

TECHTRAN POLYLENSES LIMITED

Notice of Disclaimer

While Techtran Polylenses Ltd. have taken all possible care to furnish the information herein in a true, fair and accurate manner, except in respect of unintentional errors in or omissions from documents arising electronically or otherwise, in respect of which we take corrective action as soon as it is reasonably practicable after becoming aware of the error or the omission, Techtran Polylenses Ltd. do not take any responsibility for the otherwise accuracy, validity, consistency or integrity of the data furnished herein or updated by it from time to time or any investment or otherwise decisions, direct or indirect, taken by the individuals based on the information furnished / available herein.

17th June, 2005

Techtran Polylenses Ltd.

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CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) OF THE COMPANY

I, K.V.Rao, Managing Director of Techtran Polylenses Limited, to the best of my knowledge and belief, certify that :

1. We have reviewed the Balance Sheet and Profit and Loss Account (unconsolidated), and all its schedules and Notes on Accounts, as well as the Cash Flow Statements and the Director's Report ;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact/nature or omit to state a material fact that is necessary to make such statements, in the light of the circumstances under which such statements were made ;
3. Based on our knowledge and information, the financial statements, and other information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/ or applicable laws and regulations ;
4. The company's other certifying officers and we are responsible for establishing and maintaining disclosure controls and procedures for the company and we have evaluated and ensured the effectiveness of the company's disclosure, controls and procedures, for the period for which this report relates ;
5. We have disclosed, based on our evaluation, wherever applicable, to the company's auditors and the Audit Committee of the company's Board of Directors (and persons performing the equivalent functions) :
 - a) any significant deficiencies in the design and/or operation of internal controls, or any material weaknesses in internal controls observed from time to time.
 - b) any instances of significant fraud, that involves management or other employees who have a significant role in the company's internal controls ; and
 - c) whether or not there were significant changes in internal control and/or of accounting policies during the year.
6. We affirm that we have not denied any personnel access to the Audit Committee of the company (in respect of matters involving alleged misconduct) and we have provided protection to "whistle blowers" from unfair termination and other unfair or prejudicial employment practices.
7. We further declare that all Board Members and Senior Managerial personnel of Techtran Polylenses Ltd., have affirmed compliance with the Code of Conduct for the current year.

K.V.Rao
Managing Director

Place : Hyderabad

Date : 17th June, 2005.

DIRECTORS' REPORT

TO
THE MEMBERS,

Your Directors present herewith the Annual Report along with the Audited Accounts of the company for the year ended 31st March, 2005.

1.0 FINANCIAL RESULTS :

The operating results for the year are as follows :

<u>SALES</u>	CURRENT YEAR	PREVIOUS YEAR	Rs.in Millions
EXPORT SALES	158.80	173.73	
DOMESTIC SALES	86.99	70.04	
	----- 245.79	----- 243.77	
OTHER INCOME	2.05	2.90	
PROFIT BEFORE INTEREST AND DEPRECIATION	67.75	62.41	
LESS: a]INTEREST & FINANCIAL CHARGES	29.79	28.40	
b]DEPRECIATION & OTHER WRITE-OFFS	19.90	22.58	
	----- 49.69	----- 50.98	
NET PROFIT / (LOSS) FOR THE YEAR	18.06	11.43	

2.0 FINANCIAL CONDITION AND RESULTS OF OPERATION :

Management Discussion and Analysis of Financial Condition and Results of Operation of the Company for the year under review, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, is given as a separate statement in the Annual Report (Annexure – 1)

The Board of Directors and Management shall periodically review the progress of company from time to time.

3.0 SUBSIDIARY COMPANY :

Techtran Ophthalmics Private Limited is the only subsidiary of your company and a copy of the Balance Sheet, Profit and Loss Account, Directors Report and the Auditors Report thereof are attached to the Balance Sheet of the Company. Further, pursuant to accounting standard, AS-21 issued by the institute of Chartered Accountants of India, Consolidated Financial Statements enclosed include the financial information of the subsidiary.

4.0 FIXED DEPOSITS :

Your company has not accepted any Fixed Deposits from the Shareholders / Public under Section 58A of the Companies Act, 1956, during the year under review.

5.0 DIVIDENDS :

Though the operations of the company have improved during the current year, your Directors are unable to recommend any dividend in view of funds requirement for other purposes.

Register of Members and Share Transfer books will remain closed from 16th July, 2005 to 27th July, 2005 both days inclusive. The Annual General Meeting of the Company has been scheduled for July 27, 2005.

5.1 Transfer to Reserve :

We propose to transfer Rs.100 lakhs to the general reserve. An amount of Rs.311.61 lakhs is proposed to be retained in the Profit and Loss account.

6.0 DIRECTORS :

Mr. M.S.Ram and Mr.C.K.Rao Directors of your company retire by rotation and being eligible offer themselves for reappointment. Mr.K.Krishnadev Rao, Executive Director's appointment and terms and conditions are coming for review at the Annual General Meeting. Brief resume of the Directors, seeking re-appointment, nature of their expertise in specific functional areas and names of companies in which they hold the directorship and the membership/chairmanship of committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are given in the notice and the section on Corporate Governance elsewhere in the Annual Report.

7.0 DIRECTORS RESPONSIBILITY STATEMENT:

As stipulated in Section 217 (2AA) of Companies Act, 1956, your Directors subscribe to the "Directors' Responsibility Statement" and confirm as under:

- i] That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii] That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- iii] That the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv] That the annual accounts are prepared on a going concern basis.

8.0 CONSOLIDATED FINANCIAL STATEMENTS :

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates, your Directors have pleasure in attaching the Consolidated Financial Statements which form part of the Annual Report and Accounts.

9.0 AUDITORS :

M/s. M.Anandam & Co., Chartered Accountants, S P Road, Secunderabad, Auditors of your company retire at the conclusion of the Annual General Meeting and being eligible offer themselves for reappointment. Company has received letters from them to the effect that their appointments, if made, would be within the prescribed limits under Section 224(1-B) of the

Companies Act, 1956 and also that they are not otherwise disqualified within the meaning of sub section (3) of Section 226 of the Companies Act, 1956, for such appointment.

10.0 PERSONNEL :

Information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 may be treated as `NIL` as none of the employees come under that category.

11.0 ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS :

The statement giving the particulars with respect to Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgoings as required under Section 217 (1) e of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is annexed hereto and forms part of the Report (Annexure-2).

12.0 CORPORATE GOVERNANCE :

A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, form part of the Annual Report (Annexure-3).

13.0 DEMATERIALISATION OF SHARES:

Your Company's equity shares have been under compulsory dematerialized trading for quite some time and is registered under code ISIN 1NE 020C01016. Shareholders may contact the Registrars for Dematerialisation, namely, CIL Securities Ltd., Regd Office:214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad – 500 001, Telephone Nos. 040-23203155/040-23202465, email: advisors@cilsecurities.com / cilsec@hotmail.com for further details, if any.

14.0 LISTING:

Your company's shares are presently listed on Stock Exchanges at Hyderabad and Mumbai, and your company is regular in payment of Listing Fees.

15.0 ACKNOWLEDGEMENT :

Your Directors wish to place on record their appreciation to the Employees, Staff and Officers of your company for their hard work, dedication and commitment.

Your Directors gratefully acknowledge the valuable support, guidance and help provided by the Financial Institutions, viz., IDBI & IFCI and Banks.

Your Directors also express their gratitude to the Shareholders of the company for the confidence reposed in the management.

for and behalf of the Board

M.V.RAGHAVA RAO
DIRECTOR

K.V.RAO
MANAGING DIRECTOR

Place : Hyderabad

Date : 17th June, 2005.

Annexure – 1

Management Discussion & Analysis:

Your company is engaged in the Manufacture & Sale of Hard Resin Plastic Ophthalmic Lenses. These lenses are mainly exported abroad and also sold in India.

REVIEW OF OPERATIONS :

Your company has produced 3.60 million lenses during the year and sold 3.78 million lenses as compared to a production of 4.08 million lenses and sales of 4.60 million lenses in 2003-2004.

The Export Turnover has come down by Rs.14.94 million and Domestic Sales have gone up by Rs.16.95 million over the last year. The net sales have gone up by about 1.11% only over the previous year. This is however due to emphasis on better profitability rather than volumes during the year under review.

The net profitability of the company has improved reasonably in view of higher sales of value added products as compared to the previous year. The number of lenses sold has come down by 17.74% over the previous year and the net turnover had gone up by 1.11% indicating a higher realization of value added, new products. The prices of single vision lenses, which constitute majority of sales, continue to erode due to over supply situation in the world markets and more specifically from dumping by China and South East Asia. Several value added, Niche Products introduced by the company in the past few years are helping to maintain the present performance.

Anticipating certain liquidity problems in future your company has approached Financial Institutions for restructuring of Term Loans. The high interest cost burden, which was dragging down the company was relieved to some extent by the financial restructuring allowed by Industrial Development Bank of India (IDBI). Company paid a sum of Rs.410 lakhs to IDBI without any prepayment premium and could also bring down the rate of interest on its Term Loans with IDBI from 15% to 11% on payment 50% discounted interest differential.

Your company invested Rs.20.80 Million for purchase of 134000 shares of Andhra Pradesh Gas Power Corporation Limited, which entitle your company to purchase 0.50 MW of power at a concessional price as compared to Andhra Pradesh Central Power Distribution Corporation Limited, during later part of 2003 – 2004 and accordingly Power & Fuel costs have come down to Rs.111.18 lakhs during 2004 – 2005 as compared to Rs.154.91 lakhs during 2003 – 2004.

While the manufacturing costs such as wages, insurance and freight are escalating year after year, your management is trying to re-engineer certain manufacturing processes in order to reduce costs. Several value added, niche products are being developed and marketed to improve performance.

PRODUCTS :

Your company continues to develop new value added products in order to change the product mix towards a stronger, more profitable position and in this direction has already introduced value added products such as Bi-Focals, High-Index, 'VARTEK' Progressives, sunsensor Photochromatic lenses, Tinted lenses, Short-corr progressive lenses and "Compu-lenses" for reducing eye strain to computer users and "NOUV" lenses for filtering harmful UV rays completely to normal, clear spectacle lens users. Your company has gone for backward integration by taking up IPP(monomer initiator) production in house and thereby reduce the raw material costs. The company is also concentrating on improving 1st quality yields to improve on profitability.

LENSES MARKETS :

DOMESTIC:

The domestic market sales have increased by Rs.16.95 Million compared to the last year, i.e., an increase of over 24%. This is expected to further improve in the years to come due to increase in acceptability and awareness of Plastic Lenses. The sales are expected to improve further if more number of plastic surfacing laboratories come up in the country. Your company has set-up three Surfacing Labs through its subsidiary for augmenting sales and the labs are performing satisfactorily. We are planning on further labs in the near future at strategic locations to enhance plastic lens penetration in the domestic market.

EXPORTS:

As reported earlier, your company lost an important U.S. customer some time back and your management was able to make up a part of the lost volume through introduction of new products to other existing customers and picking up some new customers. Efforts are underway to expand the market into Russia, Europe and Middle East.

TECHTRAN OPHTHALMICS :

Techtran Ophthalmics Private Limited is a fully owned subsidiary of Techtran Polylenses Limited and is mainly engaged in the business of surfacing of lenses. The surfacing laboratories are intended to help develop the market in different cities and also act as distribution centers for Company's products.

OPPORTUNITIES AND THREATS :

The company is the largest producer of plastic lenses in India and has won Top Exporter Awards in its product class, year after year consistently from the Plastics Export Promotion Council and VSEZ(Visakhapatnam Special Economic Zone). The company is the only ISO 9002 certified, Ophthalmic lens manufacturing unit in the country, offering full range of lenses. The company has talent and experience to develop new products in house.

On the export front,

1. The company is entering into new territories with specific focus on value added Vartek Progressive and Sunsensor; and
2. Plans to pursue Niche markets for value added and engineered products.

The backward integration(IPP production) and forward integration(surfacing laboratories) taken up by the company should help to reduce costs and expand domestic market respectively.

Indian market is still predominantly glass – almost 90% of the market, would continue to decline and lose for plastic lenses as it happened in the developed World, like United States, Western Europe etc., where Plastic Lens enjoy a market share of 90% and mineral glass less than 10%. Out of a Billion population of India, it is estimated that at least 200 Million people have buying power as that of North America. The market potential of 200 Million people is approximately 100 Million lenses per year, which is a huge market.

Plastic Lenses acceptability / awareness is increasing day by day in India and it should be a good opportunity for growth in Domestic Market.

The company's domestic sales are approximately 1.30 Million lenses per year out of its DTA entitlement. The domestic sales have increased by about 24% during the year. Several new surfacing laboratories are coming up to increase the demand for remunerative semi-finish and value added products of the company. The Company's prices are very competitive for these products and preferred over imports due to service and local availability. The company would focus and aggressively pursue this growing market and opportunity in India.

The company has to introduced new and additional, branded lenses of Progressives including Short Corridor to increase the share of profitable Progressive in the product mix. Also price and market aggressively to expand the domestic and international markets of very remunerative Sunsensor.

The company also plans to expand the new, branded products such as “COMPU LENS” to relieve eye strain to computer users and “NOUV” lens, which is clear and white, but protects 100% against UV Rays.

The unhealthy competition from South East Asian countries and China is eroding product prices from time to time, and the anti dumping duty of 7.5% imposed by Government of India has no impact on the flood of imports.

Outlook: Barring unforeseen circumstances, your company is hopeful of emerging successful in the near future and maintain its top position in India while fully participating in the Growing, High Potential, Indian Plastic Lens Market.

FORWARD LOOKING STATEMENTS :

This section contains certain forward looking statements, with words like “plans”, “expects”, “likely” or other words of similar meaning. The forward-looking statements are based on certain assumptions and expectations of future events and the company cannot guarantee that these assumptions and expectations are accurate or will be realized or assume any responsibility to publicly amend, modify, revise any of these on the basis of any future or subsequent events or information.

for and behalf of the Board

M.V.RAGHAVA RAO
DIRECTOR

K.V.RAO
MANAGING DIRECTOR

Place : Hyderabad

Date : 17th June, 2005.

