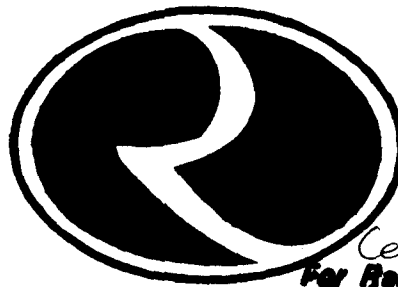


2004-2005

16th ANNUAL REPORT

Report  junction.com



Certified True Copy
For Rama Vision Limited

[Signature]

(Raj Kumar Sehgal)
Gen. Mgr (Legal)
Gum Company Secretary

RAMA VISION LIMITED

Board of Directors**Chairman**

Sh. Alok Kumar, IAS (HILTRON Nominee)

Directors

Shri Sudarshan Lal Baluja

Shri S.S.L. Gupta

Shri Vishal Singh (HILTRON Nominee)

Managing Director

Shri Satish Jain

Company Secretary

Shri Raj Kumar Sehgal

Auditors

M/s B.K. Shroff & Co.,
Chartered Accountants,
3/7-B, Asaf Ali Road,
New Delhi-110 002

Bankers

Canara Bank

Bank of Baroda

Registered Office & Works

2 Km., Kichha-Rudrapur Road,
Kichha, Distt. Udham Singh Nagar,
(Uttaranchal)-263148

Tel. No.: 05944-264299, 264263

Fax No.: 05944-264668

Corporate Office

309, Rattan Jyoti,

18, Rajendra Place,

New Delhi-110008

Tel. No.: 25762371, 72, 73

Fax No.: 91-11-25738278

E-mail: rvlpt@vsnl.com

Registrar & Share Transfer Agent
Intima Spectra Reg. Ltd.

A-31, 3rd Floor, Naraina Industrial Area,

Phase-I, Near PVR Cinema, New Delhi-110028
Tel.: 51410592, 93, 94

Tel.: 51410592, 93, 94

Fax : 51410591

Contents**Page No.**

Notice 1

Directors Report 3

Corporate Governance 8

Auditor's Report 14

Balance Sheet 20

Profit and Loss Account 21

Cash Flow Statement 22

Schedules to Balance Sheet 23
& Profit & Loss Account

NOTICE

To the Members,

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of Rama Vision Limited will be held on Friday, the 23rd day of September, 2005 at 12.30 p.m. at the Regd. Office of the Company at 2 K.M., Kichha-Rudrapur Road, Kichha, Distt. Udham Singh Nagar, Uttaranchal - 263148 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005 and the Profit & Loss Account for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Sh. Satish Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges and any other applicable laws, regulations, rules as may be applicable, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to fix up an amount by way of sitting fees or incidentals payable to Non-executive Director(s) for attending the meetings of the Board of Directors or Committees thereof, subject to the ceiling as may be prescribed by the Companies Act, 1956 or Rules framed thereunder, as amended from time to time."

By order of the Board
For RAMA VISION LIMITED

Place : New Delhi
Dated : 30th June, 2005

(RAJ KUMAR SEHGAL)
G.M. (LEGAL) & COMPANY SECRETARY

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxy form must reach Company's Registered Office at least 48 hours before the time of holding the meeting.
3. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11.00 am and 1.00 p.m. up to the date of Annual General Meeting.
4. Register of Members and Share Transfer Books will remain closed from 16th September, 2005 to 23rd September, 2005 (both days inclusive).
5. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business is annexed hereto.
6. Members are requested to :
 - i. Quote their folio number (s) / client ID/ DP ID in all correspondence with the company.
 - ii. Please notify change (s), if any, in your Registered Address along with Pin Code Number, to the Registrar and Share Transfer Agent of the Company.
7. Members desiring any information as regards the Accounts are requested to write to the Company Secretary at its Corporate Office at 309, Rattan Jyoti, 18, Rajendra Place, New Delhi - 110 008 at an early date so as to enable the management to keep the information ready.
8. Members are requested to bring their copy of the Annual Report to the meeting as spare copies will not be available. Members/Proxies should bring the attendance sheet duly filled in for attending the meeting.



