one-third of the Directors for the time being or the number next below shall retire from office, but if qualified shall be eligible for re-election. The Directors to retire in any year shall always be those who have been longest in office, and, in case of Directors equal in length of office, shall, unless such Directors agree among themselves, be determined by ballot.

61. *Election; Old Directors when continued.*—The Company at the Ordinary General Meeting shall fill up the offices vacated by the retiring Directors by electing a like number of persons. If at any meeting at which an election of Directors ought to take place no such election is made, the meeting shall stand adjourned till the next day, at the same time and place; and if at such adjourned meeting no election takes place, the former Directors shall continue to act until new Directors are appointed at the first Ordinary Meeting of the following year.

62. *Increase or Reduction of Number.*—The Company in General Meeting may from time to time increase or reduce the number of Directors and alter their qualifications.

PROCEEDINGS OF DIRECTORS.

63. *Meetings; Summons; Questions how decided.*—The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit, and may determine the quorum necessary for the transaction of business. And until otherwise determined, two Directors shall be a

quorum. A Director may, and the Secretary or Secretaries at the request of any Director shall, at any time summon a meeting of the Directors. Questions arising at any meeting of Directors shall be decided by a majority of votes of the Directors present, and in case of equality of votes the Chairman shall have a casting vote.

64. *President at Meetings.*—The Directors may elect a Chairman of their meetings, and may determine the period for which such officer shall respectively hold office; but if no such Chairman be elected, or if at any meeting the Chairman be not present at the time appointed for a meeting, the Directors present shall choose some one of their number to be Chairman of such meeting.

65. *Minutes.*—The Directors shall cause minutes to be made in a book or books provided for and used solely for that purpose:—

- (1) Of all appointments of officers made by the Directors;
- (2) Of the names of Directors present at each meeting of Directors;
- (3) Of all orders made by the Directors; and
- (4) Of all resolutions and proceedings of meetings of the Company and of the Directors.

And any such minute as aforesaid, if signed by any person purporting to be the Chairman of any meeting of Directors, shall be receivable in evidence without any further proof.

66. *Unanimous Resolution in Writing.*—A resolution in writing by all the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.

67. *Acts valid notwithstanding defective Appointment.*—All acts done by any meeting of the Directors, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors, or persons acting as aforesaid on that day, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

POWERS OF DIRECTORS.

68. *General Powers of Company vested in Directors.*—The management of the business and the control of the Company shall be vested in the Directors, who, in addition to the powers and authorities by these presents expressly conferred upon them, may exercise all such powers, and do all such acts and things as may be exercised or done by the Company, and are not hereby or by Ordinance expressly directed or required to be exercised or done by the Company in General Meeting, but subject, nevertheless, to any regulations from time to time made by the Company in General Meeting, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

69. *Specific Powers given to Directors.*—Without prejudice to the general powers conferred by the last preceding clause, and to other powers and authorities conferred by these Articles, it is hereby expressly declared that the Directors shall be entrusted with the following powers, viz.:—

(I.) To pay the costs, charges, and expenses preliminary and incidental to the formation, establishment and registration of the Company.

(II.) To purchase, take on lease, or otherwise acquire for the Company any property, rights, or privileges which the Company is authorized to acquire, at such price or prices, and generally on such terms and conditions as they may think fit.

(III.) To make rules or regulations for the management of the property of the Company, and for that purpose to appoint and, at their discretion, to remove or suspend, without assigning reason or cause therefor, such managers, secretaries, officers, clerks, agents, and servants for permanent, temporary, or special services as they may from time to time think fit, and invest them with such powers as they may deem expedient, and to determine their duties and fix their salaries or emoluments which may be paid out of the funds of the Company or by way of participation in profits, or both, and to require security in such instances, and to such amount as they may think fit.

(IV.) To open from time to time on behalf of the Company any account or accounts with such bank or banks as they may select or appoint, and also by such signature as they shall appoint on behalf and for the purpose of the Company, to draw, accept, make, endorse, and sign cheques, bills of exchange, or promissory notes, and to sign and execute bonds, mortgages, contracts, and agreements on behalf and for the purposes of the Company.

(V.) To appoint any proctor or proctors, to institute, conduct, defend, compound, or abandon any legal proceedings by and against the Company or other officer or officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment of any debts due to the Company, and to make and give receipts, releases, and other discharges for money payable to and claims and demands of the Company.

(VI.) To refer any claims or demands by or against the Company to arbitration and to act on behalf of the Company in all matters relating to bankrupts and insolvents.

