



CHAPTER xxi.

An Act to extend the powers of the Mercantile Bank of India (Limited). A.D. 1893.
[12th May 1893.]

WHEREAS the Mercantile Bank of India (Limited) (in this Act called "the Company") was incorporated on the second day of December one thousand eight hundred and ninety-two under the Companies Acts 1862 to 1890 as a company limited by shares:

And whereas by clause 3 of the memorandum of association of the Company the objects (amongst others) for which the Company was established were declared to be—

- (1.) To carry on in India and elsewhere the business of banking in all its branches and in particular to lend or advance money with or without security and to discount and deal in bills of exchange promissory notes drafts bills of lading warrants debentures and other transferable negotiable or mercantile instruments and also in bullion specie and coin and to receive money and valuables on deposit or for safe custody;
- (2.) To negotiate loans and to act as agents for the loan payment transmission investment and collection of money and for the management and realisation of the property and generally to transact all kinds of agency business;
- (3.) To obtain any provisional order or Act of Parliament for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution and for any other purpose which may seem expedient and in particular as to the creation of silver capital (that is to say) of shares or stock of a nominal value expressed in rupees dollars or other silver currency; and
- (4.) To do all such other things as are incidental or conducive to the attainment of the above objects:

And whereas by clause 5 of the said memorandum of association it is declared that the capital of the Company is one million five

A.D. 1893. — hundred thousand pounds divided into sixty thousand shares of twenty-five pounds each with power to divide the shares in the original or any increased capital into different classes and to attach thereto respectively any preferential qualified special or deferred rights privileges and conditions :

And whereas by clause 6 of the said memorandum of association it is declared that the sum of six pounds five shillings per share in respect of the said sixty thousand shares shall be reserved capital and shall not be capable of being called up except in the event and for the purposes of the Company being wound up :

And whereas clause 9 of the articles of association of the Company is in the terms following (that is to say) :—

(A.) Of the sixty thousand shares of twenty-five pounds each in the original capital thirty thousand shall be A shares numbered 1 to 30,000 inclusive and thirty thousand shall be B shares numbered 30,001 to 60,000 inclusive :

(B.) As between the holders of the A shares and of the B shares the profits which it shall at any time and from time to time be determined to distribute by way of dividend shall be applied as follows :—

First. To the payment of a fixed cumulative preferential dividend at the rate of five per cent. per annum upon the capital paid up on the A shares to the close of the last financial year or half year as the case may be ;

Secondly. To the payment of a dividend at the rate of five per cent. per annum for such year or half year as the case may be on the capital paid up on the B shares ;

Thirdly. The surplus shall be applicable to the payment of further dividend to the holders of the A shares and of the B shares in proportion to the capital paid up thereon :

(C.) The A shares shall also rank as regards capital in priority to the B shares and shall accordingly in the event of winding up be entitled to have the surplus assets available for distribution amongst the members applied in the first place in paying off the capital paid up on the A shares :

And whereas fifteen thousand of the said A shares and no more have been issued and the thirty thousand B shares have been set apart for issue pursuant to an agreement referred to in clause 3 of the articles of association of the Company :

And whereas doubts have arisen whether notwithstanding the terms of clause 3 of the memorandum of association of the Company the Company is empowered to issue shares expressed in rupees or dollars and it is expedient to remove such doubts :

And whereas the purposes of this Act cannot be effected without the authority of Parliament :

A.D 1893.

May it therefore please Your Majesty that it may be enacted and be it enacted by the Queen's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows:—

1. This Act may be cited as the Mercantile Bank of India (Limited) Act 1893. Short title.

2. The Company may at any time and from time to time create silver capital of such amount as it may determine in substitution for an equivalent amount of its capital for the time being unissued (except the said B shares) such equivalent to be calculated in sterling at the current rate of exchange on the day of such creation of silver capital. The amount of any silver capital so created shall be expressed in rupees or dollars and shall be divided into shares of such fixed amount and there shall be attached thereto such rights privileges qualifications and conditions as the Company may determine on the creation of such silver capital. Provision as to silver capital.

3. In every balance sheet of the Company prepared after the issue of any silver capital as aforesaid the equivalent of the amount for the time being paid up on the shares or stock constituting the silver capital shall be inserted and such equivalent shall be calculated in sterling at the current rate of exchange at the date of the balance sheet. How capital in silver shares or stock to be dealt with in balance sheet.

4. Clause 6 of the memorandum of association of the Company shall not apply to any silver capital of the Company created pursuant to this Act. Nevertheless twenty-five per centum of every share in the silver capital created in substitution for any part of the initial capital of the Company and for the time being issued shall not be capable of being called up except in the event and for the purposes of the Company being wound up. Clause 6 of the memorandum of association not to apply to silver capital created pursuant to this Act.

5. The Company shall in addition to their principal register keep separate registers of the different classes of their members who hold silver shares or stock expressed in rupees or dollars and such registers shall contain the particulars in that behalf required by section 25 of the Companies Act 1862 or as the case may be by section 31 of the Companies Act 1867 and the principal register and the separate registers shall together be deemed to be the register to be kept by the Company in accordance with section 25 of the Separate registers of silver shares to be kept.

A.D. 1893. Companies Act 1862 Provided that the shares and stock entered in any one register shall not be transferable to any other register.

Copy of
Act to be
sent to
registrar of
joint stock
companies.

6. The Company shall within three months after the passing of this Act forward to the registrar of joint stock companies a printed copy of this Act and it shall be recorded by him and if such copy is not so forwarded the Company shall incur a penalty not exceeding two pounds for every day after the expiration of those three months during which the copy is omitted to be forwarded and every director and manager of the Company who knowingly or willingly authorises or permits such default shall incur a like penalty and every penalty under this Act shall be recoverable summarily.

Saving
pending
proceedings.

7. Save and except as by this Act is specially enacted nothing herein contained shall be deemed to render valid or invalid any act done or proceeding pending by or against the Company before or at the date of the passing of this Act.

Costs of Act.

8. The costs charges and expenses of and incident to the preparing for obtaining and passing of this Act or otherwise in relation thereto shall be paid by the Company.

Printed by EYRE and SPOTTISWOODE,

FOR

T. DIGBY FIGOTT, Esq., C.B., the Queen's Printer of Acts of Parliament.

And to be purchased, either directly or through any Bookseller, from
EYRE AND SPOTTISWOODE, EAST HARDING STREET, FLEET STREET, E.C.; or
JOHN MENZIES & Co., 12, HANOVER STREET, EDINBURGH, and
90, WEST NILE STREET, GLASGOW; or
HODGES, FIGGIS, & Co., LIMITED, 104, GRAFTON STREET DUBLIN.