

creased to 75%. Developments such as these have disturbed Insurance Executives in the Private Sector quite a lot. But we are helpless in the matter. The pronounced partiality for Companies in the Public Sector cannot make for confidence in the future. The writing on the wall is there for anyone who cares to read it.

Company Notes

Bombay Suburban

THE energy sales of Bombay Suburban Electric earned Rs 122 lakhs during the year ended March 31, 1960 at a gross profit margin of 29 per cent. Net profits after tax came to Rs 21.5 lakhs, representing 10.5 per cent on net worth and a little more than 12 per cent on equity capital. Dividend is Rs 8 gross. About Rs 10 lakhs has been retained in business out of the current year's earnings, excluding Rs 4 lakhs provided for consumers' benefit.

The rate of increase of energy sales continues to improve. It exceeded by 21 per cent during the year in 1958-59 and 1957-58, respectively. Nearly 13,000 new consumers were connected to the mains bringing the total number of consumers to more than 80,000. The maximum load on the company's system was 29,400 kW, an increase of 15 per cent over the previous year. The company now has 226 sub-stations, of which 18 were set up during the year; the transformer capacity of existing sub-stations has also been increased. Extensive developments are taking place in the company's area of supply due to industrial and residential expansion. Enquiries for large blocks of power have been received.

Lakshmi Mills

IMPROVED conditions in the textile market have enabled Lakshmi Mills of Coimbatore to increase their sales to Rs 392 lakhs during the year ended March 31, 1960. Gross profit margin on them rose from 13 to 15 per cent, and profit after tax from Rs 23 lakhs to Rs 29 lakhs. Net earning on capital invested has consequently gone up from 11 to 14 per cent, on net worth from 14 to 16 per cent and on equity capital from 22 per cent to 27 per cent. Dividend has been raised from 12 per cent *net* to 20 per cent gross. Out of the total profit of Rs 29 lakhs, Rs 21 lakhs

Some time back, certain concrete and healthy suggestions were put forward for improving the general tone of the market. It is most unfortunate that these suggestions were not acceptable to the Executive Committee. What has only happened is that there has been a sort of palching-up according to certain preconceived notions. This has happen-

ed very often in the past and has led us nowhere. One does not know how long things will be permitted to keep on drifting in this manner. There is at least no immediate relief in sight.

NOTE: This does not purport to be a record of the Proceedings of the Annual General Meeting.

has been distributed and Rs 8 lakhs retained in business.

Nearly 60,000 spindles were worked in Coimbatore mills and more than 51,000 spindles in the Kovilpatti mills. 100 automatic looms have been added to the 200 plain looms installed at the Coimbatore mills. The installation of the full complement of about 22,000 spindles at the Palladam mills was completed in October last year.

National Rubber

NET sales of National Rubber increased (from Rs 158 lakhs) to Rs 194 lakhs in 1959 and earned a gross profit margin of 6.7 per cent. Net profit after providing for deferred tax liability comes to nearly Rs 6 lakhs and represents 4 per cent on capital invested and 8 per cent on net worth. Net earning per equity share is Re 1 against 60 nP in the previous year. Dividend is 85 nP.

All major plant and machinery with the exception of belt press and some cycle tube manufacturing machines — were received by the end of the year. Further expansion of cycle tube production has been taken in hand and is expected to be completed during the current year along with substantial expansion of capacity for transmission and conveyor belting.

Bank of Rajasthan

IN spite of the relatively limited scope for utilisation of its funds, the Bank of Rajasthan was able to raise the ratio of advances to total deposits to 38 per cent at the end of 1959, against 32 per cent in the previous year. The total of its liquid assets, i.e., cash, balances with other banks, money at call and short notice and investments, aggregated 67 per cent of deposits against 48 per cent for all scheduled banks. Nearly all investments mature within ten years and their market value is more than the book value shown

in the balance-sheet. Total deposits at the end of the year amounted to nearly Rs 5 crores and were Rs 38 lakhs higher than at the end of the previous year.

The ratio of interest and commission earned to interest paid turned slightly unfavourable in 1959 but net profits rose from Rs 1.10 lakhs to 1.20 lakhs. Net earning per equity share rose from 12 per cent to 13.7 per cent. The dividend has been raised from 6 per cent *net* to 8 per cent gross.

Estrela Batteries Ltd.

NET sales of Estrela Batteries during the year ended March 31, 1960 amounted to Rs 95 lakhs, and earned a gross profit margin of 7 per cent. Net earning after tax came to Rs 2.54 lakhs, representing 6 per cent on capital invested. 8½ per cent on net worth and Rs 6.10 per equity share. Dividend is Rs 4.50 gross.

Mysore Sugar

MYSORE SUGAR, a Government-controlled company, earned Rs 287 lakhs from net sales during the year ended June 30, 1959 against a slightly smaller amount in the previous year. Net earning of Rs 12 lakhs, same as in the previous year, represents 10 per cent on net worth and Rs 5.50 per equity share. Dividend is Rs 3 gross.

Chembra Peak Estates

THE tea and coffee sales of Chembra Peak Estates of the Pierce Leslie group earned Rs 35 lakhs during the year ended March 31, 1960 at a gross profit margin of 214 per cent. Net profit after tax amounted to Rs 3.57 lakhs which represents more than 13 per cent on net worth and 38 per cent on equity capital. A gross dividend of 20 per cent has been declared.

Profits during the year were somewhat larger than in the previous year, though both tea and coffee crops were slightly smaller.