ANNEXURE – 2

ANNEXURE TO THE DIRECTOR'S REPORT UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 AND UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988.

A] CONSERVATION OF ENERGY:

(a) Energy conservation measures taken.

1. The Company continues to implement various programs taken up in the previous years such as (1) power factor improvement (2) auto start of DG Set (3) sky-lights and recycling of demineralized water, etc.
2. The Company has installed Solar Hot Water Heating System to reduce power consumption.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

The company does not propose at this time any additional investments for reduction of power consumption.

(c) Impact of the measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Company has been saving considerable power and fuel costs with the measures as above, and is continuing its efforts further.

(d) Total energy consumption and energy consumption per unit of production:

Not applicable as per the list of Industries specified under Rule 2 of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

B] TECHNOLOGY ABSORPTION:

a] RESEARCH AND DEVELOPMENT:

1. Specific areas in which R&D carried out by the company:

- Development & introduction of IPP production.
- Expand the CR-39 cast lens range.
- Introduce broader range of Sunsesnor products.
- Develop higher refractive index monomer.
- Expand Hard Coating plant capacity.

2. Benefits derived as a result of the above R&D
The efforts helped the company to remain in business on a competitive and continuous basis.
3. Future plan of action
Continue the efforts on ongoing business/process upgradation and cost reduction programs.

b] TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION :

The Technologies imported from Italy and U.S.A have been fully absorbed and the company's production rate has exceeded the design criteria of the plant. The quality and yields of lenses are comparable to the World Leaders in the Industry. The Indian Technicians are fully trained in all operations. The company has developed several products such as Kryptop Bi-Focal, Lenticulars, Blended Kryptop, super thin flat curve lenses, Finish Progressives, Cylindrical Finish Bi-Focals etc. The Hard Coating Plant was redesigned and modified to produce quality product. The polymerisation cycles are developed to reduce the pre-release and other process losses.

c] FOREIGN EXCHANGE EARNED AND USED:

- (a) Activities relating to exports ; Initiatives taken to increase exports; Development of new markets for products and services; and Exports plans;

Company is a 100% EOU. Plastic Ophthalmic Lenses are sold in bulk in International Markets constituting about 67% of net turnover and remaining in Domestic Markets. Small quantities are sold in our own brand 'VARTEK' (Progressives). New Brands and new products are being introduced for better value addition, as an ongoing process, from time to time.

- (b) The company has earned Rs.158.13 Millions (FOB Value) in Foreign Exchange and used Rs.71.13 Millions. This amount includes Foreign Exchange used for import of Raw Materials, Stores & Spares and payment for Foreign Travel, trade fairs etc.

for and behalf of the Board

M.V.RAGHAVA RAO
DIRECTOR

K.V.RAO
MANAGING DIRECTOR

Place : Hyderabad

Date : 17th June, 2005.

ANNEXURE -3

Report on Corporate Governance for the year ended March 31, 2005

TECHTRAN POLYLENSES LIMITED'S PHILOSOPHY ON CODE OF GOVERNANCE

Techtran Polylenes Limited has over the years followed best practices of Corporate Governance by adhering to practices laid down by the Board of Directors.

Techtran Polylenes management and employees business objective is to manufacture and market the Company's products in such a way as to create value that can be sustained over the long term for consumers, shareholders, employees, business partners and the national economy. Techtran Polylenes Limited is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees, in addition to compliance with regulatory requirements.

BOARD OF DIRECTORS :

The size and composition of Board of Directors is commensurate with the size and business of the company and more than 70% of Directors are non-executive, independent Directors.

Composition, Attendance at the Board Meetings and the last Annual General Meeting, Outside Directorships and other Board Committees

Above information as on 31st March, 2005 or for the year 2004-2005, as applicable, is tabulated hereunder:

Name of Director	No.of Board Meetings Attended ^[a]	Attendance at Previous AGM on 25.08.2004	No.of outside Directorships held ^[b]	No.of Membership / Chairmanship in other Board Committees ^[c]	Executive / Non Executive / Independent
Mr.M.S.Ram	1	Not Present	7	1	Non Executive & Independent
Mr.G.S.Srinivasan (IDBI Nominee)	3	Not Present	1	1	Non Executive & Independent
Mr.M V Raghava Rao	5	Present	Nil	1	Non Executive & Independent
Mr.C K Rao	1	Present	1	--	Non Executive & Independent
Dr.Pradeep Swarup	5	Present	--	1	Non Executive & Independent
Mr.K Krishnadev Rao	5	Present	1	1	Executive
Mr.K.V.Rao	5	Present	1	1	Executive

- a] Attendance at the Board Meetings relevant to the period when Director of the Company.
b] Directorship in companies registered under the Companies Act, 1956, excluding directorship in private companies and alternate directorship.
c] Only covers membership/chairmanship of Audit Committee and shareholders / Investors Grievance Committee.

Brief resume of Directors seeking re-appointment nature of their expertise and other details are furnished hereunder :

Mr.M.S.Ram is a retired IAS Officer and held several senior and prestigious positions with the Government. He is at present a Management Consultant and is the Chairman of M/s. Automotive Coaches and Components Ltd., M/s.Shakti Met-Dor Ltd., and Director of M/s.Roots Industries Ltd., M/s.Roots Multiclean Ltd., M/s.Roots Industries (Malaysia) Sdn. Bhd., and M/s.Loyal Textiles Ltd. He had rich experience in

Government and Industry in the last several years and has been Chairman of the Board of Directors of your Company for the last 14 years.

Mr.C.K.Rao is a Graduate Textile Engineer with several years of professional experience and is also an Industrialist with several years experience in successfully managing industries. He was the Managing Director of M/s.Priyadarshini Spinning Mills Ltd., and is a Director of M/s.Natwest Investments Ltd.,. He is a member of several professional and industrial bodies and Past President of Jubilee Hills Club, Hyderabad.

Mr.K.Krishnadev Rao was appointed as Executive Director by the Members for a period of 5 years, from 06.10.2000 to 05.10.2005 on pay and remuneration as approved at the Annual General Meeting held on 29.09.2000 (scale of pay of Rs.20,000-Rs.2,500-Rs.30,000 plus other emoluments etc.) The remuneration payable to him was revised with effect from 01.07.2004 to 05.10.2005 during the last Annual General Meeting held on 25th August, 2004. The re-appointment and proposed remuneration will be effective from 06.10.2005 to 05.10.2010. As the members are aware Mr.K.Krishnadev Rao has been the Executive Director of the company from 06.10.1990 and has been a vital part of shaping the vision of the company as a Promoter Director from inception. The present stature and position of the company in India and abroad as a producer and supplier of quality lenses is also significantly due to untiring efforts, vision and dynamism of Mr.K.Krishnadev Rao. Mr.K.Krishnadev Rao is also a Director of (i) Techtran Ophthalmics Pvt Ltd., (ii) Techtran Agro Industries Ltd., and (iii) Normak Fashions Pvt Ltd.

Your Board of Directors provide for independent verification of Financial information and integrity of company's financial reporting through Audit committee and Internal/ External Auditors. Timely and balanced disclosure is given high importance. Overall approach of the Board and the decision making process is explained herein :

(a) Non-executive Directors compensation & disclosures.

(i) All compensation paid to non-executive directors shall be fixed by the Board of Directors and shall be approved by shareholders in general meeting. There are no stock options at present offered by the company.

(ii) The considerations as regards compensation paid to an independent director and a non-executive director shall remain same.

(b) Independent Directors & their responsibility.

Independent Directors shall periodically review legal compliance reports prepared by the company as well as steps taken by the company to cure any taint. In the event of any proceedings against an independent director in connection with the affairs of the company, defense shall not be permitted on the ground that the independent director was unaware of the responsibility.

(c) Board procedure.

The board meetings shall be held at least four times a year, with an endeavor to ensure a maximum time gap of four months between any two meetings. The minimum information to be made available to the Board and other procedures/criteria would be as laid down in Clause 49 of the Listing Agreement.

(d) Code of conduct

(i) The Board has laid down the code of conduct for all the Board members and senior management of the company. This code of conduct is posted on the website of the company.

(ii) All Board members and senior management personnel would affirm compliance with the code on an annual basis. The annual report of the company contains a declaration to this effect.

(e) Term of office of non-executive Directors would be as decided by the Board.

(f) Whistle blower policy.

Your company subscribes to an Internal Policy on access to Audit Committee as follows :

(i) Personnel who observe an unethical or improper practice (not necessarily a violation of law) shall be able to approach the audit committee without necessarily informing their supervisors.

(ii) Company would take measures to ensure that this right of access is communicated to all employees through means of internal circulars, etc. the employment and other personnel policies of the company shall contain provisions protecting “whistle blowers” from unfair termination and other unfair prejudicial employment practices.

(iii) Company would annually affirm that it has not denied any personnel access to the audit committee of the company (in respect of matters involving alleged misconduct) and that it has provided protection to “whistle blowers” from unfair termination and other unfair or prejudicial employment practices.

(g) Subsidiary company & Directorship etc.

(i) The composition of the Board of Directors of the subsidiary company shall be similar to the composition of the Board of Directors of holding company.

(ii) At least one independent Director on the Board of Directors of the holding company would be a director on the Board of Directors of the subsidiary company.

(iii) The Audit Committee of the holding company would also review the financial statements, in particular the investments made by the subsidiary company.

(iv) The minutes of the Board meetings of the subsidiary company will be reviewed at the Board meeting of the holding company.

(v) The Board report of the holding company would also state that they have reviewed the affairs of the subsidiary company also.

(h) Board Disclosures, risk assessment etc., - Sound system of risk management & internal control :

The company has a policy which includes a review of the risk management systems both financial and non-financial. The company has set-up an effective Internal Audit System and independent External Auditors to review the effectiveness of risk Management System which is further reviewed by the Audit committee.

Board Meetings held during the year 2004-2005

During the year 2004-2005, 5 [Five] Board Meetings were held on 29.06.2004, 31.07.2004, 25.08.2004, 28.10.2004, and 28.01.2005.

BOARD COMMITTEES

Audit Committee

The qualified and independent Audit Committee comprises of Mr. M. S. Ram, Chairman, Mr. M. V. Raghava Rao and Mr.G.S.Srinivasan all being Non-Executive Independent Directors. The role and terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 besides other terms as may be referred by the Board of Directors. The Audit Committee met 3 [Three] Times during the year 2004-2005. Mr.M.V.Raghava Rao attended all the three meetings held during the period. Mr.M.S.Ram attended one meeting and Mr.G.S.Srinivasan attended two meetings.

Shareholders Committee

Shareholder/Investor Grievance Committee is headed by Dr.Pradeep Swarup a Non-Executive, Independent Director with Mr. K. V. Rao, Managing Director and Mr. K. Krishnadev Rao, Executive Director as members. Mr.J. V. Seshi Kumar, Company Secretary, is the Compliance Officer.

During the year 2004-2005, no complaints were received from shareholders and investors.

All valid requests for share transfer received during 2004-2005 have been acted upon by the Company and no such transfer is pending.

Remuneration Committee

Matters of remuneration of Managing /Executive Director are considered by the Remuneration Committee of the Board of Directors of the Company consisting of Mr.M.S.Ram, Chairman, Mr.M.V.Raghava Rao, and Dr.Pradeep Swarup, all independent Directors. The terms of remuneration of Managing / Executive Director are approved by the shareholders at the Annual General Meeting. The compensation of Senior executives is reviewed and approved by Executive Director and Managing Director.

The remuneration policy of the Company is based on the need to attract good available talent.

REMUNERATION OF DIRECTORS FOR 2004-2005.

Name of the Director	Sitting Fee Rs.	Salaries and Perquisites Rs.	Commission Rs.	Total Rs.
Shri M.S.Ram	6,000	Nil	Nil	6,000
Shir M V Raghava Rao	18,000	Nil	Nil	18,000
Shri C K Rao	2,000	Nil	Nil	2,000
Dr.Pradeep Swarup	12,000	Nil	Nil	12,000
Mr.G.S.Srinivasan	10,000	Nil	Nil	10,000
Shri K Krishnadev Rao Executive Director	Nil	10,42,985	Nil	10,42,985
Shri K V Rao Managing Director	Nil	10,87,025	Nil	10,87,025

Commission is subject to adequate profits being earned. Performance criteria for the Managing / Executive Director takes into account the business plans and market conditions. The Company does not have any stock option scheme.

GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings are as under:

Year	Venue	Date	Time
2003-2004	Sri Sagi Ramakrishnam Raju Community Hall, Madhura Nagar, Hyderabad	25 th Aug, 2004	10.00 AM
2002-2003	Sri Sagi Ramakrishnam Raju Community Hall, Madhura Nagar, Hyderabad	27 th Sept, 2003	10.00 AM
2001-2002	Sri Sagi Ramakrishnam Raju Community Hall, Madhura Nagar, Hyderabad	28 th Sept, 2002	10.00 AM

There was no other General Body Meeting in the last three years and no resolution was put through postal ballot.

DISCLOSURES

During the year 2004-2005 the Company had no materially significant related party transaction which is considered to have potential conflict with the interests of the Company at large.

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.

MEANS OF COMMUNICATION

The Quarterly, and Annual results are generally published by the Company in the Business Line/Times of India/ News Time and in Vartha /Andhra Jyothi, Hyderabad. The Quarterly reports are not sent to the addresses of shareholders. The Company's website "techtranindia.com" is hosting all relevant financial information, released on or after 01.07.2004. Official news releases and presentations made to analysts are sent to the stock exchanges at Hyderabad and Mumbai, where shares of the Company are listed.

Management discussion and Analysis Report.

[Within the limits set by the Company's competitive position].

