



Commercial News. SUNGEI RAMAL SYNDICATE

Malaya Tribune, 12 March 1930, Page 5

Share     

Save Citation

Microfilm: NL3946

<< Previous Article Next Article >>

Commercial News.

SUNGEI RAMAL SYNDICATE

Will Rubber Cessation Make Things Worse?

COSTS OUGHT TO BE PUBLISHED.


The sixteenth annual general meeting of Sungei Ramal Syndicate, Ltd. was held at the registered office of the company, Kuala Lumpur, on March 7, with Mr. M. C. English, the chairman of directors, presiding, supported by a representative of the secretaries, Messrs. Boustead and Co., Ltd.

The report and accounts as presented were passed and adopted, and a final dividend of 7½ per cent. (making 20 per cent. for the year) declared.

The retiring director, Mr. E. G. Leyne, was re-elected, and Mr. D. H. Hampshire appointed a director. Messrs. Neill and Bell were re-appointed auditors.


The chairman said that the net profit for the year 1929 amounted to \$55,264.61 or about 27½ per cent. on the issued capital, against about 23½ per cent. the previous year. The crop harvested amounted to 369,211 lb. against 320,092 for 1929. He continued:

"We received a circular from the R. G. A. strongly requesting us not to publish our costs of production, and gave our consent for this year, though your directors were not personally particularly in sympathy with the idea, as they thought it unlikely that the request would have unanimous support, in which case the value of its effects would be lost. However, we gave our support in order to avoid doing anything to prevent the rubber industry for once doing something unanimously. Quite a number of companies have been publishing their costs recently so that our fears were justified, and we now hold ourselves free to publish our costs



in future if it is desired to do so, as we think this information is of interest to shareholders, and helps to stimulate emulation towards cost reduction. Incidentally we have no reason to be ashamed of our costs and a statement of them is laid on the table for the inspection of shareholders who are present."

Referring to general restriction of crop he said: "I personally favour no interference with production in the way of arbitrary crop restriction. There are so many complications of a serious nature to be dealt with, that it seems to me any scheme is just as likely to make things worse eventually as to make them better. However, again in order to encourage co-operation within the industry, we propose to support the R. G. A. recommendation for stoppage of tapping in May, and trust its final effects will be better than we expect."



Discussing the proposal to increase the nominal capital to \$500,000 and the issued capital to \$400,000, by the issue of 200,000 bonus shares, the chairman explained that the main objects were:

1. To make the issued capital of the company more truly representative of the amount of money spent on the estate than it is at present, as the present low capitalisation per acre gives quite a false impression of actual costs.

2. It is hoped to make the company's shares more easily marketable than they are now by increasing the amount of shares that may be dealt in. At present there is no true market value of Sungei Ramal shares because there are practically no dealing in them.

3. To give the company the right to issue further shares for cash should it be decided, with your agreement, to interest ourselves in a further planting programme of any kind. "Before embarking on any such proposal, it is the intention of the directors to circularise or otherwise consult shareholders, giving them particulars so as to obtain their views."