

decided to expand the manufacturing facilities of these products. The possibility of expanding the manufacture of small and medium motors and switch gear and instrument transformers on a considerably larger scale is being examined. A separate electrical machines testing shop equipped to test generators upto 500 kW rating is being set up. This will help in consolidating and stepping up the manufacture of generators. A collaboration agreement has been concluded with a French firm for the manufacture of power relays and allied products, and a concessionaire agreement has been entered into with a U K firm specialising in the production of large pumps and both hydraulic and electric naval auxiliary equipment.

The company during 1964 introduced some new products such as sand and cement slurry pumps, rubber lined chemical pumps to handle abrasive and corrosive liquor; and other difficult chemicals, large turbines and generators, 11 kV potential transformers, 33 kV circuit breakers and switchboard panels. The company's sales promotion efforts in overseas markets have started shewing results as evidenced by the rise in export business. The 1964 export performance has exceeded the records of the past years.

The financial results for the year to December 1964 show sales higher by 22 per cent at Rs 3.14 crores and profit before taxation nearly a half more at Rs 21.26 lakhs. Of this, the tax liability has taken up Rs 12.30 lakhs (7.71 lakhs), gratuity reserve Rs 0.50 lakh (same) and reserve for doubtful debts Rs 0.10 lakh (same). The allocation to general reserve has been raised from Rs 1.20 lakhs to Rs 2.50 lakhs and the dividend stepped up by two per cent to 12 per cent claims Rs six lakhs against Rs five lakhs a year ago.

Synthetics on Chemicals

THE synthetic rubber industry is in a difficult situation owing to poor offtake and high cost of production. This is reflected in the working of Synthetics and Chemicals, the only unit in the country. Though imports of synthetic rubbers manufactured by the company are banned and imports of natural rubber restricted, the company's plant remained closed for a third of the year in 1964 and produced only 11,808 tons of synaprcne rubbers against the rated capacity of 30,000 tons. On the company's repre-

sentations, for the first time last year the government started making specific allocation of company's synthetic rubber to individual units of industry borne on the list of Development Wing, but the total allocation for twelve months to end-March 1965 was about 15,000 tons only. The company has made representations that there is scope for the increased usage of synthetic rubber, and has submitted detailed break-up for each product and each unit of industry in support of its contention. It has urged the government to help in utilising its idle capacity when providing for any imports of natural rubber.

The company's cost of production continues to be high, mainly on account of high cost of raw materials like benzene and high import duties on imported raw materials and chemicals. It has made many representations to the government that the cost of production of synthetic rubber can not be brought down unless reasonable reliefs are given on these counts and the company is assured of the fullest utilisation of the rated capacity of the plant. Meanwhile, in deference to the wishes of the government, the company had further reduced the price from August last even when the earlier price schedule was adopted with the approval of the government.

During the year 1964, the company sold 10,982 tons of synaprcne rubber compared to 2,246 tons in the previous year. The turnover increased from Rs 93.72 lakhs to Rs 4.37 crores, and the company earned a gross profit of Rs 16.49 lakhs as against a loss of Rs 29.26 lakhs incurred a year ago. After adjusting the profit against the previous accumulated loss and making some other adjustments, the balance loss of Rs 23.06 lakhs is carried to the balance sheet. As in the previous year, no amount has been provided for depreciation. Total arrears of depreciation amount to Rs 2,10 crores. Besides, there are preliminary expense amounting to Rs 23.26 lakhs which too have not been provided for.

Indian Copper

THE year 1964 has proved a profitable one for Indian Copper Corporation. Net sales during the year rose from £4,246,511 to £4,341,905 and the company earned thereon a higher profit before taxation of £1,304,591 compared to £1,193,181 in

the previous year, after providing £172,105 (170,000) for depreciation. Of the higher profit, taxation demands £880,160 (821,855), leaving a balance of £424,431 (371,326). To this is added £465 being the balance from the previous year and £12,406 being other adjustments relating thereto. A sum of £47,813 (28,125) is allocated to development rebate reserve, £57,375 (nil) to capital development reserve and £332,000 (98,000) to general reserve out of which the unchanged dividend of 12 per cent is proposed to be paid. No amount has been earmarked for transfer to reserve for gratuities which had last year received £67,500.

The company produced 9,475 tonne, of refined copper in 1964 compared to 9,582 tonnes in 1963. The overall recovery from ore to refined copper was 92.162 per cent, as against 92.403 per cent for the previous year. The loss in production is attributed to the high ash content of the coal, coupled with a breakdown to the reverberatory furnace. Sales were lower at 11,418 tonnes, including 1,015 tonnes of refined copper ingots compared with 14,029 tonnes, including 3,057 tonnes of refined copper ingots during the previous year. The average per tonne selling prices were considerably higher over those of the previous year: copper ingots were up from £241.08 to £268.17, rolled brass from £283.55 to £356.56, Y M circles from £301.45 to £345.74 and rolled copper from £353.38 to £404.61. But at the same time, the overall operating cost of production of refined copper rose from £179.11.4d to £214.5.8d.

The construction of the new electrolytic refinery suffered further delays due largely to poor quality of locally manufactured equipment and the failure of manufacturers to adhere to delivery schedules. With the completion of cast housing section, however, work commenced on the production of anode moulds. The manufacture of electrolytic wire is expected to begin soon.

New India Industries

THE year to December 1964 has proved a good deal better for New India Industries, manufacturers of cameras, photographic paper, etc. The financial results show all-round progress in production, sales, and profits. During the year, sales expanded from Rs 1.50 crores to Rs 2.14 crores and gross profit from Rs 36.77 lakhs to Rs 48.53 lakhs. Of this,