Industry structure and developments, opportunities and threats, segment-wise or product-wise performance, outlook, risks and concerns of the company and discussion on financial performance with respect to the operational performance, has been covered in the Directors' Report more specifically under the Annexure – 1, Management Discussion & Analysis. The company has concluded a 3 years Agreement with the recognized union of the company effective from September 2004 to August 2007. Manpower of the Company as on 31.03.2005 was 411.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date and time : 27th July, 2005 at 10.00 A.M

Venue : Sri Sagi Rakrishnam Raju Community Hall, Madhura Nagar, Hyderabad

Financial Calendar : 2005- 2006 (tentative)

Results for the quarter ending : June 30, 2005 - July, 2005
Results for the quarter ending : September 30, 2005 - October, 2005
Results for the quarter ending : December 31 , 2005 - January, 2006
Results for the year ending : March 31, 2006 - June, 2006

Date of Book Closure : 16th July, 2005 to 27th July, 2005, both days inclusive.

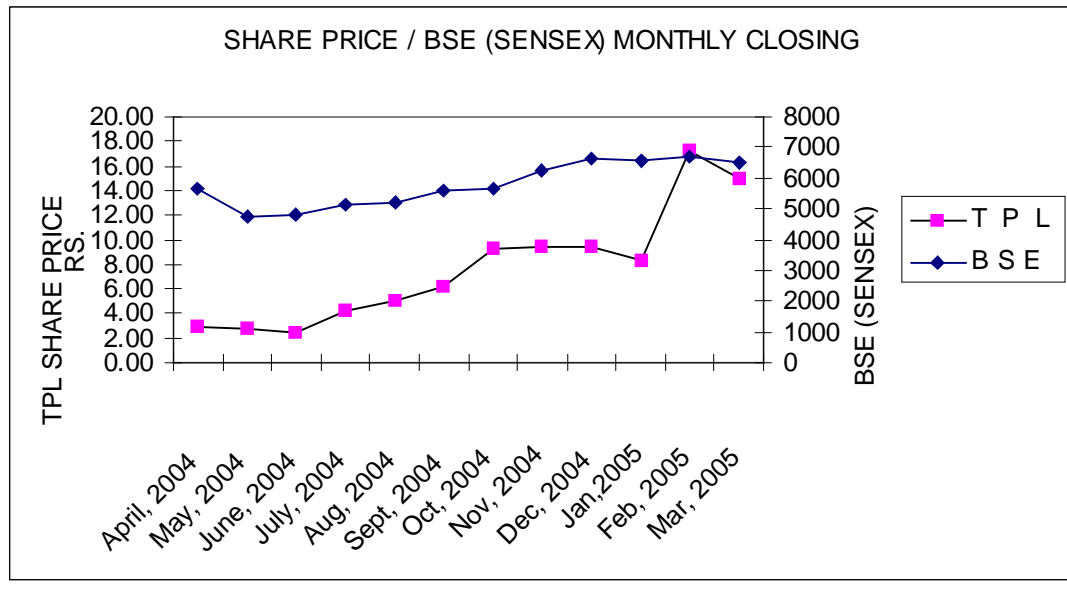
The company has not issued any ADRs/GDRs, Warrants or any convertible instruments.

Listing on Stock Exchanges and Stock Code

Shares of the Company are listed at the Hyderabad Stock Exchange (Stock Code 1028) and The Stock Exchange, Mumbai (Stock Code 523455)

Market Price Data: High/Low in each month of Financial Year, 2004-2005 on the Stock Exchange, Mumbai.

Month	High (Rs)	Low (Rs)	Month	High (Rs)	Low (Rs)
April,2004	4.20	2.55	October,2004	11.95	5.81
May,2004	4.18	2.41	November,2004	10.75	8.40
June,2004	2.90	2.50	December,2004	11.25	8.50
July,2004	4.85	2.75	January,2005	10.19	7.53
August,2004	5.59	3.52	February,2005	19.50	7.63
September,2004	8.00	5.00	March,2005	23.55	12.70



Registrar and Transfer Agents, Share transfer system

The Company has appointed M/s. CIL Securities Ltd., Regd Office:214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad – 500 001 as its common agency (with effect from 31.01.2003) for share registry work for physical as well as dematerialized form. Share transfers are registered and returned in the normal course within an average period of 15 days from the date of receipt, if the documents are clear in all respects. Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

Categories of Shareholding as on 31st March, 2005

Category	Number of Shares	Percent of total Shares
Promoters and Associates	4727947	43.10%
Foreign Institutional Investors	--	--
Public Financial Institutions	--	--
Mutual Funds	16300	0.15%
Nationalised banks and other banks	4200	0.04%
NRI's and OCB's	168000	1.53%
Others [includes holding of Corporate Bodies]	6053553	55.18%
	10970000	100.00%

Distribution of shareholding as on 31st March, 2005

No.of Shares	Number of shareholders	Number of Shares	Percent of total shares
1 to 250	15035	1668363	15.21%
251 to 500	1703	696245	6.35%
501 to 1000	671	582660	5.31%
1001 to 2000	341	540182	4.92%
2001 to 3000	86	225280	2.05%
3001 to 4000	46	166285	1.52%
4001 to 5000	53	253051	2.31%
5001 to 10000	83	604693	5.51%
10001 and above	121	6233241	56.82%
Total	18139	10970000	100.00%

Dematerialisation of shares and liquidity : 3837018 Equity shares of the Company have been dematerialized as on 31st March, 2005.

Plant Locations: The Company's plant is located at Bonthapally Village, Zinnaram Mandal, Medak Dist A.P.

Address for correspondence : Shares Department, #400, Sagar Co-Operative Housing Society, Road No.2, Avenue VIII, Banjara Hills, Hyderabad. and for share transfers and dematerialisation: CIL Securities Ltd., Regd Office:214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad – 500 001, Telephone Nos. 040-23203155/040-23202465,

E-mail for Investors: hyd1_techtran@sancharnet.in and advisors@cilsecurities.com / cilsec@hotmail.com

for and behalf of the Board

M.V.RAGHAVA RAO
DIRECTOR

K.V.RAO
MANAGING DIRECTOR

Place : Hyderabad

Date : 17th June, 2005.

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
The Members of
Techtran Polylenses Limited
HYDERABAD.

We have examined the compliance of conditions of Corporate Governance by Techtran Polylenses Limited for the year ended 31st March, 2005, as stipulated in Clause 49 of Listing Agreement of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing Agreement.

As per the information and explanations given to us by the management, the company did not receive any complaints from shareholders and investors during the year ended March 31st 2005.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M.ANANDAM & CO.,
Chartered Accountants

Place: Secunderabad
Date : 17.06.2005

M.R.VIKRAM
Partner.

AUDITORS' REPORT

To
The Members of
Techtran Polylenes Limited
H Y D E R A B A D.

We have audited the attached Balance Sheet of **M/s.Techtran Polylenes Limited**, as at 31st March, 2005, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the annexure referred to in paragraph 1 above.
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, the company has kept proper books of account as required by law, so far as appears from our examination of such books.
 - c) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with in this report are in agreement with the books of account.
 - d) In our opinion the Balance Sheet, the Profit and Loss account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors of the company are disqualified from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

3. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true fair view in conformity with the accounting principles generally accepted in India :
- i. In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005, and;
 - ii. In the case of the Profit & Loss account, of the profit of the Company for the year ended on that date.
 - iii. In the case of Cash Flow Statement, of the cash flow for the year ended on that date.

For M.ANANDAM & CO.,
Chartered Accountants

Place: Secunderabad
Date : 17.06.2005

M.R. VIKRAM
Partner

Re: TECHTRAN POLYLENSES LIMITED.

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE:

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
b. According to the information and explanations given to us, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its business.
c. There was no substantial disposal of fixed assets during the year.
2. a. The management has conducted the physical verification of inventory at reasonable intervals during the year.
b. The procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business. The company is maintaining proper records of inventory.
c. As per the explanations given to us, the material variations wherever noticed on physical verification of stocks have been properly dealt with in the books of accounts.
3. There are no parties that require to be listed in the register maintained under section 301 of the Act, accordingly, clauses (iii), (v) and (xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purpose of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. The Company has not accepted any deposits from the public.
6. In our opinion, the Company has an internal audit system, commensurate with the size of the Company and the nature of its business.
7. The Central Government has not prescribed maintenance of cost records by the Company under Section 209(1)(d) of the Act.
8. a. According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Customs duty and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service tax, Sales Tax, Customs duty and Excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.
b. According to the information and explanations received from the company the following are the disputes pending:

Name of the Statute	Nature of the due	Amount	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Demand under s 143(1A)	Rs.5 lakhs	AY 1993-94	Income Tax Appellate Tribuna
	Demand u/s 143(3)	Rs.37.26 lakhs	AY 1991-92	-- do --

9. The Company has no accumulated losses and it has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
10. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
11. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
12. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
13. In our opinion and according to the information given to us, the company is not dealing in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
15. The company has not raised any new term loans during the year. The term loans outstanding at the beginning of the year were applied for the purposes for which they were issued.
16. As per the information and explanations given to us, we are of the opinion that the Company has not utilized any short-term sources towards long-term investments.
17. The Company has not raised any money by way of issue of Debentures during the year.
18. According to the information and explanations given to us during the year the company has not raised any funds on public issue and hence disclosure on the end use of money raised by the public issue is not applicable to the company.
19. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For M.ANANDAM & CO.,
Chartered Accountants

Place: Secunderabad
Date: 17.06.2005.

M.R.VIKRAM
Partner

TECHTRAN POLYLENSSES LIMITED
HYDERABAD
BALANCE SHEET AS AT 31ST MARCH, 2005

	SCH	AS AT		AS AT
		<u>31.03.2005</u>		<u>31.03.2004</u>
		Rs.		Rs.
<u>SOURCES OF FUNDS:</u>				
A] SHARE CAPITAL	I	109,683,500		109,683,500
B] RESERVES AND SURPLUS	II	46,161,110		26,078,532
C] SECURED LOANS	III	184,421,845		235,658,572
D] UN SECURED LOANS		<u>5,541,074</u>		
		<u>345,807,529</u>		<u>371,420,604</u>
<u>APPLICATION OF FUNDS:</u>				
A] FIXED ASSETS				
GROSS BLOCK	IV	355,638,646	354,454,446	
LESS: DEPRECIATION		<u>205,340,683</u>	<u>186,477,870</u>	167,976,576
CAPITAL WIP		-		61,300
B] INVESTMENTS	V	21,703,500		21,703,500
C] DEFERRED TAX ASSET		3,844,590		-
D] CURRENT ASSETS, LOANS & ADVANCES				
INVENTORIES	VI	57,287,530	55,822,862	
SUNDRY DEBTORS		97,671,991	92,186,186	
CASH & BANK BALANCES		16,584,680	24,597,212	
LOANS & ADVANCES		<u>21,012,570</u>	<u>24,014,285</u>	
		192,556,771	196,620,545	
LESS: CURRENT LIABILITIES & PROVISIONS	VII	<u>22,595,295</u>	<u>15,683,783</u>	
NET CURRENT ASSETS		169,961,476		180,936,762
MISC. EXPENDITURE TO THE EXTENT				
E] NOT WRITTEN OFF	VIII	-		742,466
		<u>345,807,529</u>		<u>371,420,604</u>

Accounting Policies & Notes on Accounts
Schedules I to VIII and XIV form an
Integral Part of the Balance Sheet.
As per our report of even date attached
For M.ANANDAM & CO.,
Chartered Accountants

XIV

for and on behalf of the Board

M.R.VIKRAM
Partner

M.V.RAGHAVA RAO
Director

J.V.SESHI KUMAR
Vice President (Fin) &
Company Secretary

K.V.RAO
Managing Director

Place : Hyderabad
Date : 17/06/2005.

TECHTRAN POLYLENSES LIMITED, HYDERABAD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2005

	SCH	YEAR ENDED <u>31.03.2005</u>	YEAR ENDED <u>31.03.2004</u>
		Rs.	Rs.
1 INCOME			
SALES - EXPORT		158,796,408	173,733,272
SALES - DOMESTIC		<u>86,994,468</u>	<u>70,043,605</u>
		245,790,876	243,776,877
LESS: EXCISE DUTY		<u>8,076,561</u>	<u>8,686,762</u>
NET SALES		237,714,315	235,090,115
OTHER INCOME	IX	2,049,896	2,904,722
INCREASE / (DECREASE) IN STOCK	X	<u>(7,839,232)</u>	<u>(14,790,968)</u>
		231,924,979	223,203,869
2 EXPENDITURE			
RAW MATERIALS CONSUMED		55,561,475	44,569,609
MANUFACTURING EXPENSES	XI	81,932,925	94,856,266
ADMINISTRATIVE & SELLING EXPENSES	XII	26,684,790	21,363,166
SUB TOTAL		164,179,190	160,789,041
PROFIT BEFORE INTEREST AND DEPRECIATION		67,745,789	62,414,828
LESS:INTEREST AND FINANCIAL CHARGES	XIII	29,788,520	28,399,832
PROFIT/(LOSS) BEFORE DEPRECIATION		37,957,269	34,014,996
LESS:DEPRECIATION		19,152,563	19,072,976
PROFIT/(LOSS) AFTER DEPRECIATION		18,804,706	14,942,020
LESS:MISC.EXPENDITURE W/OFF		742,466	3,508,527
NET PROFIT/(LOSS) FOR THE YEAR		18,062,240	11,433,493
PRIOR PERIOD INCOME / (EXPENDITURE)		(106,483)	(55,749)
PROFIT/(LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR		21,078,532	14,700,788
PROFIT AVAILABLE FOR APPROPRIATION		39,034,289	26,078,532
PROVISION FOR TAXATION			
- CURRENT TAX		1,717,769	
- DEFERRED TAX		(3,844,590)	-
GENERAL RESERVE		10,000,000	5,000,000
BALANCE CARRIED TO BALANCE SHEET		31,161,110	21,078,532

Accounting Policies & Notes on Accounts
Schedules IX to XIII and XIV form an
Integral Part of the Profit and Loss Account.
As per our report of even date attached

for and on behalf of the Board

For M.ANANDAM & CO.,
Chartered Accountants

M.V.RAGHAVA RAO
Director

M.R.VIKRAM
Partner
Place : Hyderabad.
Date : 17/06/2005.

