during the year ended September 30, 1959. Gross profit margin on them has improved from 9 per cent to 12 per cent. The company is still not liable to income tax.

Earnings have more than doubled from Rs 11 lakhs to Rs 24 lakhs. As a proportion of capital invested, they have gone up 'from ,4.6 per cent to 8 per cent, and in terms of net worth from 8 per cent to 18 per cent. Earning per equity share is Rs 3.18 against Rs 1.40 and dividend is Rs 0.80 gross or Rs 0.56 *net* against Rs 0.60 *net* in the previous year.

Gross capital formation during the year amounted to Rs 64 lakhs, consisting of Rs 25 lakhs under fixed assets and Rs 89 lakhs under inventory. Factory operations, however, still fall short of targets owing to difficulties in supply of materials. The company is seriously contemplating the manufacture of other light engineering products for which licences are readily available and in which its technical knowledge and plant capacity could be used effectively,

Kamani Engineering

IN the fourteenth year of its working, sales of Kamani Engineering declined to Rs 168 lakhs from Rs 285 lakhs as a result of a change in accounting procedure. Gross profit margin has doubled to 12 per cent and so have net earnings after tax to Rs 10 lakhs.

Net earning on capital invested is 7 per cent against 4 per cent and on net worth 16 per cent against 8 per cent. Net earning per equity share is Rs 2-20 against Rs 0.90 and dividend is Rs 0.775 against Rs 0.50.

Gross capital formation during the year was Rs 42 lakhs, consisting of Rs 5 lakhs of fixed assets and Rs 37 lakhs of inventory.

Production of galvanised and painted steel structures crossed 10,000 tons during the year. Erection work on three new projects totalling about 226 miles of transmission lines has been taken up and new orders for fabricated, structures of about 16,500 tons and transmission line erection for about 343 miles have been secured.

The company is entering the export market and has received an encouraging response from the first few tenders in which it has participated. After considerable field research and trials, a new type of road roller has been developed A 220 KV high tension transmission tower for horizontal configuration of conductors has also been successfully designed,

Elphinstone Mills

THE Elphinstone Mills of the Jalan Group are modernising their equipment fairly rapidly. The Chairman, Shri N K Jalan, has reported to shareholders that many new items of spinning and other processing equipment nave been installed and more have been ordered. The mixing room has a modern plant now; 12 new carding engines have been installed and 10 new NMM ring frames have replaced old spindles. Together with the super high draft spindles erected in 1956, this new equipment has helped to reduce its costs. A larger quantity of finer yarn is being manufactured with the help of 4 new combers which have been added to the *8* combers which the mills had earlier. An application has been made for the import of 2 more combers.

An import licence has been secured for a Barbar-Colman winding and warping machine, order for which has been placed. This will improve the quality of yarn prepared for weaving. A high speed sizing machine will arrive shortly. Government permission has been received for installation of 48 automatic looms for replacement purposes.

On the processing side, two semi-automatic jiggers for cloth dyeing and a jet stenter of the latest model are under erection. Orders have been placed abroad for a mercerising machine, a cropping and shearing machine and, locally, for a backfilling machine.

The Leather Cloth Division has made considerable progress. Its production in 1959 was double that in 1956, and will be increased further in the current year. The products of this Division have established themselves in export markets. Its equipment is also being modernised and new qualities are being produced.

Raipur Manufacturing

ANOTHER company in the Kashirbhai Group, Raipur Manufacturing, which produces fine cotton fabrics, increased its sates in 1959 from, Rs 162 lakhs to Rs 187 lakhs; gross profit margin on them improved slightly from 12 to 13 per cent. Profits before tax went up from Rs to lakhs to Rs 20 lakhs, but tax provision declined from Rs 12 lakhs to Rs 9 lakhs.

Net earnings have, consequently, gone up substantially from Rs 4 laths to Rs 11 lakhs. Earning on net worth and capital invested is 8 per cent, while net earning per equity share is Rs 37. Dividend is Rs 35 gross against Rs 25 *net* plus a bonus issue of 1 share for 2 in the previous year.

The company spent Rs 10 lakhs on expansion of fixed assets during the year and reduced its inventory by an equal amount. The main items covered by this expenditure included new combers, a soaping machine, a vertical drying range, an automatic dyeing jigger, an automatic water softening plant, a humidification plant and new ducts and risers for loomshed.

Raymond Woollen

'THE sales of Raymond Woollen of the J K Group rose in 1959 from Rs 201 lakhs to Rs 244 lakhs, and gross profit margin on them improved from 15 to 18 per cent.

Owing to higher tax liability, however, net earnings have gone up only slightly to Rs 16 lakhs, which represents 8 per cent on capital invested and 13 per cent on net worth.

Net earning per equity share is Rs 19, the same as in the previous year, but dividend has been raised fractionally from Rs 8 *net* to Rs 11.50 gross.

Gross capital formation during the year was Rs 4 lakhs, consisting of an increase of Rs 11 lakhs under fixed assets and a decline of Rs 7 lakhs under inventory.

Prices of wool tops showed an upward tendency during the year but the company had fortunately covered a substantial part of its requirements earlier in the year, when prices were comparatively lower. Encouraging results have been obtained from experiments on the use of indigenous wool in the manufacture of certain varieties of worsted suitings. A plant for combing of domestic wool is likely to be set up for this purpose with Government help.

The company's products are being well received in foreign markets, including the Middle East, Africa and the Continent. Orders have also been received from abroad through the State Trading Corporation. Under the special export promotion scheme framed for the woollen industry, the company is entitled to import licences for raw materials to the extent of 75 per cent of the f o b value of goods exported and a further 10 per cent for dyes and essential spares.

Bharat Commerce

THE working of Bharat Commerce & Industries of the Birla Group in 1959 has succeeded in bringing down the accumulated loss from Rs 23 lakhs to Rs 4.55 lakhs. Sales during the year fetched Rs 124 lakhs against Rs 113 lakhs and earned an over-all profit of Rs 19 lakhs. An additional Rs 6 lakhs was put into fixed assets during the year and a further Rs 1 lakh in inventory. No provision for depreciation has, however, been made in respect of the rayon spinning plant at Nagda for the years from 1957 to 1959.

By the end of i960, the company will have 30,000 ring spindles and 14,064 doubling spindles. This expansion, estimated to cost Rs 40 lakhs, will be financed with a loan of Rs 35 lakhs from the United Commercial Bank under the Refinance Corporation scheme. In addition to increasing the capacity of the plant of the Nagda plant, "a couple of other schemes" are also under consideration.

New Great Eastern

THE working of New Great Eastern Spinning and Weaving has improved considerably since its new management took over in September last year, when the Bradys resigned as managing agents, and the Damani-Jain interests took over. The accumulated loss of Rs 13 lakhs after adjustment of reserves at the time of transfer of management was brought down lo Rs 11 lakhs by the end of 1959, thanks to profit on the sale of chemicals. The share of exports in total sales has increased from 24 per cent in September 1959 to 59 per rent in March 1960. Further possibilities in this direction are being explored to derive full benefit from official export incentives.

Among other schemes which the new management has in hand are modernisation of spinning equipment, retrenchment of labour found surplus even after the opening of a third shift, and arrangements for dyeing cotton and yarn within the mills. An application for a loan has been made to the NIDC and Rs 15 lakhs has been raised from banks against a mortgage.