

ing Rs 6.07 lakhs against Rs 6 lakhs for depreciation and after setting aside an expenditure of Rs 5.32 lakhs against Rs 1.89 lakhs incurred during the period of construction to be adjusted on completion. Together with the previous losses, a deficit of Rs 18.13 lakhs is carried to the balance sheet.

The performance in the first five months of the current year, however, has again raised hopes of "a much better picture.". Sales in this period are stated to have shot up to Rs 45 lakhs from Rs 24 lakhs in the corresponding period last year. A few sections in the factory have already started working two shifts, and, other sections are expected to follow soon. The company's project II for the manufacture of power cables and magnet wires is nearing completion, and is expected to be commissioned in parts from April onwards. Exports are being fast developed, and steps are afoot to increase production of P V C insulated cables which are in greater demand in most foreign countries.

Martin Burn

PROFITABILITY of electric supply and railway companies managed by Martin Burn has declined but satisfactory showing by engineering companies has helped to bring about an improvement in gross profits despite an appreciable fall in total sales during the year to September last. But this improvement is more than wiped off by the "penal" taxation. The dividend is maintained at 25 per cent including the 10 per cent interim payment. Total sales have decreased by nearly 7.5 per cent to Rs 8.11 crores but gross profit has increased by live per cent to Rs 99.31 lakhs. Depreciation is slightly lower at Rs 2.67 lakhs than last year's Rs 2.84 lakhs, but taxation has syphoned off Rs 5.75 lakhs more at Rs 52.75 lakhs. Net profit is, therefore, a shade lower at Rs 43.89 lakhs against Rs 44.60 lakhs. Of this, the total dividend absorbs Rs 40.68 lakhs.

The Lucknow and Allahabad licences operated by U P Electric Supply and the licences operated by Upper Jamuna Valley Electric Supply were acquired by U P State Electricity Board in September and June 1964, respectively. The directors say that they have brought the difficulties of railway companies to the notice of the State and Central Government. These companies continue to face road competition, on the one hand, and mounting operating costs on the other.

United Bank

IN step with the performance of the banking industry, United Bank of India, has shown all-round progress in the year 1964. Deposits of the Bank have recorded a rise of Rs 15.98 crores to Rs 88.59 crores, as against a rise of Rs 7.90 crores to Rs 72.59 crores in 1963. The rise in 1964 over 1963 has been 22 per cent, as against a rise of 12 per cent in deposits of all scheduled banks. Advances have gone up by Rs 8.16 crores, from Rs 47.16 crores to Rs 55.32 crores, and constitute 62.45 per cent of the total deposits as compared to 65 per cent in 1963. The Bank's investments in Central and State Government securities and other trustee securities have registered a rise of Rs 9.6 crores to Rs 28.28 crores. Investments in these securities alone work out to over 31 per cent of deposit liabilities.

During the year, the Bank's total income has increased by Rs 1.09 crores to Rs 5.12 crores of which interest and discount have counted for Rs 4.26 crores (against Rs 3.31 crores), and commission, exchange and brokerage for Rs 69.80 lakhs (against Rs 55.92 lakhs). On the expenditure side, interest paid on deposits and borrowings has increased from Rs 1.25 crores to Rs 1.82 crores and salaries, allowances and provident fund have risen from Rs 1.91 crores to Rs 2.36 crores. After providing for taxes, the Bank has earned a net profit of Rs 26.34 lakhs, a shade lower than last year's Rs 26.39 lakhs. Of this, the unchanged dividend of 7.5 per cent absorbs Rs 20.20 lakhs. After bringing in last year's surplus of Rs 4.15 lakhs, Rs 5.30 lakhs have been allocated to reserve fund and Rs 4 lakhs to building funds. The surplus of Rs 99,936 is to be carried forward.

Greaves Cotton

THE subscription list of Greaves Cotton's Rs 1 crore 7 per cent debentures 1975-78 opened on March 11 and is to close on March 22. The issue is fully underwritten by I C I C I and U T L Apart from repayment of loan to I C I C I, the main object of the issue is to enable the company to invest in the expansion programmes of the associated company. Crompton Parkinson (Works) Ltd and the subsidiary company, Ruston and Hornsby (India) Ltd as also in its own two new projects for manufacture of complete diamond drills and operation equipments and of crucibles.

The expansion programme of Crompton Parkinson will commence during this year, and the completion of installation of the full expanded capacities is expected to be achieved within two to three years of the issue of necessary licences. Expansion of production of Ruston and Hornsby will begin by the end of this year, and the expanded production targets are expected to be reached by the end of 1966. The manufacture of complete diamond drills and operation equipment is expected to materialise by the end of this year. With regard to the manufacture of crucibles it is expected that, subject to Government approval being received during 1965, production should begin by the middle of 1967.

The increased returns from further investment in Crompton Parkinson and Ruston and Hornsby and from the company's own two new manufacturing projects should be more than adequate to cover Greaves Cotton's commitments in regard to interest and repayment of these debentures.

Adarsh Chemicals

INADEQUATE and irregular supplies of raw materials restricted production of Adarsh Chemicals and Fertilizers during the year ended August last, and the company could not cope up with the rising demand for superphosphates. It has been now permitted to increase production upto 54,000 tonnes a year, provided it secures the additional requirements of sulphuric acid from the market. Meanwhile, erection of plant and machinery for the new projects of phosphoric acid and alum is in progress. Production can be expected to commence soon if the additional requirements of sulphuric acid are obtained.

The company has put up a good performance during 1963-64 enabling the management to clear arrears of preferential dividends upto August 1962. Production of superphosphates amounted to 37,918 tonnes, and the entire quantity was sold out. Sales rose from Rs 55.40 lakhs to Rs 85.76 lakhs, and gross profits advanced more briskly from Rs 5.45 lakhs to Rs 9.83 lakhs. A major portion of the profits, however, is absorbed by the provisions for depreciation and development rebate reserve — the former taking away Rs 5.09 lakhs (Rs 4.84 lakhs) and the latter Rs 3 lakhs (nil). A sum of Rs 0.33 lakh is utilised to write off a part of the preliminary expenses and previous year's tax liability.