9. Pursuant to the requirements of the listing agreement with Stock Exchange(s), on Corporate Governance, the information about the Directors proposed to be appointed / re-appointed is given in Annexure to the notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 4

The Securities and Exchange Board of India has revised Clause No. 49 ("the Clause") of the Listing Agreement with the Stock Exchanges relating to Corporate Governance requirements to be fulfilled by the Listed companies. Companies have to ensure compliance with the Clause by December 31, 2005. One of the requirements stipulated under the Clause is that all fees/compensation payable to Non-executive Directors shall be fixed by the Board of Directors and shall require previous approval of members in General Meeting. In terms of the Clause, approval of the members is sought for payment of sitting fees and incidentals to the Non-executive Directors of the Company.

The Directors recommend the resolution for your approval.

All the Non Executive Directors of the company may be deemed to be interested or concerned in the resolution to the extent of sitting fees they would be entitled to receive for attending the meetings of the Board of Directors or any committees constituted by the Board.

Place : New Delhi
Dated : 30th June, 2005

By order of the Board,
For RAMA VISION LIMITED

Registered Office :
2 K.M., Kichha-Rudrapur Road,
Kichha, Distt. Udham Singh Nagar,
UTTARANCHAL - 263148

(RAJ KUMAR SEHGAL)
G.M. (LEGAL) & COMPANY SECRETARY

ANNEXURE

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTOR PROPOSED TO BE RE-APPOINTED

Name of the Director	Sh. Satish Jain
Date of Birth	11.11.1954
Qualifications	B.E. in production engineering.
Nature of Expertise	Sh. Satish Jain is a technocrat and has a rich experience of 28 years in the industry.
Name of the other Companies In which he holds Directorship	1. Chemopulp Tissues Ltd. 2. RVL Exim Ltd. 3. Viewtron Electronics Pvt. Ltd.
Name of the Committees of the other Companies of which he holds Membership / Chairmanship	Nil

DIRECTORS' REPORT

To,

The Members,

Rama Vision Limited

Your Directors feel pleasure in presenting the SIXTEENTH ANNUAL REPORT together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2005.

FINANCIAL RESULTS

(Rs. In lacs)

	<u>2004-05</u>	<u>2003-2004</u>
Net Sales/Income from operations (including Excise)	676.51	1,130.90
Other Income	20.02	34.76
Total Expenditure	688.74	1,175.54
Gross Profit/(Loss) before Interest Depreciation and Taxation	7.79	(9.88)
Interest	230.34	200.54
Gross Profit/(Loss) after Interest	(222.55)	(210.42)
but before Depreciation and Taxation		
Provision for Depreciation	112.17	114.01
Provision for Taxation	0.00	0.02
Net Profit / (Loss)	(334.72)	(324.45)

OPERATIONS

During the year under review, your Company has produced 141299 nos. of Black & White T.V. picture tubes as compared to 2,49,235 nos. in the previous year. Due to continuous fall in the demand of Black & White Televisions, your Company could achieve a turnover of Rs. 676.51 lacs (including turnover of trading division of Rs. 263.19 lacs) as against the turnover of Rs. 1,130.90 lacs in the previous year showing a decline of 40% over the previous year. Beside this, continuous fall in prices of Colour Televisions and availability of Colour Televisions on interest free installments have created the sluggish market conditions for the Black & White Television Industry. Further, the Company could not achieve the target production level due to the non-availability of raw material. In spite of these adverse factors your company was able to earn a nominal cash profit (before interest & depreciation & tax) of Rs. 7.79 lacs as against the cash loss of Rs. 9.88 lacs in the previous year. The aforesaid cash profit was mainly due to the implementation of the cost reduction programme by the Company and also due to the impressive growth in the performance of the Trading Division of the Company.

During the year under review the trading division of your Company has achieved a turnover of Rs.263.19 lacs as against Rs 166 lacs in the previous year. Your Directors are exploring the new items for trading and are confident that with these steps taken, the turnover as well as profitability of your Company will increase in the coming years.

Your company is exploring the possibilities for Contract Manufacturing of any FMCG product as the Company's plant site has been notified by the Central Government in its new industrial policy to be eligible for exemptions / relaxations in excise duty, income tax and sales tax. The Company is also exploring the possibilities of diversification into some new profitable venture to utilize the existing infrastructure facilities and space available at its plant site at Kichha, Uttaranchal. Your company is making its all efforts for importing glass shells for manufacturing picture tubes in order to increase the production level.

Your Directors are confident that with these steps, the operations of your company will improve in the coming years.