J.V. SESHU KUMAR
Vice President (Fin) &
Company Secretary

K.V.RAO
Managing Director

CASHFLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2005

	2004-2005		2003-2004
CASH FLOW FROM OPERATING ACTIVITIES:	(Rs. In ' 000)		(Rs. In ' 000)
NET PROFIT FOR THE YEAR	18062		11433
ADJUSTMENTS FOR :			
DEPRECIATION	19153		19073
MISCELLANEOUS EXPENSES WRITTEN OFF	742		3509
PROFIT/LOSS ON SALE OF ASSET	-94		-105
INTEREST EXPENSES	22157		27562
OTHER FINANCE CHARGES	7631		838
PROVISION FOR CURRENT TAX	-1718		
PROVISION FOR DEFERRED TAX	3845		
INTEREST ON FDRs	-721		-946
PRIOR PERIOD EXPENSES	-106	50889	-56
OPERATING PROFIT BEFORE		68951	61308
WORKING CAPITAL CHANGES			
CHANGES IN WORKING CAPITAL :			
INCREASE IN TRADE AND OTHER RECEIVABLES	-5486		-13934
INCREASE IN LOANS AND ADVANCES	3002		-3820
DECREASE IN INVENTORIES	-1465		28943
DECREASE IN CREDITORS	133		-1450
INCREASE IN PROVISIONS & OTHER LIABILITIES	6780		2094
INTEREST PAID ON W.C	-276	2688	-37
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)		71639	73104
CASH FLOW FROM INVESTING ACTIVITIES:			
INVESTMENTS	0		-20804
PURCHASE / INCREASE IN FIXED ASSETS	-1428		-8237
DEFERRED TAX ASSET/LIABILITY	-3845		
SALE OF FIXED ASSET	109		138
INTEREST ON FDRs	721		946
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)		-4443	-27957

CASH FLOW FROM FINANCING ACTIVITIES:

DECREASE IN SHORT TERM BORROWINGS	-3369	-3631
DECREASE IN LONG TERM BORROWINGS	-47868	
INCREASE IN UNSECURED LOANS	5541	
OTHER FINANCE CHARGES	-7631	-838
INTEREST PAID ON TERMLOANS	<u>-21881</u>	<u>-27525</u>
NET CASH OUTFLOW FROM FINANCING ACTIVITIES (C)	-75208	-31994
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	-8012	13153
CASH AND CASH EQUIVALENTS AS AT 01.4.2004 (OPENING BALANCE)	24597	11444
CASH AND CASH EQUIVALENTS AS AT 31.3.2005 (CLOSING BALANCE)	16585	24597

As per our report of even date attached

For M.ANANDAM & CO.,
Chartered Accountants

M.R.VIKRAM
Partner

Place : Hyderabad.
Date : 17/06/2005.

J.V. SESHI KUMAR
Vice President (Fin) &
Company Secretary

for and on behalf of the Board

M.V.RAGHAVA RAO
Director

K.V.RAO
Managing Director

SCHEDULE - I

	AS AT		AS AT	
	31.03.2005		31.03.2004	
	Rs.		Rs.	
SHARE CAPITAL:				
AUTHORISED SHARE CAPITAL				
1,40,00,000 EQUITY SHARES OF RS.10/- EACH		<u>140000000</u>		<u>140000000</u>
ISSUED SUBSCRIBED AND PAIDUP CAPITAL				
10970000 SHARES OF RS.10 EACH	109700000		109700000	
FULLY PAID UP				
LESS:CALLS IN ARREAR	<u>16500</u>	<u>109683500</u>	<u>16500</u>	<u>109683500</u>

SCHEDULE - II

RESERVES AND SURPLUS

GENERAL RESERVE		15000000		5000000
PROFIT AND LOSS ACCOUNT		<u>31161110</u>		<u>21078532</u>
		<u>46161110</u>		<u>26078532</u>

SCHEDULE - III

SECURED LOANS

TERM LOANS FROM FINANCIAL INSTITUTIONS

- IDBI

ZERO INT.LOANS		27600000		31924986
OTHERS	<u>107757827</u>	135357827	<u>148757828</u>	180682814

- IFCI

ZERO INT.LOANS		15256453		17799193
OTHERS	<u>33807565</u>	<u>49064018</u>	<u>184421845</u>	<u>33807565</u>
				232289572

WORKING CAPITAL LOANS FROM BANKS

		0		<u>3369000</u>
		<u>184421845</u>		<u>235658572</u>

SCHEDULE- IV**FIXED ASSETS****GROSS BLOCK**

PARTICULARS	ADDITIONS			DEPRECIATION					NET BLOCK	
	AS AT	DURING	DELE-	AS AT	UPTO	FOR THE	DELE-	UPTO	AS AT	AS AT
	31.03.2004	THE YEAR	TIONS	31.03.2005	31.03.2004	YEAR	TIONS	31.03.2005	31.03.2005	31.03.2004
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
LAND	1422907	0	0	1422907	0	0	0	0	1422907	1422907
BUILDINGS	27160668	0	0	27160668	9766665	907166	0	10673831	16486837	17394003
COMPOUND WALL	0	156902	0	156902	0	0	0	0	156902	0
PLANT AND MACHINERY	313161256	536694	0	313697950	167979391	17348288	0	185327679	128370271	145181865
FURNITURE AND FIXTURES	4766017	236627	0	5002644	3079598	309942	0	3389540	1613104	1686419
OFFICE EQUIPMENT	3606982	0	0	3606982	3540605	66366	0	3606971	11	66377
DATA PROCESSING EQUIPMENT	1382910	137159	0	1520069	1109842	235922	0	1345764	174305	273068
VEHICLES	2953706	421818	305000	3070524	1001769	284879	289750	996898	2073626	1951938
	<u>354454446</u>	<u>1489200</u>	<u>305000</u>	<u>355638646</u>	<u>186477870</u>	<u>19152563</u>	<u>289750</u>	<u>205340683</u>	<u>150297963</u>	<u>167976577</u>
PREVIOUS YEAR	346869002	8243403	657958	354454447	168029954	19072976	625060	186477870	167976577	178839048

SCHEDULE-V

	AS AT 31.03.2005 Rs.	AS AT 31.03.2004 Rs.
INVESTMENTS - UNQUOTED - NON - TRADE		
90000 EQUITY SHARES OF Rs.10/- EACH FULLY PAID IN TECHTRAN OPHTHALMICS P LTD (100% SUBSIDIARY)	900000	900000
134000 EQUITY SHARES OF Rs.10/- EACH IN ANDHRA PRADESH GAS POWER CORPN.LTD - AT COST	20803500	20803500
	<u>21703500</u>	<u>21703500</u>

SCHEDULE -VI**CURRENT ASSETS, LOANS & ADVANCES****A] CURRENT ASSETS**

INVENTORIES (AS CERTIFIED AND VALUED BY MANAGEMENT)				
1)STORES AND SPARES	4246284		3106024	
2)MOULDS AND OTHER TOOLS	25160270		20502539	
3)STOCK IN TRADE				
RAW MATERIAL	7723999		6093238	
CONSUMABLES	4579840		2704692	
FINISHED GOODS	14450486		22688383	
STOCK IN PROCESS	1126650	27880976	727986	32214299
		57287530		55822862
4)SUNDRY DEBTORS				
UNSECURED-CONSIDERED GOOD				
DEBTS MORE THAN 6 MONTHS	2270830		610176	
OTHER DEBTS				
- DUE FROM SUBSIDIARY	6098217		1849794	
- OTHERS	89302944	97671991	89726216	92186186
5)CASH IN HAND		52585		23689
BALANCE WITH SCHEDULED BANKS				
a) IN CURRENT ACCOUNT	15603057		7339554	
b) IN DEPOSIT ACCOUNT -MARGIN MONEY	929038		733969	
- OTHERS	0	16532095	16500000	24573523
B] LOANS AND ADVANCES				
UNSECURED CONSIDERED GOOD				
DEPOSITS WITH GOVT.DEPTS.	6855651		8573886	
ADVANCES RECOVERABLE IN CASH OR KIND	6165091		9794167	
ADVANCES TO SUBSIDIARY COMPANY	7991828	21012570	5646232	24014285
		<u>192556771</u>		<u>196620545</u>

SCHEDULE- VIIAS AT
31.03.2005
Rs.AS AT
31.03.2004
Rs.**CURRENT LIABILITIES & PROVISIONS**

SUNDRY CREDITORS

LIABILITY TO OTHER THAN SSI CREDITORS	7855115		7653231	
LIABILITY TO SSI CREDITORS	<u>86845</u>	7941960	<u>157118</u>	7810349

OTHER LIABILITIES	9833508		5399784	
PROVISIONS	<u>4509471</u>	14342979	<u>2337708</u>	7737492
ADVANCE RECD FROM CUSTOMERS		<u>310356</u>		<u>135942</u>
		<u>22595295</u>		<u>15683783</u>

SCHEDULE- VIIIMISC.EXPENDITURE TO THE EXTENT NOT
WRITTEN OFF/ADJUSTED

a)DEFERRED REVENUE EXPENDITURE	742466		3658592	
LESS: AMOUNT WRITTEN OFF	<u>742466</u>	0	<u>2916126</u>	742466
		<u>0</u>		<u>742466</u>

SCHEDULE - IX**OTHER INCOME**

	Current Year	Previous Year
	2004-2005	2003-2004
	Rs.	Rs.
INTEREST RECEIVED	720,738	946,423
MISC.INCOME	729,731	723,829
EXCHANGE FLUCTUATION	505,677	1,129,868
PROFIT/ (LOSS) ON SALE OF ASSETS	<u>93,750</u>	<u>104,602</u>
	<u>2,049,896</u>	<u>2,904,722</u>

SCHEDULE -X

INCREASE / (DECREASE) IN STOCKS

OPENING STOCK

a)WORK IN PROGRESS	727,986	1,124,204
b)FINISHED GOODS	<u>22,688,383</u>	<u>37,083,133</u>
	<u>23,416,369</u>	<u>38,207,337</u>

CLOSING STOCK

a)WORK IN PROGRESS	1,126,651	727,986
b)FINISHED GOODS	<u>14,450,487</u>	<u>22,688,383</u>
	<u>15,577,137</u>	<u>23,416,369</u>

INCREASE/(DECREASE) IN STOCKS

	<u>(7,839,232)</u>	<u>(14,790,968)</u>
--	--------------------	---------------------

SCHEDULE - XI

	Current Year	Previous Year
	2004-2005	2003-2004
	Rs.	Rs.

MANUFACTURING EXPENSES

SALARIES AND WAGES AND OTHER ALLOWANCES	30,356,942	28,686,010
CONTRIBUTION TO PF AND ESI	2,871,614	2,821,432
WORKERS AND STAFF WELFARE EXPENSES	2,224,673	2,180,219
POWER AND FUEL	11,118,076	15,491,196
STORES, SPARES AND CONSUMABLES	24,286,129	33,952,574
PACKING MATERIALS CONSUMPTION	7,047,936	6,542,023
REPAIRS & MAINT PLANT&MACHINERY	725,696	378,179
OTHER MFG.EXPENSES	3,301,859	4,804,633
	<u>81,932,925</u>	<u>94,856,266</u>

SCHEDULE - XII**ADMINISTRATIVE & SELLING EXPENSES**

RENT, RATES AND TAXES	903,849	888,476
INSURANCE	1,720,000	1,721,890
TRAVELLING EXPENSES	1,996,108	2,745,846
PROFESSIONAL FEES	382,472	1,120,159
PRINTING AND STATIONARY	575,726	671,625
TELEPHONE, TELEX AND FAX, POSTAGE	784,361	786,721
VEHICLE RUNNING AND MAINTENANCE	3,799,461	3,706,492
ADVERTISEMENT	3,271,906	257,601
OFFICE MAINTENANCE	378,449	421,189
AUDITORS REMUNERATION	185,000	171,000
DIRECTORS SITTING FEES	48,000	54,000
DIRECTORS REMUNERATION	2,130,010	1,216,332
SELLING AND DISTRIBUTION EXPENSES	6,974,955	5,991,771
MISC.EXPENSES	3,534,493	1,610,064
	<u>26,684,790</u>	<u>21,363,166</u>

SCHEDULE XIII**INTEREST AND FINANCE CHARGES**

INTEREST ON TERM LOANS		
TO FINANCIAL INSTITUTIONS	21,881,171	27,525,356
INTEREST ON WORKING CAPITAL	276,409	36,531
OTHER FINANCE CHARGES	7,630,940	837,945
	<u>29,788,520</u>	<u>28,399,832</u>

SCHEDULE-XIV

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES:

- i. ACCOUNTING CONCEPTS:**

The Financial Statements are prepared under the historical cost convention and on accrual basis and in accordance with the Mandatory Accounting Standards.
- ii. FIXEDASSETS:** Fixed Assets are stated at cost less accumulated depreciation. All major acquisitions of Fixed Assets are stated at acquisition cost including other expenses related to acquisition & installation.
- iii. INVESTMENTS:**

Investments of long-term nature are carried at cost less provision for permanent diminution in value of such investments.
- iv. DEPRECIATION:**