(VII.) To enter into all such negotiations and contracts, and rescind and vary all such contracts, and do all such acts, deeds, and things in the name and behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

(VIII.) The Directors may at any time and from time to time, by deed under the seal of the Company, appoint any person or persons to be the attorney or attorneys of the Company for such purposes, and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Directors under these presents, but including power to sub-delegate), and for such period, and subject to such conditions as the Directors may from time to time think fit.

COMMON SEAL.

70. *Common Seal.*—The Directors shall provide a common seal of the Company, and for the safe custody of the same. The seal of the Company shall not be used or affixed to any deed, document, or instrument except in the presence of two or more of the Directors or of one Director and the Secretary or

Secretaries of the Company, who shall attest the sealing thereof; such attestation on the part of the Secretaries in the event of a firm being the Secretaries being signified by a member of the said firm signing for and on behalf of the said firm as such Secretaries.

DIVIDENDS.

71. *Right to Profits.*—Subject to the rights of Shareholders entitled to shares issued upon special conditions, the profits of the Company shall belong to the holders of ordinary shares in the capital of the Company in proportion to the amount paid on the shares held by them respectively.

72. *Declaration of Dividend.*—The Company in General Meeting may declare a dividend to be paid to the Shareholders according to their rights and interests in the profits, but no larger dividend shall be declared than is recommended by the Directors. The Company in General Meeting may, however, declare a smaller dividend.

73. *Interim Dividend.*—The Directors may, if they think fit, determine and declare an interim dividend to be paid to the Shareholders on account and in anticipation of the dividend of the then current year.

74. *Dividend from Profits: Notice.*—No dividend shall be payable except out of the profits arising from the business of the Company. Notice of any dividend that may have been declared shall be given to each Shareholder, or sent by post or otherwise to his registered place of abode; and all dividends unclaimed for three years after having been declared may be forfeited by the Directors for the benefit of the Company.

75. *Lien on Dividends.*—The Directors may retain dividends payable on any shares upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities, or engagements in respect of which the lien exists, including all such sums of money as may be due and payable on account of calls or instalments unpaid.

76. *Joint-holders.*—In case several persons are registered as the joint-holders of any share or shares, any one of such persons may give effectual receipts for all dividends and payments on account of dividends in respect of such share or shares.

77. *Loss of Dividend Warrant; Unpaid Dividend.*—The Company shall not be responsible for the loss of any cheque, dividend warrant, or post office order which shall be sent by post in respect of dividends, whether sent by request or otherwise. No unpaid interest or dividend shall bear interest as against the Company.

RESERVE FUND.

78. *Reserve Fund.*—The Directors may, before recommending any dividend, set aside out of the profits of the Company such sum as they think proper as a reserve fund to meet contingencies, or for equalizing dividends, or for repairing or maintaining the works connected with the business of the Company or any part thereof; and the Directors may invest the sum so set apart as a reserve fund upon such securities as they, with the sanction of the Company, may select.

ACCOUNTS.

79. *Balance Sheet; Profit and Loss Account; Report of Directors.*—Once at least in every year the Directors shall lay before the Company in General Meeting a profit and loss account and a balance sheet containing a summary of the property and liabilities arranged under the heads appearing in the form annexed to the table referred to in Schedule C to "The Joint Stock Companies' Ordinance, 1861," or as near thereto as circumstances will admit, made up to a date not more than three months before such meeting from the time when the last preceding account and balance sheet were made, or in the case of the first account and balance sheet from the incorporation of the Company. The statement so made shall show, arranged under the most convenient heads, the amount of gross expenditure, distinguishing the expenses of the establishment, salaries, and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account, and in case any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such items shall be stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year. Every such statement shall be accompanied by a report of the Directors as to the state and condition of the Company, and as to the amount which they recommend to be paid out of the profits by way of dividend or bonus to the Shareholders, and the amount (if any) which they propose to carry to the reserve fund according to the provisions in that behalf hereinbefore contained, and the account, report, and balance sheet shall be signed by the Directors or any two of them.

80. *Copy of Balance Sheet, &c., to Shareholders.*—A written or printed copy of such account, balance sheet, and report shall at least seven days previously to such meeting be delivered at or sent by post to the registered address of every Shareholder.

AUDIT.