REFERENCE TO THE BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTIONS (BIFR)

As already informed in the previous report, that against the order of Hon'ble BIFR dated 13.07.2004, your Company has filed an appeal before the Hon'ble AAIFR on 26th July, 2004 praying for stay of the order of Hon'ble BIFR. Since no Bench is functioning in AAIFR, your Company has also filed a writ petition in the High Court of Uttaranchal at Nainital, praying for stay of order of BIFR pending hearing of the appeal before AAIFR. The Hon'ble High Court of Uttaranchal on 14.10.2004 disposed off the writ petition as the bench of Hon'ble AAIFR was constituted. In the mean time, the Hon'ble AAIFR at the request of the company fixed hearing of the appeal for 01.11.2004 and stayed the operation of the impugned order of Hon'ble BIFR dated 13.07.2004. The matter is still pending with the Hon'ble AAIFR.

AUDITORS' REPORT

In regard to the observations made by the Statutory Auditors in their report about the non receipt of any communication under section 274(1)(g) of the Companies Act, 1956 from two Nominee Directors of HILTRON, it may be stated that your Company has not still received confirmation under section 274(1)(g) of the companies Act, 1956 from both the Nominee Directors of HILTRON. However, the company is regularly following up the matter with both the Nominee Directors of HILTRON and the same shall be placed before the Board at its meeting immediately after the receipt of the said communication. With regard to the observation made by Auditors for preparation of Accounts on a going concern basis, it may be stated that the ability of the Company to continue as a going concern is contingent on the approval of revised rehabilitation package by BIFR / AAIFR (as mentioned in the above paragraph). However, the Company continues to carry out its operations and accordingly, the accounts have been maintained on a going concern basis.

The other observation made by the Auditors in their report about the pendency of creation of charges in respect of Working Capital Term Loan (WCTL)/ Funded Interest Term Loan (FITL), it may be stated that IDBI has already given in principle approval for ceding in favour of Banks pari passu first charge on fixed assets for securing WCTL and second charge on fixed assets for securing FITL. However, IFCI Limited has not so far conveyed their approval for ceding pari passu charge on fixed assets in favour of Banks and accordingly, the same would be created after receipt of approval from IFCI Limited.

As regard the shortfall in security against cash credit limits, it may be stated that the same is due to the cash losses in the preceding financial years and only a nominal cash profit in the current year.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits during the year under review.

STOCK EXCHANGES & LISTING FEES

The Company's Equity Shares at present are listed at Mumbai and Calcutta Stock Exchanges. The Company has paid the Annual Listing Fees for the year 2005-2006 to Mumbai Stock Exchange only.

DELISTING

During the year under review, your Company's shares have been delisted from U.P. Stock Exchange Association Limited w.e.f. 31.03.2005. Your Company has also made an application for voluntary delisting from Calcutta Stock Exchange. However, the said application is pending with the Calcutta Stock Exchange.

BOARD OF DIRECTORS

Shri Satish Jain, Managing Director is retiring by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. Dr. S. Krishnamurthy passed away on 22.04.2005. The Board places on record its deep appreciation of the tremendous support lent by Dr. S. Krishnamurthy to the growth and enrichment of the company during his tenure as a director of the company for nearly 15 years. The Company is in process of appointing another director to fill the casual vacancy caused due to the death of Dr. S. Krishnamurthy.

AUDITORS

M/s B.K. Shroff & Co., Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

There was no employee during the year under review whose particulars are required to be given pursuant to section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

MANAGEMENT DISCUSSION AND ANALYSIS**Overview and Industry Structure and Developments :-**

From the last 8-9 years, the Black & White Television Industry is continuously declining. The major reason responsible for this kind of situation is continuous fall in the prices of colour Televisions and hence the demand is shifting from Black & White Televisions to Colour Televisions. The year under review witnessed continued slowdown in the Black & White T.V. industry due to less demand, tough competition, non availability of raw material i.e. glass shell for manufacturing Black & White T.V. picture tube and availability of colour televisions on low prices as well as on easy installments. All this in combination adversely affected Black & White Television Industry.