Depreciation has been charged on straight-line method on gross value of assets at rates provided in Schedule XIV of the Companies Act, 1956.
- v. FOREIGN CURRENCY TRANSACTIONS:**
 - a) Foreign Currency Liabilities incurred for the acquisition of Fixed Assets are translated at exchange rates prevailing on the last working day of the accounting year or forward cover rates, as applicable. The net variation arising out of the said translation and roll over charges, if any, are adjusted to the cost of fixed assets. Depreciation on the revised unamortised depreciable amount is provided prospectively over the residual life of the asset.
 - b) Other Foreign Currency Assets and Liabilities are similarly translated and the net loss/gain arising out of such translation (after considering roll over charges, if any) is adjusted to the Profit and Loss Account except in case of doubtful assets, revaluation is not done from the year in which the asset is identified as doubtful.
- vi. INVENTORIES:**
 - a. Inventories are valued at lower of cost and net realizable value except waste/scrap, which is valued at net realizable value. The bases of determining cost for various categories of inventories are as follows:
 - b. Stores, Spare parts, Loose tools, Raw materials and Packing Materials are valued at cost by using FIFO method.
 - c. Work in Progress are valued at Material cost plus appropriate share of production overheads.
 - d. Moulds are treated as Current Asset and these are valued at cost of blanks.
- vii. RETIREMENT BENEFITS:**

The company has covered its gratuity liabilities with Life Insurance Corporation of India (LIC). The annual contributions are made based on actuarial valuation and charged off to revenue. Encashment of earned leave is at the discretion of the management and is charged off to revenue in the year of payment.
- viii. RESEARCH AND DEVELOPMENT EXPENDITURE:**

Revenue Expenditure is charged to the Profit and Loss Account and Capital Expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

ix. **TAXES ON INCOME :**

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

NOTES ON ACCOUNTS:

1. Claims not acknowledged as debts :

	Rs.in Thousands	
	2004-05	2003-04
Income Tax matters		
Pending in various stages of appeal	23,15	39,89
Others	37,63	1,91
Total	60,78	41,80

2. Additional information under part-II of schedule-VI to the Companies Act,1956.
(As certified and valued by Management)

A Licenced Capacity	Pieces	5.00 Million	5.00 Million
B Installed Capacity	Pieces	5.00 Million	5.00 Million
*(as certified by the management)			
C Production	Pieces	3595005	4080486

		QUANTITY	VALUE IN RS.IN THOUSANDS	QUANTITY	VALUE IN RS.IN THOUSANDS
Sales	Pieces	37,81,544	24,57,91	45,96,843	24,37,77
Opening Stock	Pieces	12,11,068	2,26,88	17,27,425	3,70,83
Closing Stock	Pieces	10,24,529	1,44,51	12,11,068	2,26,88

* Being a Technical Matter, not verified by Auditors.

3. **Consumption of Raw material and spare parts :**

	Rs.in Thousands	
	2004 - 2005	2003 - 2004
<u>RAW MATERIALS CONSUMPTION</u>		
Qty in Kgs	1,06,678	1,10,003
Value	5,55,61	4,45,70

Monomer [Qty in Kgs]	93,442	95,243
Value	2,13,28	2,03,59
IPP/IPKF [Qty in Kgs]	3,663	8,890
Value	13,03	58,24
Others Materials [Qty in Kgs]	9,573	5,870
Value	3,29,30	1,83,87

Consumption of Raw Material and Spare Parts

Raw Material

		%		%
Imported	5,54,29	99.76	4,21,16	94.49
Indigenous	<u>1,32</u>	<u>0.24</u>	<u>24,54</u>	<u>5.51</u>
Total	<u>5,55,61</u>	<u>100.00</u>	<u>4,45,70</u>	<u>100.00</u>

Spare parts and Consumables

		%		%
Imported	72,99	30.05	72,67	21.40
Indigenous	<u>1,69,87</u>	<u>69.95</u>	<u>2,66,86</u>	<u>78.60</u>
Total	<u>2,42,86</u>	<u>100.00</u>	<u>3,39,53</u>	<u>100.00</u>

4. Expenditure in Foreign Currency (On Cash Basis) :

Foreign Travel	10,32	8,02
Trade Fair Expenses	9,13	4,16
Commission of Export Sales	Nil	Nil
Designs & Drawings	Nil	22,30

Rs.in Thousands

5. CIF Value of Imports :

Raw Materials	5,68,47	4,20,09
Capital Goods	--	7,39
Spare Parts & Consumables	1,23,34	96,61

6. Earning in Foreign Exchange :

FOB Value of Exports	15,81,31	17,17,78
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7. Details of Directors Remuneration :

(Employed during whole of the year)

Rs.in Thousands

	2004-2005		2003-2004	
	Managing Director	Executive Director	Managing Director	Executive Director
Salary	7,05	6,68	3,00	3,15
Perquisites (as valued under I.T.Rules)	2,97	2,95	1,57	1,27
Sitting Fees	Nil	Nil	Nil	Nil
Commission	-	-	1,15	1,28
Leave Salary/ Encashment	Nil	Nil	Nil	Nil
Contribution to Provident Fund	85	80	36	38
	-----	-----	-----	-----
	10,87	10,43	6,08	6,08
	=====	=====	=====	=====
Provision for Gratuity	Nil	Nil	Nil	Nil

8. Auditors Remuneration :

For Audit Fee	1,25	1,16
For Consultancy	20	20
For Tax Audit Fee	20	20
For Tax Representation	20	15

9. The term loans from Financial Institutions are secured by a First Charge on a pari pasu basis on all the Company's Immovable and Movable including Movable Machinery, Machinery Spares, Tools, Accessories present and future, except the Company's stock of Raw Materials, Semi Finished and Finished Goods, Consumables Stores, Book Debts and such other movables on which the Banks who have sanctioned Working Capital Limits have a first charge.

10. Earnings per share

	<u>2004-2005</u>	<u>2003-2004</u>
Profit after taxation as per Profit & Loss Account (Rs.in Thousands)	2,01,89	1,14,33
Less:prior period expenses	<u>1,06</u>	<u>56</u>
Adjusted Net Profit	2,00,83	1,13,77
Weighted average of equity shares outstanding	10970000	10970000
Basic and Diluted earnings per share before prior period expenses adjustment Rs.	1.84	1.04
Basic and Diluted earnings per share after prior period expenses adjustment Rs.	1.83	1.04
[face value Rs.10 per share]		

11. Segment Reporting

The Company is engaged in Ophthalmic Lenses business which as per Accounting Standard AS-17 is considered the only reportable business segment. As part of secondary reporting, revenues are attributed to geographic areas based on the location of the customers.

Geographical Segments :

	Rs.in Thousands		
	India	Outside India	Total
Sales Revenue	78918	158796	237714
Segment Assets	299396	69007	368403
Segment Liabilities	207957	4601	212558

12. Related party disclosures under Accounting standard 18

- a) Key Management Personal : Mr.K V Rao, Managing Director and
[Wholetime Directors] Mr.K.Krishnadev Rao, Executive Director
- b) Relatives of Key Management Personnel
Mrs. K. Vijayalakshmi : Spouse of Mr.K.Krishnadev Rao
Mrs.K.Amruta Devi : Mother of Mr.K.Krishnadev Rao
Ms.K.Srilatha Rao : Daughter of Mr.K.Krishnadev Rao
Mr.Rob.K.Rao : Son of Mr.K.V.Rao
Mr.Sajan.K.Rao : Son of Mr.K.V.Rao
Ms.Neena.K.Rao : Daughter of Mr.K.V.Rao.
- c) Subsidiary Company : Techtran Ophthalmics Pvt Ltd.,
- d) Other related Company : Techtran Agro Industries Limited;
Common Directors:
Mr.K.V.Rao, Managing Director.
Mr.K.Krishnadev Rao, Executive Director.

Rs. In Thousands

Transactions	Key Management Personnel	Relatives of Key Management Personnel	Subsidiary Company	Total
Remuneration	15,40			15,40
Rent*		5,90		5,90
Sale of Finished Goods			77,27	77,27
Services received			2,49	2,49
Equity Investment			9,00	9,00
Advances			79,92	79,92

* This amount represents the rent paid by the Reporting entity on behalf of the Key Management Personnel, to their relatives. This is included in the remuneration stated above.

13. As there is no virtual certainty regarding profits available for adjustment of unabsorbed depreciation, no deferred tax asset has been recognized as required by AS-22, Accounting Standard on “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India.
14. As per the information available with the company, there are no overdue payments exceeding Rs.1.00 lakh, which is outstanding for 30 days as at the year end in respect of suppliers being Small Scale Industries.
15. Previous years figures have been regrouped/rearranged wherever necessary.
16. Additional information pursuant to the provisions of Part IV of Schedule VI to the Companies Act, 1956 enclosed.

SIGNATURES FOR “SCHEDULES I TO XIV”

As per our report of even date attached.

for and on behalf of the Board

For M.ANANDAM & CO.
Chartered Accountants

M.V.Raghava Rao
Director

M.R.Vikram
Partner

J.V.Seshi Kumar
Vice President (Fin) &
Company Secretary.

K.V.Rao
Managing Director

Place : Hyderabad
Date: 17/06/2005.

Statement pursuant to Section 212 of the Companies Act, 1956, relating to subsidiary Companies:

1. Name of the Subsidiary Company : Techtran Ophthalmics Private Limited
2. The Financial Year of Subsidiary Company ended on : 31st March, 2005
3. Holding Company's interest :
 - A. No.of shares held by Holding Co. at the end of financial year of Subsidiary company. : 90,000 Equity Shares of Rs.10/-each
 - B. Extent of interest of Holding Co. at the end of financial year of Subsidiary company : 100%
4. Net aggregate amount of subsidiary company's profit/(loss) so far as it concerns the members of holding co.
 - A. Not dealt with in the Accounts of Techtran Polylenses Limited. :
 - (i) for the subsidiary's financial year ended 31st March, 2005 : Rs.61,750/-
 - (ii) for previous financial years of the subsidiary since it became a subsidiary of Techtran Polylenses Limited : Rs.29,957/-
 - B. Dealt with in the accounts of Techtran Polylenses Limited. :
 - (i) for the subsidiary's financial year ended 31st March, 2005. : N I L
 - (ii) for previous financial years of the subsidiary since it became subsidiary of Techtran Polylenses Limited. : N I L

For and on behalf of the board

M.V.Raghava Rao
Director

Place : Hyderabad
Date : 17/06/2005

J.V.Seshi Kumar
Vice President (Fin) &
Company Secretary

K.V.Rao
Managing Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :

Registration No. State Code : Balance Sheet Date

II. Capital raised during the year (Amount in Rs. Thousands)

PUBLIC ISSUE	RIGHTS ISSUE	BONUS ISSUE	PRIVATE PLACEMENT
<input type="text" value="NIL"/>	<input type="text" value="NIL"/>	<input type="text" value="NIL"/>	<input type="text" value="NIL"/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities	Total Assets
<input type="text" value="34,58,08"/>	<input type="text" value="34,58,08"/>

IV. Sources of Funds

Paid up Capital	Reserves & Surplus	Secured Loans	Unsecured Loans
<input type="text" value="10,96,84"/>	<input type="text" value="4,61,61"/>	<input type="text" value="18,44,22"/>	<input type="text" value="55,41"/>

V. Application funds :

Net Fixed Assets	Investments	Net Current Assets *	Misc.exp.
<input type="text" value="15,02,98"/>	<input type="text" value="2,17,04"/>	<input type="text" value="17,38,06"/>	<input type="text" value="0"/>

Accumulated Losses

* Includes Deferred Tax Asset

VI. Performance of Company (Amount in Rs.Thousands)

Turnover	Total Expen.	Profit/Loss before Tax	Profit/Loss * after Tax
<input type="text" value="23,19,25"/>	<input type="text" value="21,38,63"/>	<input type="text" value="1,80,62"/>	<input type="text" value="2,01,89"/>

Earning per share in Rs.

Dividend Rate %

* Includes Deferred Tax Adjustment

VII. Generic Name of Principal Product/company

(as per monetary terms)

Item Code No.

ITC Code

Product Description

DIRECTOR'S REPORT

Directors present the 8th Annual Report along with the Audited Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS

	Rs.in Lakhs	
	Current year	Previous year
Profit for the period (Before tax)	2.32	4.63

The operations have resulted in a profit (before tax) of Rs.2.32 lakhs as against Rs.4.63 lakhs during the last year.

SUBSIDIARY STATUS

The Company is a fully owned subsidiary of TECHTRAN POLYLENSES LIMITED.

DIRECTORS

The Board presently consists of Mr.K.V.Rao, Mr.K.Krishnadev Rao and Mr.M.V.Raghava Rao. Mr.K.V.Rao and Mr.K.Krishnadev Rao are Managing Director & Executive Director of Techtran Polylenes Limited and Mr.M.V.Raghava Rao is an independent Director on the Board of Techtran Polylenes Ltd., and their tenure is as per the discretion of Techtran Polylenes Ltd. The Directors place on record their appreciation for the services rendered by different employees at the laboratory.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217 (2AA) of companies Act, 1956, your Directors subscribe to the "Directors Responsibility Statement" and confirm as under :

- (i) That in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- (iii) That the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the Annual Accounts are prepared on going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Statement as per Section 217(1) (e) of the Companies Act read with companies Act (Disclosure of Particulars in Report of Board of Directors) Rules 1988 is enclosed.

PARTICULARS OF EMPLOYEES

There are no employees under the purview of Section 217 (2A) the Companies Act, 1956 for the year.

AUDITORS

M/s.M.Anandam & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the Annual General Meeting and are eligible for re-appointment.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation to the Employees, Staff and Officers of your company for their hard work, dedication and commitment.

For and on behalf of the Board

M.V.RAGHAVA RAO
Director

K.V.RAO
Director

Place : Hyderabad.

Date : 18/05/2005.

ANNEXURE TO THE DIRECTOR'S REPORT UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956 AND UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988.

A] CONSERVATION OF ENERGY :

The company is taking effective steps to conserve energy.

B] TECHNOLOGY ABSORPTION :

Not applicable.

C] FOREIGN EXCHANGE EARNED AND USED :

The Company has earned Rs.NIL Million (FOB value) in Foreign Exchange and used Rs.1.73 Millions. This amount includes Foreign Exchange used for import of Raw Materials, Stores & Spares etc.