81. *Audit; Auditors, Number; Eligibility; Remuneration.*—The accounts of the Company shall be examined and the correctness of the statement and balance sheet ascertained by one or more auditor or auditors to be elected by the Company in General Meeting. If not more than one auditor is appointed all the provisions herein contained relating to auditors shall apply to him. The auditors need not be Shareholders in the Company. No person is eligible as an auditor who is interested otherwise than as a Shareholder in any transaction of the Company, and no Director or other officer of the Company is eligible during his continuance of the office. Any auditor shall be re-eligible on his quitting office. The remuneration of the auditor or auditors shall be fixed by the Company at the time of election, save that in case of the first auditor or auditors, the same shall be fixed by the Directors.

82. *First Auditors; Casual Vacancy.*—The first auditor or auditors of the Company shall be appointed by the Directors, and shall hold office until the first Ordinary General Meeting. If any casual vacancy shall occur in the office of auditors, the Directors may appoint another auditor.

83. *Accounts open to Auditor: Balance Sheet.*—All accounts of the Company shall at all times be open to the auditor or auditors for the purpose of audit. Every auditor shall be supplied with a copy of the balance sheet, and it shall be his duty to examine the same with the accounts and vouchers relating thereto.

84. *List of Books ; Report.*—Every auditor shall have a list delivered to him of all books kept by the Company, and he shall at all reasonable times have access to the books and accounts of the Company. He may, at the expense of the Company, employ accountants or other persons to assist him in investigating such accounts, and he may in relation to such accounts examine the Directors or any other officer of the Company. The auditors shall make a report to the Shareholders upon the balance sheet and accounts, and in every such report they shall state whether in their opinion the balance sheet is a full and fair balance sheet containing the particulars required by these regulations, and properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, and in case they have called for explanations or informations from the Directors, whether such explanations or informations have been given by the Directors, and whether they have been satisfactory ; and such report shall be read, together with the report of the Directors, at the Ordinary Meeting.

85. *Accounts when conclusive.*—Every account of the Directors when audited and approved by a General Meeting shall be conclusive, except as regards any error discovered therein within three months next after approval thereof ; whenever any such error shall be discovered, it shall forthwith be corrected, and thenceforth the account as corrected shall be conclusive.

NOTICES.

86. *Authentication of Notice ; Address for Service ; Service of Notice.*—Notices by the Company may be authenticated by the signature (printed or written) of the Secretary or Secretaries or other person appointed by the Directors to do so. Every Shareholder shall give an address in Ceylon, which shall be deemed to be his place of abode, and shall be registered as such in the books of the Company. Notices required to be served by the Company upon any Shareholder may be served either personally or by leaving the same, or sending them through the post in a letter addressed to such Shareholders at his registered place of abode, and any notice so served shall be deemed to be well served for all purposes, notwithstanding that the Shareholder to whom such notice is addressed may be dead, unless and until his executors or administrators shall have given notice to the Directors or to the Secretary or Secretaries of the Company of some address in Ceylon.

87. *Shareholder residing out of Ceylon.*—Every Shareholder residing out of Ceylon shall name an address in Ceylon at which all notices shall be served upon him, and all notices served at such address shall be deemed to be well served. If he shall not have named such an address, he shall not be entitled to any notice.

88. *No registered Address.*—A general notice posted up in the office shall be deemed to be duly served on Shareholders who have no registered address at the expiration of twenty-four hours after it is so posted up.

89. *How time to be counted ; Publication of Notice.*—When a given number of days' notice, or notice extending over any other period, is required to be given, the day of service shall be counted in such number of days or other period. All notices required to be given by advertisement shall be published in the *Ceylon Government Gazette*.

It witness whereof the subscribers to the Memorandum of Association have hereto set and subscribed their names this Twenty-seventh day of November, One thousand Nine hundred.

JAMES F. HEADRICK, Colombo.
A. C. RAINNIE, Colombo.
W. C. GOWANS, Colombo.
TUDOR STANTON, Colombo.
ROBT. DAVIDSON, Colombo.
FRANK S. MITCHELL, Colombo.
DAVID MICHIE, Colombo.

Witness to the above signatures :

F. J. DE SARAM, Proctor, Supreme Court, Colombo.

In the District Court of Kandy.

Testamentary
Jurisdiction.
No. 2,153.

In the Matter of the Estate and
Effects of Augustus Campbell, late
of Oliphant estate, Nuwara Eliya,
deceased.

ALL persons having claims against, or indebted to, or having property belonging to, the estate of the deceased above-named are required to prefer such claims, pay such debts, and deliver over such property to F. Liesching, the Administrator, or his Proctors Messrs. Julius & Creasy, Colombo, on or before the 20th day of December, 1900.

JULIUS & CREASY.

In the Matter of the Insolvent Estate of George Armitage.