Opportunities and Threats**Opportunities**

- i. The electrification of rural areas has not been done in full and also the T.V. transmission towers have not been installed in most of the rural areas. With the formation of new Government, it is hoped that electrification of rural areas will be done and the T.V. transmission towers will be installed. This will increase the demand of Black & White T.V. because poor income category people will be able to buy only Black & White T.V. at first instance due to its low cost.
- ii. Government's support is required to promote Black & White T.V. in India at least by way of providing the Excise duty and sales tax exemptions.

Threats

- i. Continuous fall in the prices of colour T.V. sets along with the hire purchase facility have shifted the demand from Black & White T.V. to Colour T.V.
- ii. Delay in rural electrification, installation of T.V. transmission towers in rural areas will adversely affect the possible future growth.
- iii. Due to declining sales volume, Black & White T.V. picture tube business does not seem to be profitable enough for the manufacturers. The manufacturers of glass shells, a basic raw material of picture tube, have converted their Black & White glass parts production lines to coloured once. This has resulted in limited availability of glass parts for Black & White T.V. picture tubes in the country.

Segment wise or Product wise performance

Segment reporting as defined in Accounting Standard (AS-17) has become applicable to your Company from the quarter ending 30th September, 2003. During the year under review, your Company is engaged in two segments viz., Manufacturing of Black & White T.V. Picture Tubes and Trading activity. Your Company is adhering to the Listing Agreement guidelines with respect to reporting of segment wise revenue results and capital employed.

Outlook

Your company has the product range of 14", 17" and 20" and 14" FS monochrome monitor tubes. The data showed that Black & White T.V. Industry has registered the sale of 2 million units in 2004-05 which shows the decline of approximately 20% from the previous year. The scenario of this Industry would be better if the tax structure is rationalized to reduce the incidence of tax considering the Black & White T.V. as the necessity for the poor people for their education, information and entertainment. Your Directors are continuously making efforts to explore new products for enhancing the trading activities.

Risks and concerns

1. High Excise duty and sales tax on Black & White T.V.



2. Poor infrastructure specially power and delay in installation of T.V. transmission towers.
3. With the increase in rural disposable income and easy availability of finance for colour television, Black & White T.V. industry is facing increased competition from low priced 14" colour television.

Internal control Systems and their adequacy

The company maintains a system of internal control including suitable monitoring procedures. The internal control system is supplemented by an exhaustive programme of internal audits and said audits are then reviewed by Audit Committee from time to time.

Development in HR

Looking at the downward trend in the Industry, there is no increase in the employees of the company. However some manpower has been reduced by affecting some technical changes in the plant, more computerization and better planning in the operations of the plant.

Financial performance coupled with operational performance

As stated above, the production and turnover of your company have declined during the year under review and as a result, the company has incurred a net loss of Rs. 334.72 lacs during the year under review as against the net loss of Rs.324.45 lacs in the previous year.

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

Information in accordance with Section 217 (1)(b) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 is given in Annexure 'A' forming part of this report. Form 'A' requiring disclosure of conservation of energy is not applicable in the case of your company.

REPORT ON CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement, a report on the Corporate Governance is given in Annexure 'B' which forms part of this report.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of section 217 (2AA) of the Companies Act, 1956 the directors hereby confirms that:

- i. in the preparation of annual accounts, applicable accounting standards have been followed alongwith proper explanation related to material departures;
- ii. the directors have selected such accounting policies and applied them consistently and made judgements 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. the directors have taken proper and sufficient care for 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. the directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the valuable support and cooperation of the various financial institutions, banks, government agencies, customers, suppliers, shareholders, management team and the entire work force for their cooperation and commitment and look forward to their continued support in future.

For and on behalf of the Board of Directors

Place : New Delhi

Dated : 30th June, 2005

CHAIRMAN OF THE MEETING

ANNEXURE "A" TO THE DIRECTORS' REPORT

Particulars as required under Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March, 2005.

I. Research & Development (R & D) :

- | | | |
|--|---|------|
| a) Specific areas in which R & D carried out by the Company | - | None |
| b) Benefits derived as a result of the above R & D | - | None |
| c) Further plan of action : | | |
| The company will take R&D activities in the organisation to improve quality and reduce cost by increasing the raw material efficiency and reducing chemical wastage. | | |
| d) Expenditure on R & D | - | Nil |

II. Technology Absorption, Adoption & Innovation :

- | | | |
|---|---|------|
| a) Efforts in brief made towards technology | - | Nil |
| b) Absorption, Adoption and Innovation Benefit derived as a result of above efforts | - | None |
| c) Particulars of Technology imported during last 5 years | - | None |

III. Foreign Exchange Earnings and Outgo :

- a) Activities relating to exports and export plans :
the Company is making continuous efforts to explore foreign markets for export of Black & White T.V. Picture Tubes.

