

Company Notes**Calico Mills**

THE general and precipitate decline in prices during 1952 winch brought, down the profits of almost all the textile mills in the country also reduced the profit of the Ahmedabad Manufacturing and Calico Printing Co lid for the year ended December 1952, from Rs 100.64 lakhs in the previous year to Rs 45.68 lakhs.

While it has been the policy of the compam to value stocks below cost, valuation for the purpose of income tax assessment is made on the basis of cost. Accordingly, the company docs not expect any habi lat for taxes on income for 1952, and no provision is made for it.

The Board of Directors have fixed the amount of commission payable to the Managing Agents for 1952 at Rs in.:; lakhs instead of Rs 21.68 lakhs, under Article 3 of the agree ment with the Managing Agents.

From the profit the directors have transterred Rs 26 lakhs to the depreciation hind, which will raise it to Rs 237.53 lakhs. After the usual payment of dividend on preference shares, the dividend on ordinan shares is recommended to be maintained at Rs 18 per share, free of income-tax, consisting of an interim dividend of Rs 8 plus a final of Rs 10.

The block account at book value stands at Rs 371.0N lakhs, represent mt; an increase of Rs 32.49 lakhs during the year. Stock-in-trade iS lower at Rs 84.23 lakhs as against Rs 161.09 lakhs in the previous year. The book debts considered good but unsecured are, however, higher at Rs 76.85" lakhs as compared with Rs 27.02 lakhs in the previous year. The increase in book debts is largely accounted for by sales to merchants on credit, which also explains the fall in stock-in-trade. On the liabilities side, the paid-up capital is at Rs 154.10 lakhs, while the position as regards several other funds is as follows: Reserve fund Rs 17.67 lakhs, dividend fund Rs 33.5 lakhs, insurance fund Rs 4.48 lakhs, income-tax fund Rs 20.9 lakhs, machinery fund Rs 42.44 lakhs and depreciation fund as previously mentioned at Rs 237.53 lakhs.

The current quotation of Rs 125 paid-up ordinary shares at Rs 308 gives a yield of 5.8 per cent free of tax, on the basis of the dividend of Rs 18 per share.

Tungabhadra Industries

THE results of the working of the Tungabhadra Industries Limited for the year ended September 30, 1952, have not been satisfactory due to the steep fall in the prices of the finished products. This fall is attributed to the slump in the market, over production and keen competition in the industry.

The profit and loss account for the year under review shows a loss of Rs 6.98 lakhs after writing off the preliminary and debenture issue expenses. This loss together with the debit balance of Rs 2.94 lakhs brought forward from the previous year will bring the total to be tarried forward to Rs 9.92 lakhs. The net block stands at Rs 61.83 lakhs after writing off depreciation upto September 30, 1950, for Rs 2.45 lakhs.

The directors are, however, hopeful of the future and state that gradually the position of the company should improve as its products get more and more popular with the consumers.

Midnapore Zemindary

THE East Bengal Government having taken away all the papers and requisitioned the services of its staff, the preparation of accounts of the Midnapore Zemindary Co, Ltd, for the year ended April 13, 1952, has been delayed. The total collections during the year, excluding Selami, were Rs 3.27 lakhs lower than last year. Selami collections during the year amounted to Rs 7.69 lakhs. The total amount at the credit of profit and loss account at the end of the rear stood

at Rs 8.19 lakhs.

As already reported in last year's balance sheet, the East Bengal Government took over the rent-receiving interests of the company's Neesehindepore, Goldar, Katli, Rajahpore and Sonaieoondy concerns in Pakistan along with their Kutcheries on December 17, 1951, and those of the Turtipore and Bauleah concerns on April 14, 1952 leaving only the bungalows and *khas* lands in the company's possession. This accounts for the lower collections during the year. All the company's rent-receiving interests and *kutcheries* in Pakistan have now been acquired by the East Bengal Government, who have not yet fixed the amount of or paid any compensation to the company.

The Barabhurn concern of the company in Bihar was taken over by the Bihai Government on June 12, 1952, under the Bihar Land Reforms Act. 1950. No compensation has vet been received for this property either.

A sum of Rs 5.38 lakhs has been transferred from premium lease reserve to provision for taxation, this being the estimated additional tax payable by the company if all the Selami is to be subject to taxation. The company contends that the major portion of the Selami received is of a capital nature, and the decision of the Courts on this question is awaited. The company has to provide Rs 6.8 lakhs for taxation on a profit of only Rs 8.19 lakhs.

After providing for taxation, the directors have recommended the payment of a dividend on preference shares and a dividend at Rs 2 per share to ordinary shareholders.

*Valuation Results For Four Years**As at 31st December 1951***Profits Over Rs. 26.00.000****Bonus on Whole Life Policies : Rs. 10 per thousand per annum****Bonus on Endowment Policies : Rs: 7-8-0 per thousand per annum****The Industrial & Prudential Assurance Company Ltd.****Industrial Assurance Bldg., Opp. Churchgate Station,
B O M B A Y , 1 .****A COMPANY TO REPRESENT AND INSURE WITH****Further details can be had on application from the Managing Director**