A RARE and very valuable collection of mineral, classified according to J. D. Dana, will be sold by auction at the Chamber of Mines on Friday, the 21st instant, at 12 o'clock-noon.

C. J. DONALD,
Assignee.

Colombo, December 12, 1900.

ROAD COMMITTEE NOTICES.

NOTICE is hereby given that the Governor, with the advice and consent of the Legislative Council, having agreed to grant the under-mentioned sum for the upkeep and survey of the under-mentioned road for 1900, the Provincial Road Committee, acting under the provisions of "The Branch Roads Ordinance, 1896," will on Thursday, December 20, 1900, at 3 o'clock P.M., at their office in Kandy, proceed to assess the under-mentioned estates to make up the private contributions:—

KADUGANNAWA-ALLAGALLA ROAD.

<i>Maintenance.</i>				
Government moiety	...	Rs.	2,250	
Private contributions	...	Rs.	2,250	
<i>Survey.</i>				
Government moiety	...	Rs.	450	
Private contributions	...	Rs.	450	
1st section, 1 mile.				
Proprietors or Agents.	Estates.		Acreage.	
Lady de Soysa	... Maligatenna	...	28	
J. Perera Seneviratne	... do.	...	25	
W. C. Dias	... do.	...	50	
Delankepdegedara Ukku's...	Land	...	20	
1st to 2nd section, 2 miles.				
Vidane's widow Rankiri's	... Land	...	20	
W. T. Perera's	... Land	...	20	
1st to 3rd section, 3 miles.				
Vidane and Ballany Duraya	... Aruanapura	...	160	
Felix Dias	... Kumaragalla	...	102	
Katucumbura Sarana's	... Land	...	20	
Moses Pinto's	... Land	...	20	

Proprietors or Agents.	Estate.		Acreage.
1st to 4th section, 4 miles.			
R. Picton Warlow	... Anditenna	...	70
Do.	... Tismadde	...	260
H. P. & L. R. Rudd	... Beltoff	...	135
Jas. Piachaud	... Seafield	...	95
Weerasekera Mudiyanalage			
Ukku Banda's	... Land	...	20
Heratmudiyanalage Punchedi			
Banda Arachchi's	... Land	...	50
Polwattagedera Kalu Banda's	... Land	...	15
1st to 5th section, 5 miles.			
Cumberbatch & Co.	... Allagalla and Dekanda	...	900
Yattegama Ukku Banda			
Arachchi's	... Land	...	40
Colombo Commercial Co	... Oolanakanda	...	490
Waddiagedera Ukku Banda's	... Land	...	40
1st to 6th section, 5½ miles.			
Eastern Produce and Estates Company	... Kirrimettia and Peak	...	909

And at the same time and place the Committee will take evidence, if necessary, and receive and consider objections and suggestions.

R. N. THAINE,
for Chairman.

Provincial Road Committee's Office,
Kandy, December 5, 1900.

LOCAL BOARD NOTICES.

NOTICE is hereby given to persons residing within the limits of the Local Board of Kegalla, that the Board, acting under the provisions of section 35 of the Ordinance No. 13 of 1898, has resolved that on account of the year 1901 a tax, payable in six days' labour, be imposed upon all persons residing within the limits of the said Board, who, if the Ordinance No. 31 of 1884 had not been passed, would have been liable, under the provisions of the Ordinance No. 10 of 1861, to the performance of labour for the maintenance of the roads or other public means of communication by land or by water.

Such labour may be commuted by a money payment of Re. 1.50 on or before March 31, 1901.

Local Board Office,
Kegalla, December 6, 1900.

BERTRAM HILL,
Chairman.

MUNICIPAL COUNCIL NOTICES.

MUNICIPALITY OF KANDY.

**Minutes of Proceedings of a Meeting of the Municipal Council of Kandy held in the Town Hall,
Kandy, on Saturday, October 20, 1900, at 8.30 o'clock a.m., in accordance with Notice
dated October 15, 1900.**

Present:—Hon. Mr. H. Wace, Chairman; J. H. Sproule, Esq.; E. Beven, Esq.; W. D. Gibbon, Esq.; C. Vanderwall, Esq.; R. W. Jonklaas, Esq.; L. Creasy, Esq.; Dr. J. Craib; and C. M. Fernando, Esq.

1. The Minutes of Proceedings of the Meeting held on September 15 were read, confirmed, and signed by the Chairman.

2. The following documents were submitted:—Statements of Receipts and Expenditure from close of 1899 to September 30 on account of the Municipal Fund, comprising the (No. 1) General Revenue, (No. 2) Consolidated Rate (Police and Lighting), and (No. 3) Water-rate Accounts; Progress Report of Works done brought up to the same date; Health Officer's Report for, and Statement of Cases instituted by the several Inspectors during, the month of September.