For and on behalf of the Board

M.V.RAGHAVA RAO
Director

Place : Hyderabad

Date : 18/05/2005

K.V.RAO
Director

AUDITORS REPORT

To
The Members of
Techtran Ophthalmics Private Limited
H Y D E R A B A D.

We have audited the attached Balance Sheet of M/s. **Techtran Ophthalmics Private Limited**, as at 31st March, 2005 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of such books.
 - c) The Balance Sheet, and Profit & Loss Account referred to in this report are in agreement with the books of account.
 - d) In our opinion the Balance Sheet, Profit and Loss Accounts comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors of the company are disqualified from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
3. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i. In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005, and;
 - ii. In the case of the Profit & Loss account, of the profit of the Company for the year ended on that date.

For M.ANANDAM & CO.,
Chartered Accountants

M.R. VIKRAM
Partner

Place: Secunderabad
Date : 18.05.2005

Re: Techtran Ophthalmics Private Limited.

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE:

1. a. As per the explanation given to us Company has not updated fixed assets registers showing full particulars, including quantitative details and situation, of fixed assets.
b. As explained to us, the management has physically verified some of the fixed assets during the year. As reported to us, there were no discrepancies found during such verification.
c. c. There was no substantial disposal of fixed assets during the year.
2. a. The management has conducted the physical verification of inventory at reasonable intervals during the year.
b. The procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business. The company is maintaining proper records of inventory.
c. As per the explanations given to us, the material variations wherever noticed on physical verification of stocks have been properly dealt with in the books of accounts.
3. There are no parties that require to be listed in the register maintained under section 301 of the Act, accordingly, clauses (iii), (v) and (xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purpose of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
5. The Company has not accepted any deposits from the public.
6. As per the requirement of the Order, the clause relating to Internal Audit System is not applicable for the year.
7. The Central Government has not prescribed maintenance of cost records by the Company under Section 209(1)(d) of the Act.
8. a. According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Customs duty and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs duty and Service Tax were outstanding, at the year end for a period of more than six months from the date they became payable.
b. According to the information and explanations received from the management, the company has no disputed statutory dues.
9. The Company has no accumulated losses and it has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
10. Based on our audit procedures and on the information and explanations given by the management, there are no dues to any financial institutions, banks or debenture holders.

11. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
12. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
13. In our opinion and according to the information given to us, the company is not dealing in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
15. The company has not raised any new term loans during the year.
16. As per the information and explanations given to us, we are of the opinion that the Company has not utilized any short-term sources towards long-term investments.
17. The Company has not raised any money by way of issue of Debentures during the year.
18. According to the information and explanations given to us during the year the company has not raised any funds on public issue and hence disclosure on the end use of money raised by the public issue is not applicable to the company.
19. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For M.ANANDAM & CO.,
Chartered Accountants

Place: Secunderabad
Date: 18.05.2005

M.R.VIKRAM
Partner.

TECHTRAN OPHTHALMICS PRIVATE LIMITED, HYDERABAD

BALANCE SHEET AS AT 31ST MARCH 2005

	SCH NO	AS AT 31.03.2005		AS AT 31.03.2004	
			Rs.		Rs.
SOURCES OF FUNDS:					
A] SHARE CAPITAL	I		900000		900000
RESERVES & SURPLUS			91707		29957
DEFERRED TAX LIABILITY		1086106			
DEFERRED TAX ASSET		949249	136857		
B] UNSECURED LOANS			7991828		5646232
			9120392		6576189
APPLICATION OF FUNDS:					
A] FIXED ASSETS					
GROSS BLOCK	II	7752203		7095245	
LESS:DEPRECIATION		1010619	6741584	612362	6482883
B] CURRENT ASSETS, LOANS AND ADVANCES	III				
INVENTORIES		4368378		1521764	
SUNDRY DEBTORS		4351044		1459255	
CASH & BANK BALANCES		786121		215014	
LOANS & ADVANCES		313111		241650	
		9818654		3437683	
LESS: CURRENT LIABILITIES & PROVISIONS	IV	7439846		3344377	
NET CURRENT ASSETS			2378808		93306
Accounting Policies & Notes on Accounts Schedules I to IV and IX form an integral part of the Balance Sheet.	IX				
			9120392		6576189

As per our report of even date attached

for and on behalf of the Board

For **M.ANANDAM & CO.**,
Chartered Accountants**M.V.RAGHAVA RAO**
Director**M.R.VIKRAM**
Partner.**K.V.RAO**
Director.**J.V.SESHI KUMAR**
Vice President (Fin)Place: Hyderabad.
Date : 18/05/2005

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2005

	SCH NO	YEAR ENDED	YEAR ENDED
		31.03.2005	31.03.2004
		Rs.	Rs.
1 INCOME			
EXPORT SALES		0	7803
DOMESTIC SALES		14366991	7838001
OTHER INCOME		249296	1452241
INCREASE/DECREASE IN STOCK OF LENSES	V	1846324	660765
		16462611	9958810
2 EXPENDITURE			
PURCHASE OF LENSES		8868379	4315848
SALARIES & WAGES	VI	1890372	1267791
LAB EXPENSES	VII	1875989	1830961
ADMINISTRATIVE EXPENSES	VIII	3175283	1740445
SUB TOTAL		15810023	9155045
PROFIT / (LOSS) BEFORE INTEREST AND DEPRECIATION		652588	803765
LESS:INTEREST AND FINANCIAL CHARGES		22813	10147
PROFIT/(LOSS) BEFORE DEPRECIATION		629775	793618
LESS:DEPRECIATION		398257	313384
LESS:MISC EXPENDITURE W/OFF		0	16960
PROFIT/(LOSS) BEFORE TAX		231518	463274

LESS:PROVISION FOR TAXATION		
CURRENT TAX	7423	
DEFFERED TAX	136857	36483
NET PROFIT/(LOSS) AFTER TAX	87238	426791
PRIOR PERIOD (INCOME/EXPENDITURE)	-25488	
PROFIT/(LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR	29957	-396834
PROFIT/(LOSS) BALANCE CARRIED TO BALANCE SHEET	91707	29957
Accounting Policies & Notes on Accounts Schedules V to VIII and IX form an integral part of the Profit & Loss Account.	IX	

As per our report of even date attached

for and on behalf of the Board

For **M.ANANDAM & CO.,**
Chartered Accountants

M.V.RAGHAVA RAO
Director

M.R.VIKRAM
Partner.

K.V.RAO
Director

J.V.SESHI KUMAR
Vice President (Fin)

Place: Hyderabad.

Date : 18/05/2005

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

<u>SCHEDULE -I</u>	AS AT	AS AT
	31.03.2005	31.03.2004
	Rs.	Rs.
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
90000 EQUITY SHARES OF RS.10/- EACH	900000	900000
ISSUED SUBSCRIBED AND PAID-UP CAPITAL		
90000 EQUITY SHARES OF RS.10/- EACH FULLY PAID-UP	900000	900000

SCHEDULE- II**FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 31.03.2004	ADDITONS DURING THE PERIOD	AS ON 31.03.2005	AS AT 31.03.2004	FOR THE PERIOD	AS ON 31.03.2005	AS ON 31.03.2005	AS AT 31.03.2004
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
PLANT AND MACHINERY	6728675	497169	7225844	581342	365299	946641	6279203	6147333
FURNITURE AND FIXTURES	290781	123069	413850	29399	20881	50280	363570	261382
DATA PROCESSING EQUIPMENT	47200	36720	83920	920	8925	9845	74075	46280
OFFICE EQUIPMENT	9900	0	9900	540	1377	1917	7983	9360
VEHICLES	18689	0	18689	161	1775	1936	16753	18528
	7095245	656958	7752203	612362	398257	1010619	6741584	6482883

SCHEDULE -III

	AS AT		AS AT	
		31.03.2005		31.03.2004
CURRENT ASSETS, LOANS AND ADVANCES				
INVENTORIES				
1) CONSUMABLES	1280419		280129	
2) CLOSING STOCK OF LENSES	3087959	4368378	1241635	1521764
SUNDRY DEBTORS				
UNSECURED CONSIDERED GOOD				
DEBTS MORE THAN 6 MONTHS	51964		1415	
OTHER DEBTORS	4299080	4351044	1457840	1459255
CASH & BANK BALANCES				
CASH IN HAND	11893		11769	
BALANCE WITH BANKS	774228	786121	203245	215014
LOANS & ADVANCES				
a) DEPOSITS WITH GOVT DEPTS	42560		37328	
b) DEPOSITS WITH OTHERS	142000		123000	
b) ADVANCES RECOVERABLE IN CASH OR KIND	128551	313111	81322	241650
		9818654		3437683
SCHEDULE-IV				
CURRENT LIABILITIES & PROVISIONS				
ADV RECEIVED FROM CUSTOMERS	207228		198605	
SUNDRY CREDITORS	7001004		2944066	
PROVISIONS	231614	7439846	201706	3344377

	CURRENT YEAR 2004-2005	CURRENT YEAR 2004-2005	PREVIOUS YEAR 2003-2004	PREVIOUS YEAR 2003-2004
	Rs.	Rs.	Rs.	Rs.
<u>SCHEDULE-V</u>				
INCREASE/DECREASE IN STOCKS				
OPENING STOCK	1241635		580870	
CLOSING STOCK	3087959		1241635	
INCREASE/DECREASE IN STOCK OF LENSES		1846324		660765
<u>SCHEDULE-VI</u>				
SALARIES & WAGES				
SALARIES , WAGES & OTHER ALLOWANCES	1810592		1230912	
CONTRIBUTION TO PROVIDENT FUND	11745		13110	
STAFF WELFARE EXPENSES	68035	1890372	23769	1267791
<u>SCHEDULE-VII</u>				
LAB EXPENSES				
JOB WORK CHARGES	134525		94455	
STORES & SPARES	167532		391979	
ELECTRICAL MAINT	63467		26102	
OIL & LUBRICANTS	0		1282	
PACKING MATERIALS	164386		397515	
CONSUMABLES	1341583		752003	
CHEMICALS	4496	1875989	167625	1830961
<u>SCHEDULE-VIII</u>				
ADMINISTRATIVE EXPENSES				
RENT, RATES & TAXES	423966		268986	
ELECTRICITY	220349		125104	
TELEPHONES & POSTAGE	216373		125751	
INSURANCE	34863		21483	
VEHICLE RUNNING	13614		1478	
PROFESSIONAL CHARGES	10413		5120	
AUDITORS REMUNERATION	15000		9000	
TRAVELLING EXP	78667		115669	
PRINTING & STATIONARY	136581		102593	
ADMINISTRATION CHARGES	498337		163520	
MARKETING CHARGES	337185		110171	
LAB MAINT	210483		129005	
REP& MAINT	69229		143725	
CARRAIGE OUWARD	13047		8649	
FREIGHT INWARD	7195		26714	
ADVERTISEMENT	563088		130114	
MISC EXPENSES	326893	3175283	253363	1740445

SCHEDULE -IX

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

SIGNIFICANT ACCOUNTING POLICES

i. ACCOUNTING CONCEPTS :

The Financial Statements are prepared under the historical cost convention and on accrual basis and in accordance with the Mandatory Accounting Standards, wherever applicable.

ii. FIXEDASSETS :

Fixed Assets are stated at cost less accumulated depreciation. All major acquisitions of fixed Assets are stated at acquisition cost including other expenses related to acquisition and installation.

iii. DEPRECIATION :

Depreciation has been charged on straight-line method on gross value of assets at rates provided in Schedule XIV of the Companies Act, 1956.

iv. INVENTORIES :

- a) Inventories are valued at lower of cost or net realizable value except waste/scrap.
- b) Spare parts, Raw Materials and Packing materials are valued at cost using FIFO method.
- c) Loose tools are charged directly to consumption.

vi. TAXES ON INCOME :

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

NOTES ON ACCOUNTS

1. Additional information under Part – II of Schedule- VI to the companies Act, 1956

- a) Licensed Capacity : Not applicable
- b) Installed Capacity : Not applicable

	2004-2005		2003-2004	
	No. of Lenses (Pieces)	Amount in Rs.	No. of Lenses (Pieces)	Amount in Rs.
Lenses :				
Opening Stock	21,953	12,41,635	10,089	5,80,870
Purchases				
From holding company	1,28,925	77,27,419	69,377	43,15,848
Imports	66,062	11,40,960	NIL	NIL
Total	1,94,987	88.68,379	69,377	43,15,848
Process Loss	15,964		4,483	-
Sales	1,01,135	1,43,66,991	53,030	78,45,804
Closing Stock	99,841	30,87,959	21,953	12,41,635

2. Expenditure in Foreign Currency.

	2004-2005	2003-2004
	Rs. in Lakhs	Rs. in Lakhs
Capital Goods- CIF value	8.51	6.51
Lenses	8.78	NIL

3 Earnings in Foreign Currency NIL 0.08

4 Auditors remuneration 0.15 0.09

5 There are no overdue payments to any Small Scale Industries as per the information available with the company.

6 Related party disclosures under Accounting Standard 18

- a) Holding Company : Techtran Polylenses Limited
- b) Directors : Mr.K.V.Rao & Mr.K.Krishnadev Rao & Mr. M.V.Raghava Rao.

Nature of Transactions

- i) Equity Investment (100%) : Rs. 9.00 Lakhs
- ii) Unsecured Loans received : Rs. 79.92 Lakhs
cumulative
- iii) Purchase of Lenses : Rs. 77.27 Lakhs
- iv) Service rendered : Rs. 2.49 Lakhs
- v) Purchase of Assets : NIL
- vi) Balance outstanding at the : Rs. 60.98 Lakhs
year end out of (iii) above

- 7 Provisions for current tax is made in accordance with the provisions as per Income tax Act, 1961.
- 8 Previous year's figures have been regrouped/rearranged wherever necessary.
- 9 Additional information pursuant to part IV of Schedule VI to the Companies Act, 1956 enclosed.