(Rs. In lacs)

	<u>Current Year</u>	<u>Previous Year</u>
b) Total Foreign Exchange used & earned :		
Foreign Exchange used	185.23	168.35
Foreign Exchange earned	—	—



ANNEXURE 'B'

**REPORT ON CORPORATE GOVERNANCE
(PURSUANT TO CLAUSE 49 TO THE LISTING AGREEMENT)**

Corporate Governance is a mechanism by which the Corporate entities are directed and controlled. It encompasses the entire mechanism of the functioning of a company and attempts to put in a place a system of checks and balances between the shareholders, directors, auditors and the management. Clause 49 of the Listing Agreement provides for the Corporate Governance norms which have to be adopted by the Corporate entities as per schedule provided. Accordingly, the companies have to adopt and adhere to a code of Corporate Governance. The company is also submitting the 'Report on Corporate Governance' followed by it during the financial year 2004-05.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Board has adopted the principles of good Corporate Governance in line with the requirements of the corporate practices enumerated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges. The Company aims to achieve greater transparency by making adequate disclosures.

Given below is a brief report by the director(s) on the practices followed at RAMA VISION LIMITED to strive towards achievement of goal of Good 'Corporate Governance'.

I. BOARD OF DIRECTORS

Composition and size of the Board

As on date of Report, the strength of Board is six* Directors which comprises of one Promoter / Executive Director being the Managing Director and five non-executive Directors, out of which two are HILTRON Nominees, Co-Promoter of the Company, all of them are independent directors. All the directors are proficient in their own field and bring with them decade(s) of experience in the areas of Finance, Law, Management and General Administration.

Sh. Satish Jain, Promoter and presently designated as Managing Director is the only whole time working Director of the company who is responsible for overall day to day management of the company.

* Dr. S. Krishnamurthy, non-executive & independent director has since expired on 22nd April, 2005.

NUMBER OF BOARD MEETINGS HELD

During the financial year 2004-2005, four Board Meetings were held on 28.05.2004, 30.07.2004, 29.10.2004 & 31.01.2005.

STATEMENT OF ATTENDANCE OF DIRECTORS AT THE BOARD MEETING, LAST ANNUAL GENERAL MEETING AND NUMBER OF OTHER DIRECTORSHIP AND COMMITTEE MEMBERSHIP AS ON 31ST MARCH, 2005.

NAME OF DIRECTOR	DESIGNATION	CATEGORY OF DIRECTORS	NO. OF MEETINGS ATTENDED	ATTENDANCE OF THE LAST AGM	NO. OF OTHER DIRECTORSHIPS	NO. OF CHAIRMANSHIP/ MEMBERSHIP OF OTHER BOARD COMMITTEES	
						CHAIRMANSHIP	MEMBERSHIP
Sh. Alok Kumar	Chairman (Nominee HILTRON)	Independent	NIL	NO	01*	NIL*	NIL*
Sh. Satish Jain	Managing Director	Executive & Non-Independent	04	YES	03	NIL	NIL
Sh. Vishal Singh	Director (Nominee HILTRON)	Independent	NIL	NO	01*	NIL*	NIL*
Sh. S.L. Baluja	Director	Independent	03	YES	03	NIL	NIL
Sh. S.S.L. Gupta	Director	Independent	04	YES	01	01	NIL
Dr. S. Krishnamurthy	Director	Independent	04	YES	03**	02**	01**

* AS PER INFORMATION AVAILABLE WITH THE COMPANY

** AS PER THE DECLARATION RECEIVED BY THE COMPANY FOR THE YEAR ENDING 31.03.2004. NO INTIMATION HAS BEEN RECEIVED BY THE COMPANY FROM THE DIRECTOR FOR ANY CHANGE IN THE DIRECTORSHIPS, CHAIRMANSHIPS & MEMBERSHIPS UP TO 31.03.2005. DR. S. KRISHNAMURTHY HAS EXPIRED ON 22.04.2005.

None of the Directors on the Board is a member of more than 10 committees and / or act as chairman of more than 5 committees across all the public companies in which they are directors.