

### Martin Burn Limited

A CONSIDERABLE improvement in the trading of Martin Burn Limited resulted in higher profits earned by the company for the year ended September 30, 1952. The profits for the year amounted to Rs 50.15 lakhs as against Rs 39.75 lakhs in the previous year. The provision for taxation is likewise higher at Rs 22.75 lakhs. Among other appropriations a sum of Rs 2 lakhs is transferred to capital redemption reserve fund and Rs 6 lakhs to investment reserve. The better working has prompted the directors to recommend a rise in the dividend to ordinary shareholders to Rs 1.4 plus a special payment of 2 as per share, as against Rs 1 plus a special payment of 2 as per share paid in the previous year.

The company carries on business as general merchants, managing agents, contractors and constructional and mechanical engineers. The realisation by sales for the year increased from Rs 403 lakhs to Rs 473.49 lakhs. Higher earnings during the year were largely due to the improved working of most of the units managed by the company. The stock and works in progress as at the end of the year amounted to Rs 102.25 lakhs. The profit and loss account reveals an income from trading account of Rs 49.56 lakhs and by managing agency allowances and commission of Rs 35.95 lakhs. The net block of the company stands at Rs 8.21 lakhs after providing for total depreciation upto September 30, 1952, of Rs 3.14 lakhs.

### Indian Aluminium

THE accounts of the Indian Aluminium Co Ltd have been closed on December 31, 1952 to cover a period of 35 months, so as to bring the accounting year in line with the calendar year. Sales for the fifteen months amounting to Rs 161.46 lakhs as against Rs 120.62 lakhs in the previous 12 months, were at a higher average monthly rate than in any other year, in spite of the slump in the aluminium market which started in March 1952.

This improvement was largely due to aluminium powder and paste being sold by the company for the first time during the year. Of the total sales of Rs 161.46 lakhs, aluminium accounts for

Rs 142.74 lakhs and aluminium paste and powder for Rs 11.07 lakhs. The management must be congratulated for their action in stopping the purchase of ingots from outside and cutting down the production of the Belur Rolling Mill, as soon as it became apparent that the slackness that had set in the market was not temporary. This lower rate of production combined with continued low output at the Loharidaga Mines and Mini Alumina Works inevitably meant increased unit cost, and a smaller margin of profit.

As a result of all these factors, the profit for the period before providing for depreciation amounts to Rs 11.7 lakhs only (for fifteen months) as against Rs 21.64 lakhs in the previous accounting period. After making provision for income-tax, the net profit for the year was Rs 8.20 lakhs. The balance carried forward from last year laid the amount available for disposal to Rs 32.12 lakhs. The dividend has been maintained at Rs 5 per ordinary share, free of income-tax, which, along with the dividend on preference shares less income-tax and surcharge will absorb Rs 0.84 lakhs, leaving Rs 22.28 lakhs to be carried forward.

Production of ingots at Alupurarn was maintained, although sales of aluminium were less than production of ingots from May onwards. Aluminium ingots do not deteriorate with keeping" and the company has been accumulating the extra production as will be seen from the increase in stocks of aluminium from Rs 61.68 lakhs to Rs 94.62 lakhs. The increase is partly due to the starting up of the Aluminium Powder and Paste Plant at Kelwa.

A sum of Rs 25 lakhs has been transferred from current earnings to a reserve for bad and doubtful debts. The provision has been found necessary to meet possible losses on debts from two large customers against whom legal proceedings have been taken.

The net block stands at Rs 186.88 lakhs after providing a sum of Rs 121 lakhs for depreciation reserve. During the period, Rs 25.63 lakhs were added to the block account. Of this, Rs 17.64 lakhs was for expenditure on the expansion of the Alupurarn Smelter and Belur Rolling Mill. It is estimated that the total cost of the expansion will be Rs 1 crore. To

finance this expenditure, the company has borrowed on favourable terms a sum of Rs 50 lakhs from Aluminium Limited, repayable between 1955 and 1962.

The aluminium industry has been given a high priority in the Five-Year Plan and listed under "Expansion of capacity in capital and producer goods industries". The initiative and responsibility for securing the necessary expansion, however, has been left with private enterprise. The Plan envisages the expansion of rated capacity and production from 4,000 to 3,677 tons respectively in 1950-51 to 20,000 and 12,000 tons respectively by

### Titagur Paper

THE upward trend in production shown by the Titagur Paper Mills Co Ltd during the previous half years was maintained for the half year ended September 30, 1952. These steady increases in production reflect the benefits now accruing from successive improvements effected under the company's renovation programme.

The net profit for the year amounting to Rs 12.47 lakhs is arrived at after providing Rs 17.3 lakhs for taxation. Rs 7.21 lakhs for depreciation. Rs 2.25 lakhs to reserve for taxation contingencies, Rs 7.5 lakhs to general reserve, Rs 2.5 lakhs to reserve for labour quarters and labour welfare. Rs 17 lakhs to reserve for plant replacement and development and Rs 1 lakh to reserve for dividend equalisation.

The profit and loss account reveals an income from sales of paper of Rs 269.86 lakhs. The manufacturing expenses at Rs 159.71 lakhs and salaries and wages at Rs 49.21 lakhs are higher than in the previous half year. The increase in manufacturing expenses is due partly to the higher production and partly to the increase in freight on coal from April 1, 1952, higher costs of general and consumable stores, etc.

The receipts from paper sales have fallen slightly from Rs 2.73 crores to Rs 2.69 crores. This fall in the value of sales and the 'go slow' movement amongst the finishers at No 2 Mill, which covered the best part of two months, have resulted in higher stocks at the end of the half year. During the half year, the company recovered the refund of excess profits tax previously paid, after deducting tax at