Resolved,—That the several statements, together with the Minutes of Proceedings of this Meeting, as required by section 90 of the Municipal Councils' Ordinance, No. 7 of 1887, and the Health Officer's report, be forwarded to the Colonial Secretary for publication in the *Government Gazette*.

3. The following papers were laid on the table:—Reports by the several Inspectors on laundries inspected during September, and register.

The Chairman undertook to inspect the premises unfavourably reported on and to report further to the next meeting.

4. Read letter No. 83, dated September 18, from the Government Agent, Central Province, recommending the acceptance of an offer of Rs. 5,600, for the Gonawatta ferry toll for 1901. The papers had been circulated, and with reference to remarks made by some of the Members upon an offer made subsequent to the sale, the Chairman explained that the person who made the offer had been a defaulter in 1898; and that he did not consider it advisable to entertain offers made irregularly after the duly advertised sale had been closed.

Resolved,—That acceptance of the offer be confirmed.

5. Read letter No. 90, dated October 10, from the Government Agent, forwarding statement of offers made for Municipal tolls for 1901.

Resolved,—That the following offers be accepted:—

	Rs.	c.
Lewella ferry	3,500	0
Haloluwa ferry	460	0
Ilukmodara and Kundasale	610	0
Ampitiya and Gurudeniya	1,620	0

6. Read reply to Colonial Secretary's letter No. 23 of September 1, inquiring if a supply of drinking water can be given from Kandy for the use of the officers of the Botanic Gardens, together with report by the Superintendent of Works, a copy of which had been forwarded.

7. Read letter dated October 18 from Mr. J. Guthrie, Auditor, reporting audit of accounts made by him to end of August.

8. Read petition from residents of premises along a portion of Katugastota road, on whom notices had been served to close the cesspits on their several premises and substitute dry-earth closets therefor.

Resolved,—That consideration of the petition remain over till the premises have been inspected by the Chairman.

9. Read petition dated October 16 from Mr. W. E. Weerasingha respecting his compulsory retirement.

Resolved,—That Mr. Weerasingha be referred to the reply to his previous petition.

10. Read petition dated October 16 from members of the Municipal clerical staff and other employes of the Council, asking that they may have the medical services of the Health Officer in cases of illness.

Resolved,—That the application for free medical attendance be rejected, but that the claim for attendance on reduced charges be considered at the next meeting, after reference to the Government circular regulating medical attendance on clerks.

11. Read petition without date, received from Mr. Fernando on October 17, from residents in Colombo street and Castle Hill street, on whom notices had been served to close the cesspits on their several premises and substitute dry-earth closets.

With leave of the Council Mr. Fernando withdrew for the present the motion of which he had given notice in respect of the closing of cesspits.

Resolved,—That consideration of the petition remain over till next meeting and till the Chairman has inspected the several premises.

12. Read letter dated 22nd September from Dr. Keyt tendering his resignation as Health Officer.

Resolved,—That Dr. Keyt's resignation be accepted, and that he be accorded the thanks of the Council for his services as Health Officer during the period he held the appointment.

13. The following applications were submitted for appointment as Health Officer:—From Dr. Anderson Smith, Dr. F. Beven, and Dr. G. P. Hay, all residing in Kandy.

Proposed by Mr. Fernando, seconded by Mr. Sproule,—That application for the post of Health Officer be invited by advertisement.

The motion was put to the meeting and the following votes were recorded:—

<i>Ayes:</i>		<i>Noes:</i>
Mr. Fernando.		Mr. Jonklaas.
Mr. Creasy.		Mr. Vanderwall.
Dr. Craib.		Mr. Beven.
Mr. Sproule.		Mr. Gibbon.
		The Chairman.

Ayes, 4; Noes, 5. The Chairman declared the motion lost.

The applications received were then carefully considered, and the following votes were recorded:—

In favour of—		
<i>Dr. Anderson Smith:</i>	<i>Dr. F. Beven:</i>	<i>Dr. G. P. Hay:</i>
Mr. Fernando.	Mr. Jonklaas.	
Mr. Creasy.	Mr. Vanderwall.	
Dr. Craib.	Mr. Beven.	
Mr. Gibbon.	Mr. Sproule.	
The Chairman.		

