

Company Notes

National Rayon

IN the thirteenth year of its operations, net sales of National Rayon fetched Rs 689 lakhs with a gross profit margin of 27.5 per cent, against Rs 595 lakhs and 22.5 per cent, respectively in the previous year. Taxation absorbs 52 per cent of profits before tax, against 54 per cent. Net profit has risen to Rs 78.46 lakhs from Rs 46.61 lakhs. In 1959, net earning on capital invested was 10.4 per cent and on net worth 16 per cent. Earning per equity share came to Rs 29.90; dividend is Rs 22 gross against Rs 14 net.

The company spent Rs 76 lakhs on fixed capital expansion during the year. All plants worked to capacity. The installation of the tyre cord plant is progressing satisfactorily. Orders for equipment and machinery are being placed abroad while sizable quantities of indigenous materials have already been covered. The plant is expected to be commissioned by the end of 1961. Import licence for additional spinning frames has been obtained; these spinning frames are expected to be commissioned next year.

Arrangements have been made for putting up a sulphuric acid plant with a capacity of 100 tons a day. This plant which is expected to start working early next year will fulfil the entire requirements of sulphuric acid of the tyre cord plant and the expanded rayon plant. The company has made deferred payment arrangements with ICICI for covering the foreign exchange component of its project for manufacturing cellophane paper, which has yet to be approved by Government. Necessary steps have been taken to duplicate the caustic soda chlorine plant.

Arvind Mills

THE sales of Arvind Mills of the Kasturbhai Group have declined slightly to Rs 342 lakhs during the year ended December 31, 1959 from Rs 359 lakhs in the previous year. but gross profit margin on them is higher at 23 per cent against 22 per cent. Tax provision is lower at 49 per cent of profits before tax compared with 68 per cent in 1958. Net profits have consequently gone up from Rs 22.41 lakhs to Rs 34.79 lakhs.

This represents a net earning on capital invested of 11 per cent aga-

inst 7 per cent and on net worth of 9 per cent against 6 per cent. Net earning per equity share has gone up from Rs 36 to Rs 56. Net distribution to shareholders has been maintained with a gross dividend of Rs 40.

The company spent Rs 51 lakhs during the year on expansion of gross fixed assets. This included installation of automatic looms, one Barbar-Colmau unit, one warpying unit, and machinery for spinning and printing.

Ahmedabad Jupiter

THE sales of Ahmedabad Jupiter of the Parikh Group fetched Rs 204 lakhs during the year ended December 31, 1959 at a gross profit margin of 14 per cent, both of which are a slight improvement on the previous year. Taxation absorbs only 38 per cent of profits before tax against 49 per cent in 1958. Net earning on capital invested has gone up from 9 per cent to nearly 12 per cent and on net worth from 13 per cent to 16 per cent. Net earning per equity share has similarly gone up from Rs 21.76 to Rs 33.30. Dividend to shareholders has been raised from Rs 18 net to Rs 28 gross (or Rs 19.60 net).

The company spent Rs 11 lakhs on expansion of gross fixed assets during the year.

Jay Shree Textiles

UNLIKE other textile concerns which have shown considerable improvement in their working results

in 1959, Jay Shree Textiles of the Birla Group has merely succeeded in raising its net sales from Rs 87 lakhs to Rs 103 lakhs while gross profit margin on them has declined from 15 per cent to 9 per cent. Net earning has come down from Rs 10 lakhs to Rs 4 lakhs, which has reduced earning on capital invested from nearly 12 per cent to about 5 per cent and on net worth from 18 per cent to 7 per cent. Earning per equity share is 80 nP against Rs 2.00, and dividend is 80 nP gross against 65 nP net.

As at the end of 1950, unabsorbed depreciation amounted to Rs 8 lakhs exclusive of initial depreciation and development rebate. Plant for the manufacture of rubber-lined fire hoses has been erected and a licence has been obtained for setting up a factory for manufacture of high tension electric insulators. Birla Brothers Private Ltd have resigned as managing agents and have been appointed as secretaries and treasurers.

Tungabhadra Industries

THE Birla vanaspati unit, Tungabhadra Industries, has succeeded in wiping off its accumulated losses during the 13th year of its working. Its net sales fetched Rs 326 lakhs in 1959 against Rs 297 lakhs in 1958 and gross profit margin doubled to 3.4 per cent. Net profit of Rs 6.16 lakhs against Rs 1 lakh has sufficed to bring the company out of the red. Nearly one-

The Tata Iron and Steel Company Ltd.

NOTICE

NOTICE is hereby given that the Register of Members and the Transfer Books of the Company will be closed from Monday, the 20th June 1960, to Thursday, the 14th July 1960, both days inclusive.

Notice is also hereby given that the dividends for the year ended 31st March 1960, when sanctioned, will be made payable to those shareholders whose names stand on the Share Registers of the Company on Thursday, the 14th July, 1960.

Dated at Bombay this 21th Day of May 1960.

By Order of the Directors,

For and on behalf of
The Tata Iron and Steel Company Limited,
Tata Industries Private Limited,
Managing Agents,

J. J. Bhabha
Agent.