SIGNATURES FOR "SCHEDULE I TO IX"

As per our report of even date attached

For and behalf of the Board

For **M. ANANDAM & CO.**
Chartered Accountants

M.R. VIKRAM
Partner

M.V.RAGHAVA RAO.
Director

Place : Hyderabad
Date : 18/05/2005

J.V.SESHI KUMAR
Vice President (Fin)

K.V. RAO
Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :

Registration No. State Code : Balance Sheet Date

II. Capital raised during the year (Amount in Rs. Thousands)

PUBLIC ISSUE	RIGHTS ISSUE	BONUS ISSUE	PRIVATE PLACEMENT
<input type="text" value="NIL"/>	<input type="text" value="NIL"/>	<input type="text" value="NIL"/>	<input type="text" value="NIL"/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.)

Total Liabilities	Total Assets
<input type="text" value="91,20,392"/>	<input type="text" value="91,20,392"/>

IV. Sources of Funds

Paid up Capital	Reserves & Surplus	Secured Loans	Unsecured Loans *
<input type="text" value="9,00,000"/>	<input type="text" value="91,707"/>	<input type="text" value="NIL"/>	<input type="text" value="81,28,685"/>

V. Application of funds :

* Includes Deferred Tax

Net Fixed Assets	Investments	Net Current Assets	Misc.exp.
<input type="text" value="67,41,584"/>	<input type="text" value="NIL"/>	<input type="text" value="23,78,808"/>	<input type="text" value="0"/>

Accumulated Losses

VI. Performance of Company (Amount in Rs.)

Turnover	Total Expen.	Profit/Loss before Tax	Profit/Loss after Tax
<input type="text" value="1,64,62,611"/>	<input type="text" value="1,62,31,093"/>	<input type="text" value="2,31,518"/>	<input type="text" value="87,238"/>
Earning per share in Rs. <input type="text" value="0.97"/>	Dividend Rate % <input type="text" value="NIL"/>		

VII. Generic Name of Principal Product/company

(as per monetary terms)

Item Code No.

ITC Code

Product Description

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To
The Board of Directors
Techtran Polylenses Limited
Hyderabad.

We have examined the attached Consolidated Balance Sheet of **Techtran Polylenses Limited** and its subsidiary **Techtran Ophthalmics Pvt Ltd.**, as at 31st March 2005 and the Consolidated Profit and Loss Account for the year then ended annexed thereto and the Consolidated Cash Flow Statement for the period ended on that date. These financial statements are responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS 21), Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of financial statements of the Company and its subsidiary included in the Consolidated Financial Statements.

In our opinion and to the best of our information and according to the explanations given to us and on the consideration of separate financial statements of Techtran Polylenses Limited and its subsidiary Techtran Ophthalmics Private Limited, we are of the opinion that the said accounts, read together with the notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India.

- a. In case of Consolidated Balance Sheet, of the Consolidated state of affairs of the Company and its subsidiary as at 31.03.2005.
- b. In case of the Consolidated Profit and Loss account, of the consolidated results of operations of the Company and its subsidiary for the year then ended and
- c. In case of the Consolidated Cash Flow Statement, of the Consolidated cash flows of the company and its subsidiary for the year then ended.

For M.ANANDAM & CO.,
Chartered Accountants

Place: Secunderabad
Date : 17.06.2005

M.R. VIKRAM
Partner

TECHTRAN POLYLENCES LIMITED, HYDERABAD
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2005

	SCH	AS AT <u>31.03.2005</u> Rs.	AS AT <u>31.03.2004</u> Rs.
<u>SOURCES OF FUNDS:</u>			
A] SHARE CAPITAL	I	109,683,500	109,683,500
B] RESERVES AND SURPLUS	II	46,252,817	26,108,488
C] SECURED LOANS	III	184,421,845	235,658,572
D] UN SECURED LOANS		<u>5,541,074</u>	
		<u>345,899,236</u>	<u>371,450,560</u>
<u>APPLICATION OF FUNDS:</u>			
A] FIXED ASSETS	IV		
GROSS BLOCK	363,390,849	361,549,691	
LESS: DEPRECIATION	<u>206,351,302</u>	<u>187,090,232</u>	174,459,459
CAPITAL WIP		-	61,300
B] INVESTMENTS	V	20,803,500	20,803,500
C] DEFERRED TAX ASSET		4,793,839	
DEFERRED TAX LIABILITY		(1,086,106)	
D] CURRENT ASSETS, LOANS&ADVANCES	VI		
INVENTORIES	61,655,908	57,344,626	
SUNDRY DEBTORS	95,924,818	91,795,647	
CASH & BANK BALANCES	17,370,801	24,812,226	
LOANS & ADVANCES	<u>13,333,853</u>	<u>18,609,702</u>	
	188,285,380	192,562,201	
LESS: CURRENT LIABILITIES & PROVISIONS	VII	<u>23,936,924</u>	<u>17,178,366</u>
NET CURRENT ASSETS		164,348,456	175,383,835
E] MISC. EXPENDITURE TO THE EXTENT NOT WRITTEN OFF	VIII	-	742,466
		<u>345,899,236</u>	<u>371,450,560</u>

Accounting Policies & Notes on Accounts Schedules I to VIII and XIV form an Integral Part of the Balance Sheet.

As per our report of even date attached For M.ANANDAM & CO., Chartered Accountants

M.R.VIKRAM
Partner

Place : Hyderabad
Date : 17/06/2005.

J.V.SESHI KUMAR
Vice President (Fin) &
Company Secretary.

for and on behalf of the Board

M.V.RAGHAVA RAO
Director

K.V.RAO
Managing Director

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2005

	SCH	YEAR ENDED <u>31.03.2005</u>	YEAR ENDED <u>31.03.2004</u>
1 INCOME			
SALES - EXPORT		158,796,408	173,741,075
SALES - DOMESTIC		<u>93,634,040</u>	<u>73,565,758</u>
		252,430,448	247,306,833
LESS: EXCISE DUTY		<u>8,076,561</u>	<u>8,686,762</u>
NET SALES		244,353,887	238,620,071
OTHER INCOME	IX	2,049,896	2,904,722
INCREASE / (DECREASE) IN STOCK	X	<u>(5,992,907)</u>	<u>(14,130,203)</u>
		240,410,876	227,394,590
2 EXPENDITURE			
RAW MATERIALS CONSUMED		55,561,475	44,569,609
MANUFACTURING EXPENSES	XI	87,593,543	97,090,845
ADMINISTRATIVE & SELLING EXPENSES	XII	28,857,480	22,515,543
SUB TOTAL		172,012,498	164,175,997
PROFIT BEFORE INTEREST AND DEPRECIATION		68,398,378	63,218,593
LESS:INTEREST AND FINANCIAL CHARGES	XIII	29,811,333	28,409,979
PROFIT/(LOSS) BEFORE DEPRECIATION		38,587,045	34,808,614
LESS:DEPRECIATION		19,550,820	19,386,360
PROFIT/(LOSS) AFTER DEPRECIATION		19,036,225	15,422,254
LESS:MISC.EXPENDITURE W/OFF		742,466	3,525,487
NET PROFIT/(LOSS) FOR THE YEAR		18,293,759	11,896,767

PRIOR PERIOD INCOME / (EXPENDITURE)	(131,971)	(55,750)
PROFIT/(LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR	21,108,488	14,303,954
PROFIT AVAILABLE FOR APPROPRIATION	39,270,276	26,144,971
PROVISION FOR TAXATION		
CURRENT TAX	1,725,192	36,483
DEFERRED TAX	(3,707,733)	
GENERAL RESERVE	10,000,000	5,000,000
BALANCE CARRIED TO BALANCE SHEET	31,252,817	21,108,488

Accounting Policies & Notes on Accounts XIV
Schedules IX to XIII and XIV form an
Integral Part of the Profit and Loss Account.

As per our report of even date attached
For M.ANANDAM & CO.,
Chartered Accountants

for and on behalf of the Board

M.R.VIKRAM
Partner

M.V.RAGHAVA RAO
Director

Place : Hyderabad
Date :17/06/2005.

J.V.SESHI KUMAR
Vice President (Fin) &
Company Secretary

K.V.RAO
Managing Director

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2005

	2004-2005	2003-2004
CASH FLOW FROM OPERATING ACTIVITIES:	(Rs. In ' 000)	(Rs. In ' 000)
NET PROFIT	18294	11860
ADJUSTMENTS FOR :		
DEPRECIATION	19551	19386
MISCELLANEOUS EXPENSES WRITTEN OFF	742	3525
PROFIT / LOSS ON SALE OF ASSET	-94	-105
INTEREST EXPENSES	22157	27562
OTHER FINANCE CHARGES	7654	
PROVISION FOR CURRENT TAX	-1725	
PROVISION FOR DEFERRED TAX	3708	
OTHER INCOME	-721	-946
PRIOR PERIOD EXPENSES	-132	-56
OPERATING PROFIT BEFORE	69434	61226
WORKING CAPITAL CHANGES		
CHANGES IN WORKING CAPITAL :		
INCREASE IN TRADE AND OTHER RECEIVABLES	-4129	-13378
INCREASE IN LOANS AND ADVANCES	5276	-3121
DECREASE IN INVENTORIES	-4311	28029
DECREASE IN CREDITORS	-60	-700
INCREASE IN PROVISIONS AND OTHER LIABILITIES	6819	2220
INTEREST PAID ON W.C	-276	-37
	3319	13013
NET CASH INFLOW FROM OPERATING ACTIVITIES	(A) <u>72753</u>	<u>74239</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
INVESTMENTS	0	-20804
PURCHASE / INCREASE IN FIXED ASSETS	-2085	-10260
DEFERRED TAX ASSET/LIABILITY	-3708	
SALE OF FIXED ASSET	109	138
OTHER INCOME	721	946
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(B) <u>-4963</u>	<u>-29980</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
DECREASE IN SHORT TERM BORROWINGS	-3369	
DECREASE IN LONG TERM BORROWINGS	-47868	0
INCREASE IN UNSECURED LOANS	5541	-3631
OTHER FINANCE CHARGES	-7654	
INTEREST PAID ON TERMLOANS	-21881	-27525
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	(C) <u>-75231</u>	<u>-31156</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS	(A+B+C)	-7441	13103
CASH AND CASH EQUIVALENTS AS AT 01.4.2004		24812	11709
(OPENING BALANCE)			
CASH AND CASH EQUIVALENTS AS AT 31.3.2005		17371	24812
(CLOSING BALANCE)			

FOR AND ON BEHALF OF THE BOARD

As per our report of even date attached.

For M. ANANDAM & CO.,

Chartered Accountants

M.V. RAGHAVA RAO

DIRECTOR

M.R. VIKRAM

Partner

K.V.RAO

MANAGING DIRECTOR

J.V.SESHI KUMAR

VICE PRESIDENT (FIN) &

COMPANY SECRETARY

PLACE : SECUNDERABAD

DATE : 17.06.2005

SCHEDULE - I

	AS AT		AS AT	
	31.03.2005		31.03.2004	
	Rs.		Rs.	
SHARE CAPITAL:				
AUTHORISED SHARE CAPITAL				
1,40,00,000 EQUITY SHARES OF RS.10/- EACH		140,000,000		140,000,000
ISSUED SUBSCRIBED AND PAIDUP CAPITAL				
10970000 SHARES OF RS.10 EACH	109,700,000		109,700,000	
FULLY PAID UP				
LESS:CALLS IN ARREAR	16,500	<u>109,683,500</u>	16,500	<u>109,683,500</u>

SCHEDULE - II

RESERVES AND SURPLUS

GENERAL RESERVE		15,000,000		5,000,000
PROFIT AND LOSS ACCOUNT		<u>31,252,817</u>		<u>21,108,488</u>
		<u>46,252,817</u>		<u>26,108,488</u>

SCHEDULE - III

	AS AT		AS AT	
	31.03.2005		31.03.2004	
	Rs.		Rs.	
SECURED LOANS				
TERM LOANS FROM FINANCIAL INSTITUTIONS				
- IDBI				
ZERO INT.LOANS	27,600,000		31,924,986	
OTHERS	<u>107,757,827</u>	135,357,827	<u>148,757,828</u>	180,682,814
- IFCI				
ZERO INT.LOANS	15,256,453		17,799,193	
OTHERS	<u>33,807,565</u>	49,064,018	<u>33,807,565</u>	51,606,758
				232,289,572
WORKING CAPITAL LOANS FROM BANKS			-	3,369,000
			<u>184,421,845</u>	<u>235,658,572</u>

SCHEDULE- IV**FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 31.03.2004	ADDITIONS DURING THE YEAR	DELE- TIONS	AS AT 31.03.2005	UPTO 31.03.2004	FOR THE YEAR	DELE- TIONS	UPTO 31.03.2005	AS AT 31.03.2005	AS AT 31.03.2004
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
LAND	1,422,907	-	-	1,422,907	-	-	-	-	1,422,907	1,422,907
BUILDINGS	27,160,668	-	-	27,160,668	9,766,665	907,166	-	10,673,831	16,486,837	17,394,003
COMPOUND WALL	-	156,902	-	156,902	-	-	-	-	156,902	-
PLANT & MACHNRY.	319,889,931	1,033,863	-	320,923,794	168,560,733	17,713,587	-	186,274,320	134,649,474	151,329,198
FURN. & FIXTURES	5,056,798	359,696	-	5,416,494	3,108,997	330,823	-	3,439,820	1,976,674	1,947,801
OFFICE EQPMNT.	3,616,882	-	-	3,616,882	3,541,145	67,743	-	3,608,888	7,994	75,737
DATA PRC. EQPMNT	1,430,110	173,879	-	1,603,989	1,110,762	244,847	-	1,355,609	248,380	319,348
VEHICLES	2,972,395	421,818	305,000	3,089,213	1,001,930	286,654	289,750	998,834	2,090,379	1,970,465
	361,549,691	2,146,158	305,000	363,390,849	187,090,232	19,550,820	289,750	206,351,302	157,039,547	174,459,459

<u>SCHEDULE-V</u>	AS AT 31.03.2005	AS AT 31.03.2004
	Rs.	Rs.
INVESTMENTS - UNQUOTED - NON - TRADE		
134000 EQUITY SHARES OF Rs.10/- EACH IN ANDHRA PRADESH GAS POWER CORPN.LTD – AT COST	20,803,500	20,803,500
	<u>20,803,500</u>	<u>20,803,500</u>

SCHEDULE -VI

CURRENT ASSETS, LOANS & ADVANCES

A] CURRENT ASSETS

INVENTORIES (AS CERTIFIED AND
VALUED BY MANAGEMENT)

1]STORES AND SPARES	4,246,284	3,106,024
2]MOULDS AND OTHER TOOLS	25,160,270	20,502,539
3]STOCK IN TRADE		
RAW MATERIAL	7,723,999	6,093,238
CONSUMABLES	5,860,259	2,984,821
FINISHED GOODS	17,538,445	23,930,018
STOCK IN PROCESS	1,126,651	32,249,354
	<u>32,249,354</u>	<u>727,986</u>
	61,655,908	57,344,626

4]SUNDRY DEBTORS

UNSECURED-CONSIDERED GOOD
DEBTS MORE THAN 6 MONTHS

2,322,794	611,591
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OTHER DEBTS

- OTHERS

<u>93,602,024</u>	95,924,818	<u>91,184,056</u>	91,795,647
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5]CASH IN HAND

64,478	35,458
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BALANCE WITH SCHEDULED BANKS

a] IN CURRENT ACCOUNT

16,377,285	7,542,799
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b] IN DEPOSIT ACCOUNT -MARGIN MONEY

929,038	733,969
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- OTHERS

<u>-</u>	17,306,323	<u>16,500,000</u>	24,776,768
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B] LOANS AND ADVANCES

UNSECURED CONSIDERED GOOD

DEPOSITS WITH GOVT.DEPTS.