The Chairman declared Dr. Anderson Smith to have been duly elected as Health Officer. The Secretary was instructed to communicate the appointment to Dr. Smith, and request him to take up his duties on 1st November.

14. Read reports by Inspector Toussaint and Mr. Leighton of the use of water on several premises on which no meters have been fixed by others than the members of the household.

Resolved,—That the papers be referred to the Special Committee appointed to deal with questions connected with water supply.

15. Read reports and recommendations thereon by the Health Officer, that the cesspits on the following premises be closed and dry-earth closets substituted therefor:—Nos. 34 and 35, Lady Torrington's road; Nos. 127 and 128, 135 and 136, Trincomalee street.

Resolved,—That the Health Officer be asked to report whether access can be obtained from the road to the closets otherwise than through dwelling rooms of the houses.

16. In accordance with notice, Mr. Beven brought forward the following motion,—That the following be substituted for by-laws 20 and 21 of chapter XII., 19 of 1896.

On a suggestion made, and with the permission of the Council, Mr. Beven withdrew his motion, and it was resolved that the substituted by-laws proposed by him be referred to the Special Committee appointed to consider questions connected with water supply.

Confirmed this 17th day of November, 1900 :

H. WACE,
Chairman.

Progress Report of Works done brought up to September 30, 1900.

Est. No.	Heads of Expenditure.	Amount voted for the Year.		Expenditure up to August 31, 1900.		Expenditure in September, 1900.		Total Expenditure.		Balance.	
		Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.	Rs.	c.
1	Upkeep of pavements	2,635	50	1,304	20	95	31 ^a	1,399	51	1,235	99
2	Town streets	4,331	50	3,380	22	198	98 ^b	3,579	20	752	30
3	Alutgantota and Lady Anderson's roads	716	87	514	94	107	14 ^c	622	8	94	78
4	Udawattekele roads	1,700	0	1,256	19	86	24 ^d	1,342	43	357	57
5	Haloluwa, Slaughter-house, Deyanne-wela, &c.	1,121	92	691	50	105	88 ^e	797	38	324	54
6	Municipal buildings	1,250	0	1,120	89	—	—	1,120	89	129	11
7	Watering streets	701	11	491	0	—	—	491	0	210	11
8	Market buildings and premises	1,242	85	1,107	45	36	40 ^f	1,143	85	99	0
9	Ornamental plants	200	0	128	0	15	12 ^g	143	12	56	88
10	Tools	400	0	166	16	9	76	175	92	224	8
11	Maintenance and improvement, bathing tank	130	0	16	83	21	17 ^h	38	0	92	0
12	Recreation ground	1,185	0	873	79	62	44 ^h	936	23	248	77
13	Miscellaneous	900	0	711	14	68	78 ^j	779	92	120	8
14	Repairs to cemetery-keeper's house	127	20	104	11	8	4 ^k	112	15	15	5
15	Peradeniya Culvert	294	80	—	—	53	7 ^l	53	7	241	73
16	Public Privy	285	65	—	—	20	20 ^m	20	20	265	45
17	Katugastota drains	191	75	—	—	125	30 ⁿ	125	30	66	45
18	Opening side drains	327	78	325	49	—	—	325	49	2	29
A	Sanitation account	1,000	0	401	90	155	1 ^o	606	82	393	18
B	Clearing side drains of town streets	800	0	378	12	137	68 ^p	515	80	284	20
C	Opening pits and covering, opening road	3,434	49	2,483	73	269	0 ^q	2,752	73	681	76
D	Ferry approach	565	89	58	88	39	15 ^r	98	3	467	86
E	Ferry boat, repairing	578	60	277	68	104	4 ^s	381	72	196	88
F	Renewing ferry boat, Gonawatta	451	0	110	61	47	52 ^t	158	13	292	87
G	Renewing ferry boat, Ilukmodara	820	0	—	—	—	—	—	—	820	0
H	Clearing lake silt	1,200	0	1,159	8	—	—	1,159	8	40	92
	Dharma line	—	—	98	91	15	23 ^u	114	14	—	—

(a) 9 cubes of gravel transported, Rs. 18·90; 9 cubes of gravel spreading, Rs. 5; 40 yds. of barrel drain cleared, Rs. 4·11; 30 lineal yds. of barrel drain in Trincomalee street cleared, Rs. 3·01; repairing 8 man-hole covers, Trincomalee street, Rs. 10; 4 man-hole covers repaired in Town streets, Rs. 4·44; 22 lineal ft. of pavement repaired, Rs. 10·85; 60 lineal ft. pavement repaired in Colombo street, Rs. 30; superintendence, Rs. 9.

