

Company Notes**Hindustan Oxygen**

IT is in the fitness of things that corporate enterprises should follow a policy of keeping their shareholders informed periodically about their progress. The proposal of Hindustan Oxygen Gas, Ahmedabad, to send periodical progress reports to its Members is, therefore, to be welcomed. In its first report dated October 1, 1962, which, however, covers a period of over a year, it is stated that the Company has purchased a site in Naroda industrial area and that the construction of the factory buildings which is rapidly progressing is likely to be completed by December this year. The oxygen and acetylene plants as well as acetylene cylinders have been ordered from the U S A while oxygen cylinders will be imported from Poland. The U S suppliers of plant and machinery have agreed to undertake the work of erection and commissioning the plant and supplying the necessary know-how, for which the company has already entered into a technical collaboration contract. All shipments are expected to be received before the end of the year and the company's products are expected to enter the market during the first quarter of 1963. The report further states that the Company will not be affected by the foreign exchange stringency as the plant and machinery, including spare parts, to meet the requirements for a period of five years have already been ordered.

Incorporated in May 1961, the Company completed in January 1962 its public issue of 30,000 equity shares of Rs 100 each of which Rs 50 per share has been paid-up so far; two further calls of Rs 25 each are now made on the shareholders payable before November 15, 1962 and February 28, 1963 respectively. The first year's accounts of the Company made up to June 30, 1962 are just now out and disclose an income of Rs 13,434 by way of interest on deposits and sundry items and an expenditure of Rs 15,705 (excluding an amount of Rs 84,359 transferred to "Expenditure during

Construction Account") including a provision of Rs 6,750 for taxation, resulting in a loss of Rs 2,229,

Kirloskar Electric

KIRLOSKAR Electric Co has shown an impressive improvement in its working during the year ended June 30, 1962. Sales have increased from Rs 277.83 lacs to Rs 349.29 lacs, with the gross profit rising similarly from Rs 40.19 lacs to Rs 57.13 lacs. The net profit after taxation has amounted to Rs 18.86 lacs as against Rs 16.88 lacs in the previous year. The increased provisions for taxation and depreciation mainly account for a relatively lower net profit. The allocations made are: Development rebate reserve Rs 3.50 lacs (Rs 2.51 lacs); General Reserve Rs 6.87 lacs (Rs 5.47 lacs); Loan redemption reserve Rs 1 lac (Rs 1 lac); Dividend equalisation reserve Rs 1 lac (Rs 2.10 lacs); Deferred taxation reserve Rs 50,000 (Rs 50,000); Reserve for rehabilitation and modernisation Rs 1.25 lacs (Rs 50,000); Provision for taxation Rs 24 lacs (Rs 12.88 lacs); Depreciation Rs 9.13 lacs (Rs 7.37 lacs); Managing Agents remuneration Rs 4.84 lacs (Rs 3.37 lacs).

The dividend has been raised from 11 per cent to 12 per cent which will absorb Rs 5.25 lacs as against Rs 4.81 lacs. The higher dividend is, however, subject to the approval of the Industrial Finance Corporation of India. The Directors have also announced, subject to the sanction of the Controller of Capital Issues, a bonus issue of two shares for every five shares which will be made by capitalising a sum of Rs 17.49 lacs out of the total reserve and surplus of Rs 54.98 lacs as at June 30, 1962, which will put up the paid-up capital to Rs 61.23 lacs.

Bharat Minings

THE operations of Bharat Mining Corporation, Calcutta, for the year ended March 31, 1962 have shown improvement over the pre-

vious year. The Company's entire profit is from its colliery unit which has shown a gross profit of Rs 7,35,414 (Rs 4,28,228). Raisings and despatches were 2,80 lacs tonnes and 2.46 lacs tonnes as against 2.27 lacs tonnes and 2.00 lacs tonnes in the preceding year. The other units, namely the Kharkharee Firebricks and Limestone units, have shown losses of Rs 12,429 (Rs 12,257) and Rs 16,290 (profit Rs 3,295) respectively. Adding the brought forward amount of Rs 25,254, the net available surplus of Rs 7,31,948 has been allocated as under: Remuneration of Managing Agents Rs 70,174 (Rs 43,076); Provision for taxation Rs. 3,31,000 (Rs 1,71,000); General Reserve Rs 1,00,000 (Rs 75,000); Dividends Rs 1,95,965 (Rs 1,17,398); Carried forward Rs 34,809 (Rs 25,254).

The new plant of Kharkharee unit has started working recently and when it goes fully into production, the Directors feel, there are chances of reasonable profits. As regards the limestone unit, it is stated that since the railway line laid around the limestone quarries has now been opened for traffic and since special arrangements will be made to transport the limestone, which is quite suitable to the steel industry, from the quarry to the railway siding, this also will begin to earn profits henceforth.

The dividends proposed are 7.8 per cent on preference shares, 10 per cent on ordinary shares and 10 per cent on deferred shares. The Company's ordinary share capital was increased during the year from Rs 14,60,040 to Rs 24,60,000 by the issue of ordinary shares of Rs 10 each fully paid-up.

To finance expansion plans, the exact nature of which has not been indicated in the Annual Report, the Company intends to issue further ordinary capital of Rs 19,56,350 in 1,95,635 shares of Rs 10 each. So that the shares of the Company may be held by as many persons as possible, the company does not desire to restrict the issue to the existing shareholders. To enable this, the Company has convened an Extraordinary General Meeting to be held on the November 15, 1962