6,898,211	8,611,213
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ADVANCES RECOVERABLE IN CASH OR KIND

6,435,642	9,998,489
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<u>13,333,853</u>	<u>18,609,702</u>
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<u>188,285,380</u>	<u>192,562,201</u>
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SCHEDULE- VII

	AS AT 31.03.2005		AS AT 31.03.2004	
	Rs.		Rs.	
<u>CURRENT LIABILITIES & PROVISIONS</u>				
<u>SUNDRY CREDITORS</u>				
LIABILITY TO OTHER THAN SSI CREDITORS	8,757,902		8,747,503	
LIABILITY TO SSI CREDITORS	<u>86,845</u>	8,844,747	<u>157,118</u>	8,904,621
OTHER LIABILITIES	9,833,508		5,399,784	
PROVISIONS	<u>4,741,085</u>	14,574,593	<u>2,539,414</u>	7,939,198
ADVANCE RECD FROM CUSTOMERS		<u>517,584</u>		<u>334,547</u>
		<u>23,936,924</u>		<u>17,178,366</u>

SCHEDULE- VIII

MISC. EXPENDITURE TO THE EXTENT NOT
WRITTEN OFF/ADJUSTED

a) DEFERRED REVENUE EXPENDITURE	742,466		3,675,552	
LESS: AMOUNT WRITTEN OFF	<u>742,466</u>	-	<u>2,933,086</u>	742,466
c) PRODUCT DEVELOPMENT EXPENDITURE	-		592,401	
LESS: AMOUNT WRITTEN OFF	-	-	<u>592,401</u>	-
		<u>-</u>		<u>742,466</u>

	CURRENT YEAR 2004-2005	PREVIOUS YEAR 2003-2004
	Rs.	Rs.

SCHEDULE - IX**OTHER INCOME**

INTEREST RECEIVED ON FDRs	720,738	946,423
MISC. INCOME	729,731	723,829
EXCHANGE FLUCTUATION	505,677	1,129,868
PROFIT/ (LOSS) ON SALE OF ASSETS	<u>93,750</u>	<u>104,602</u>
	<u>2,049,896</u>	<u>2,904,722</u>

SCHEDULE - X

INCREASE / (DECREASE) IN STOCKS

OPENING STOCK

a) WORK IN PROGRESS	727,986	1,124,204
b) FINISHED GOODS	<u>23,930,018</u>	<u>37,664,003</u>
	<u>24,658,004</u>	<u>38,788,207</u>

CLOSING STOCK

a) WORK IN PROGRESS	1,126,651	727,986
b) FINISHED GOODS	<u>17,538,446</u>	<u>23,930,018</u>
	<u>18,665,097</u>	<u>24,658,004</u>

INCREASE/(DECREASE) IN STOCKS

	<u>(5,992,907)</u>	<u>(14,130,203)</u>
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SCHEDULE - XI

	CURRENT YEAR	PREVIOUS YEAR
	2004-2005	2003-2004
<u>MANUFACTURING EXPENSES</u>	Rs.	Rs.
SALARIES AND WAGES AND OTHER ALLOWANCES	32,662,871	30,080,442
CONTRIBUTION TO PF AND ESI	2,883,359	2,834,542
WORKERS AND STAFF WELFARE EXPENSES	2,292,708	2,203,988
POWER AND FUEL	11,338,425	15,616,300
STORES, SPARES AND CONSUMABLES	25,997,732	35,386,020
PACKING MATERIALS CONSUMPTION	7,212,322	6,939,538
REPAIRS & MAINT PLANT&MACHINERY	1,005,408	650,909
OTHER MFG.EXPENSES	4,200,718	3,379,106
	87,593,543	97,090,845

SCHEDULE - XII**ADMINISTRATIVE & SELLING EXPENSES**

RENT, RATES AND TAXES	1,327,815	1,157,462
INSURANCE	1,754,863	1,743,373
TRAVELLING EXPENSES	2,074,775	2,861,515
PROFESSIONAL FEES	392,885	1,125,279
PRINTING AND STATIONARY	712,307	774,218
TELEPHONE, TELEX AND FAX, POSTAGE	1,000,734	912,472
VEHICLE RUNNING AND MAINTENANCE	3,813,075	3,707,970
ADVERTISEMENT	3,834,994	387,715
OFFICE MAINTENANCE	378,449	421,189
AUDITORS REMUNERATION	200,000	180,000
DIRECTORS SITTING FEES	52,000	54,000
DIRECTORS REMUNERATION	2,130,010	1,216,332
SELLING AND DISTRIBUTION EXPENSES	7,325,187	6,110,591
MISC.EXPENSES	3,860,386	1,863,427
	28,857,480	22,515,543

SCHEDULE XIII**INTEREST AND FINANCE CHARGES**

INTEREST ON TERM LOANS TO FINANCIAL INSTITUTIONS	21,881,171	27,525,356
INTEREST ON WORKING CAPITAL	276,409	36,531
OTHER FINANCE CHARGES	7,653,753	848,092
	29,811,333	28,409,979

SCHEDULE-XIV

ACCOUNTING POLICIES & NOTES ON CONSOLIDATED ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES:

- i. ACCOUNTING CONCEPTS:**

The Financial Statements are prepared under the historical cost convention and on accrual basis and in accordance with the Mandatory Accounting Standards.
- ii. FIXEDASSETS:** Fixed Assets are stated at cost less accumulated depreciation. All major acquisitions of Fixed Assets are stated at acquisition cost including other expenses related to acquisition & installation.
- iii. INVESTMENTS:**

Investments of long-term nature are carried at cost less provision for permanent diminution in value of such investments.
- iv. DEPRECIATION:**

Depreciation has been charged on straight-line method on gross value of assets at rates provided in Schedule XIV of the Companies Act, 1956.
- v. FOREIGN CURRENCY TRANSACTIONS:**
 - a) Foreign Currency Liabilities incurred for the acquisition of Fixed Assets are translated at exchange rates prevailing on the last working day of the accounting year or forward cover rates, as applicable. The net variation arising out of the said translation and roll over charges, if any, are adjusted to the cost of fixed assets. Depreciation on the revised unamortised depreciable amount is provided prospectively over the residual life of the asset.
 - b) Other Foreign Currency Assets and Liabilities are similarly translated and the net loss/gain arising out of such translation (after considering roll over charges, if any) is adjusted to the Profit and Loss Account except in case of doubtful assets, revaluation is not done from the year in which the asset is identified as doubtful.
- vi. INVENTORIES:**
 - a.) Inventories are valued at lower of cost and net realizable value except waste/scrap, which is valued at net realizable value. The bases of determining cost for various categories of inventories are as follows:
 - b) Stores, Spare parts, Loose tools, Raw materials and Packing Materials are valued at cost by using FIFO method.
 - c) Work in Progress are valued at Material cost plus appropriate share of production overheads.
 - d) Moulds are treated as Current Asset and these are valued at cost of blanks.
- vii. RETIREMENT BENEFITS:**

The company has covered its gratuity liabilities with Life Insurance Corporation of India (LIC). The annual contributions are made based on actuarial valuation and charged off to revenue. Encashment of earned leave is at the discretion of the management and is charged off to revenue in the year of payment.
- viii. RESEARCH AND DEVELOPMENT EXPENDITURE:**

Revenue Expenditure is charged to the Profit and Loss Account and Capital Expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

ix. TAXES ON INCOME :

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

NOTES ON ACCOUNTS:

1. Claims not acknowledged as debts :

	Rs.in Thousands	
	2004-05	2003-04
Income Tax matters Pending in various stages of appeal	23,15	39,89
Others	37,63	1,91
Total	60,78	41,80

2. Details of Directors' Remuneration :

(Employed during whole of the year)

	Rs.in Thousands			
	2004-2005		2003-2004	
	Managing Director	Executive Director	Managing Director	Executive Director
Salary	7,05	6,68	3,00	3,15
Perquisites (as valued under I.T.Rules)	2,97	2,95	1,57	1,27
Sitting Fees	Nil	Nil	Nil	Nil
Commission	Nil	Nil	1,15	1,28
Leave Salary/ Encashment	Nil	Nil	Nil	Nil
Contribution to Provident Fund	85	80	36	38
	-----	-----	-----	-----
	10,87	10,43	6,08	6,08
	=====	=====	=====	=====
Provision for Gratuity	Nil	Nil	Nil	Nil

3. The term loans from Financial Institutions are secured by a First Charge on a pari pasu basis on all the Company's Immovable and Movables including Movable Machinery, Machinery Spares, Tools, Accessories present and future, except the Company's stock of Raw Materials, Semi Finished and Finished Goods, Consumables Stores, Book Debts and such other movables on which the Banks who have sanctioned Working Capital Limits have a first charge.

4. Earnings per share

	<u>2004-05</u>	<u>2003-04</u>
Profit after taxation as per Profit & Loss Account (Rs.in Thousands)	2,02,77	1,18,60
Less: prior period expenses	1.32	56
	-----	-----
Adjusted Net Profit	2,01,45	1,18,04
Weighted average of equity shares outstanding	10970000	10970000
Basic and Diluted earnings per share Rs. before prior period expenses adjustment	1.85	1.08
Basic and Diluted earnings per share Rs. After prior period expenses adjustment [face value Rs.10 per share]	1.84	1.08

5. Segment Reporting

The Company is engaged in Ophthalmic Lenses business which as per Accounting Standard AS-17 is considered the only reportable business segment. As part of secondary reporting, Revenues are attributed to geographic areas based on the location of the customers.

Geographical Segments :

	Rs.in Thousands		
	India	Outside India	Total
Sales Revenue	8,55,57	15,87,97	24,43,54
Segment Assets	30,08,28	6,90,08	36,98,36
Segment Liabilities	20,92,99	46,01	21,39,00

6. Related party disclosures under Accounting standard 18

a) Key Management Personal : Mr.K V Rao, Managing Director and
[Wholetime Directors] Mr.K.Krishnadev Rao, Executive Director

b) Relatives of Key Management Personnel

Mrs. K. Vijayalakshmi : Spouse of Mr.K.Krishnadev Rao
Mrs.K.Amruta Devi : Mother of Mr.K.Krishnadev Rao
Ms.K.Srilatha Rao : Daughter of Mr.K.Krishnadev Rao
Mr.Rob.K.Rao : Son of Mr.K.V.Rao
Mr.Sajan.K.Rao : Son of Mr.K.V.Rao
Ms.Neena.K.Rao : Daughter of Mr.K.V.Rao.

c) Subsidiary Company : Techtran Ophthalmics Pvt Ltd.,

d] Other related Company : Techtran Agro Industries Limited;
Common Directors:
Mr.K.V.Rao, Managing Director.
Mr.K.Krishnadev Rao, Executive Director.

Rs. In Thousands

Transactions	Key Management Personnel	Relatives of Key Management Personnel	Subsidiary Company	Total
Remuneration	15,40			15,40
Rent*		5,90		5,90
Sale of Finished Goods			77,27	77,27
Services received			2,49	2,49
Advances			79,92	79,92

* This amount represents the rent paid by the Reporting entity on behalf of the Key Management Personnel, to their relatives. This is included in the Remuneration stated above.

7. As there is no virtual certainty regarding profits available for adjustment of a unabsorbed depreciation, no deferred tax asset has been recognized as required by AS-22, Accounting Standard on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, in respect of the holding company.
8. As per the information available with the company, there are no overdue payments exceeding Rs.1.00 lakh, which is outstanding for 30 days as at the year end in respect of suppliers being Small Scale Industries.
9. Previous years figures have been regrouped/rearranged wherever necessary.

SIGNATURES FOR "SCHEDULES I TO XIV"

As per our report of even date attached.

For and on behalf of the Board

For M.ANANDAM & CO.
Chartered Accountants

M.V.RAGHAVA RAO
Director

M.R.Vikram
Partner

J.V.Seshi Kumar
Vice President (Fin) &
Company Secretary.

K.V.Rao
Managing Director

Place: Secunderabad.
Date:17.06.2005.