(b) 4 miles of side drains cleared, Rs. 56; 7 miles of jungle cleared and sides reduced, Rs. 136·79; clearing landslips, Rs. 3·69.

(c) 3 cubes of metal getting, Rs. 15·33; 2 miles side drain cleared, jungle cut, back and sides reduced, Rs. 53·87; landslips, Rs. 8·57; making and fixing obstruction posts, Rs. 19·37; superintendence, Rs. 10.

(d) 12 cubes of metal getting, Rs. 65·54; landslips, Rs. 8·74; making and fixing obstruction posts on paths, Rs. 6·96; superintendence, Rs. 5.

(e) 2 miles side drains and jungle cleared, Rs. 31·34; repairs to culvert, Rs. 5·90; landslips, Rs. 11·37; clearing out stream and grating back of railway premises, Rs. 9·82; 2 cubes of metal transported, Rs. 5·20; repair of tools, Rs. 37·25; superintendence, Rs. 5.

(f) Sweeping and clearing grounds, Rs. 11·10; repairs to vegetable stalls, Rs. 15·53; clearing side drains and reducing sides, Rs. 4·77; superintendence, Rs. 5.

(g) Sweeping ground near post office and attending plants, Rs. 15·12.

(h) Clearing side drains and jungle, removing silt from tank, Rs. 16·17; superintendence, Rs. 5; hire of bullocks for machines, cutting grass on recreation ground, Rs. 62·44.

(j) 2 cubes of gravel transported, Rs. 2·83; 2 cubes gravel spreading, Rs. 57; repairing wire fence and fixing railing, Rs. 13·14; opening path through market grounds, Rs. 5·11; planting bamboos, Rs. 3·18; cutting and removing trees from the island, Rs. 33·95; superintendence, Rs. 10.

(k) Purchase of materials, Rs. 8·04.

(l) Mining and blasting, Rs. 13·92; transport of stone, Rs. 13·24; excavating foundations and building, Rs. 7·56; 50 cubic ft. of masonry in retaining wall, Rs. 13·35; superintendence, Rs. 5.

(m) Taking down public latrine, Re. 1·11; excavating for foundation of platform, Rs. 8·90; 6 cubes of earth cutting and levelling ground, Rs. 5·19; superintendence, Rs. 5.

(n) Mining and blasting, Rs. 11·38; transport of stone, Rs. 14·38; building retaining wall, Rs. 23·55; 58 lineal ft. of cement concrete surface drain, Rs. 69·31; excavating and building foundations, Rs. 6·68.

(o) Cutting away vegetation, clearing bed of stream Meda-ella, and removing rubbish, Rs. 129·01; whitewashing cooly lines, Rs. 16; superintendence, Rs. 10.

(p) Clearing away silt from side drains of Trincomalee street and town, Rs. 137·68.

(q) 150 cubes earth cutting, opening pits, Rs. 112·37; covering in pits, Rs. 112·63; clearing jungle and weeding ground, Rs. 34; superintendence, Rs. 10.

(r) 8 cubes of metal getting, Rs. 39·16.

(s) Transport of material for repair of Gonawatta boat, Rs. 5·74; repairing Lewella ferry boat, Rs. 50; proportion of cost of store and line watcher, Rs. 48·30.

(t) Purchase of materials for repairing ferry boat, Rs. 47·52.

(u) Wages of watcher, Rs. 12; repairing drains, Rs. 3·23.

H. BYRDE,
Superintendent of Works.

Health Officer's Report for the Month of October, 1900.

SIR,—I HAVE the honour to submit my report for the month of September.

Scavenging.—The scavenging of the town was satisfactorily done, and owing to the occurrence of cholera at Katugastota special attention was paid to the limewashing of all boutiques and native dwellings and the cleaning up of gardens within Municipal limits.

Water Supply.—Good and ample.

Drainage.—All the larger drains were regularly flushed after the rain ceased, and the superficial drains were swept and cleaned daily.

Alleys.—Special attention was paid to all the alleys in town which were limewashed, and the drains and premises belonging to them were cleaned and disinfected.

Food Supply.—Ample and of good quality. 397 cattle, 152 buffaloes, and 302 goats and sheep were slaughtered during the month. All the animals were carefully inspected before they were passed.

Bakeries were regularly inspected and found to be clean and well kept.

Dairies.—Well kept.

Cooly Lines.—All the cooly lines were linewashed and disinfected, and the premises attached to them were thoroughly cleaned and swept regularly.

Latrines.—Clean and well kept.

