

will be met by share capital, Rs 26 lakhs by term loan I I C and Rs 15 lakhs by bank borrowings. Voltas will be appointed sole distributor for the products to be manufactured by the company.

**Travancore Rayon**

THE heavy burden of excise duty on rayon yarn and the consequent dull market conditions in the last five months of 1964 are reflected in the year's working results of Travancore Rayon. The company's production of rayon and cellulose film has been satisfactory though owing to accumulation of stocks, production in the rayon division had to be stopped for over 11/2 months by announcing a lay-off. Production of rayon grade pulp from cotton linters reached the rated capacity of ten tonnes a day. Installation of the six tube spinning machines in the rayon division has been completed; four went into production in the latter half of 1964 and two early in 1965. The quality of yarn from these machines has been found quite satisfactory. Erection of a steam raising boiler at an estimated cost of Rs 15 lakhs is expected to be completed by the end of this year or early next year.

The company's sales during 1964 increased from Rs 3.43 crores to Rs 4.06 crores but profits were only a shade better at Rs 58.46 lakhs compared to previous year's Rs 58.06 lakhs, reflecting contraction in margins. Of the profit, depreciation charge has taken up Rs 42.40 lakhs (Rs 32.20 lakhs) and development rebate reserve Rs 6.05 lakhs (Rs 8.50 lakhs). There is no tax liability for which Rs 4.60 lakhs were provided last year. After taking credit for Rs 0.72 lakh, being refund of income-tax, Rs 3.91 lakhs written back from previous years' provisions for taxation and transfer of Rs 1 lakh from dividend equalisation reserve, provision is made for payment of unchanged dividends on preference and ordinary shares, together requiring Rs 15.75 lakhs.

**Elphinstone Mills**

SPEAKING to shareholders of Elphinstone Spinning and Weaving Mills at their annual general meeting in Bombay recently, N K Jalan, Chairman, once again, as inevitably after year in the past, expressed anxiety over if the textile industry. He stated that in the ground of unceasing and relentless increases all round in the shape of

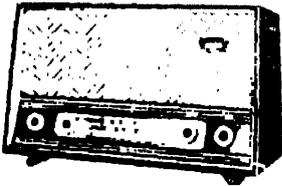
continuously mounting social benefits and workers, fresh levies municipal octroi, and stores, chemical and colnurs, rates of inspection fees made payable compulsorily by mills on all cloth produced by them with effect: from March last might only prove the last straw on the camel's back, Jalan complained that the textile industry was being treated like the proverbial milch cow and if the powers-that be did not take the remedial measures in time, they would soon kill the goose that laid the golden eggs. He said that: the absence of any provision for more flexibility in the fixation of cotton cloth prices had been a great deterrent factor. If no latitude was allowed to the cotton textile industry to make adjustment in prices of con-

cloth to cover the and raw in was bound to have great effect on the production of an couou mills.

**Lufthansa**

Net profits of Lufthansa have increased during 1964 to U S dollars according to issued by the company. will be used as follows: 8.2

reserves, 0.75 million been set, aside as special ti- the pilots' training school is to receive .25 million dollars. The encouraging results produced by the company during the last year were largely due to reduction in operation costs and increase in erah load factor from 57 to 61 per cent in 1964.




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