Boutiques.—These were carefully inspected at frequent intervals, care being taken that nothing but wholesome and good food stuffs were exposed for sale.

Laundries.—In the same condition as when last reported upon.

General Health.—I regret to state that during the early part of the month a very unusual outbreak of sickness took place at Katugastota. Altogether, from the 4th till the 11th, nine cases were reported as cholera. The first three cases occurred between the 4th and 7th in rapid succession and terminated fatally. The reports of these cases reached us after death, so that we were not able to form an opinion as to the actual cause of death. From inquiry made, however, we were of opinion that these were cases of acute diarrhoea, a disease not uncommon in wet and damp weather such as existed about that time. Death in three subsequent cases also reported as cholera was due to convulsions and pneumonia. The three last cases that were reported between the 9th and 11th showed symptoms of genuine cholera. These were removed to hospital and treated there.

As soon as it was found out what the nature of the disease was, a qualified medical officer was stationed on the spot by the Colonial Surgeon to treat the patients, and I directed Mr. Inspector Toussaint to remain at Katugastota in charge of a gang of coolies and a number of carts to carry out sanitary measures, such as the destruction of infected houses and property by fire, the cleaning of gardens, and the disinfection of all the premises as far as the limits of the Municipality, and I am glad to say that the result of these measures was most beneficial, and that the disease was effectually stamped out within a week. After the 11th instant no fresh cases occurred, either at Katugastota or its vicinity, but I may mention that a low country Sinhalese man was admitted into the Infectious Hospital, Kandy, with cholera on the afternoon of the 30th. This man was said to have come from Gonagama village, near Hanguranketa where cholera was prevailing at that time.

I am, &c.,

FRED. KEYT, M.D.,
Health Officer.

Kandy, October 5, 1900.

Statement of Receipts and Disbursements to September 30, 1900.

No. 1.—GENERAL REVENUE.

REVENUE.	Estimate.		Receipts.		EXPENDITURE.	Disbursements.	
	Rs.	c.	Rs.	c.			Rs.	c.
Arrears ...	1,700	0	1,593	33	By arrears ...	184	50
Cemetery account—fees ...	850	0	656	0	Cemetery account—wages and sundries ...	763	31
Commutation rate ...	12,000	0	11,744	0	Commutation rate—commission and sundries ...	821	53
Interest ...	50	0	64	8	Government loans repaid ...	4,150	5
Judicial account—fines ...	2,800	0	1,898	90	House of shelter—wages, &c. ...	98	91
Licenses ...	5,300	0	4,876	25	Interest ...	300	9
Miscellaneous receipts ...	450	0	307	13	Judicial account—establishment and printing ...	1,313	80
Office charges—share by Nos. 2 and 3 accounts ...	4,368	0	3,377	26	Lake silt, clearing of ...	1,159	8
Pensions do. ...	270	6	250	52	Licenses—printing, &c. ...	39	65
Public market—rents ...	13,350	0	10,457	39	Miscellaneous charges ...	634	66
Rents ...	1,305	0	1,418	50	Office charges—salaries and sundries ...	8,492	88
Stamp duties ...	11,450	0	14,322	25	Pensions ...	626	35
Scavenging—removing night soil ...	9,000	0	6,123	50	Public market—wages, lighting, &c. ...	2,654	51
Slaughter-houses—fees ...	5,650	0	4,525	74	Rents—expenses on account Town Hall, &c. ...	630	38
Taxes ...	1,350	0	736	25	Sanitation—establishment and sundries ...	5,180	40
Tolls ...	24,140	0	13,941	80	Scavenging ...	23,064	45
Public works ...	1,225	0	1,201	51	Steam boat—wages, &c. ...	12	24
Estimates of 1899 ...	—	—	595	10	Slaughter-houses—wages, feeding cattle, &c. ...	1,429	12
Lake silt ...	—	—	909	94	Stamp duties—commission, &c. ...	775	26
Stores Rs. 2,650-90, sundry receipts Rs. 3,465-48 ...	—	—	6,116	38	Taxes—expenses on account dogs and vehicles and animals ...	441	68
					Time charges—wages, powder, &c. ...	403	33
					Tolls—repair of boats ...	468	78
					Volunteer and Public band ...	900	0
					Public works ...	12,107	43
					Estimates of 1899 ...	600	81
					Sundry disbursements Rs. 4,105-90 and Stores Rs. 2,096-77 ...	6,202	67
						73,455	87
					Balance carried forward ...	11,659	96
						85,115	83
	95,258	6	85,115	83			

