

THAMES RICE MILLING COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS

2000-2001

Company No. 283061

Crane & Partners, Rutland House, 44 Masons Hill, Bromley, Kent BR2 9EQ



THAMES RICE MILLING COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS

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REPORT OF THE DIRECTORS

The directors present their annual report together with the audited financial statements for the year ended 31 March 2001.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be that of an investment holding company.

RESULTS AND DIVIDENDS

The results for the year are shown in the profit and loss account on page 4. The directors do not recommend the payment of a dividend (2000:£NIL)

DIRECTORS AND DIRECTORS' INTERESTS

The directors who held office during the year, none of whom had an interest in the ordinary share capital of the company, at any time during the year, were as follows :-

M. R. Chhabria

T. S. Shettigar

P. M. Nene (appointed December 3, 2000)

Richard Hollands (appointed December 3, 2000 and resigned on May 9, 2001)

The directors of the company are also directors of the immediate parent undertaking, R. G. Shaw & Company Limited and their interests in the share capital of that company are disclosed in its financial statements.

In accordance with the company's Articles of Association, all present directors continue in office.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to :

- select suitable accounting policies then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

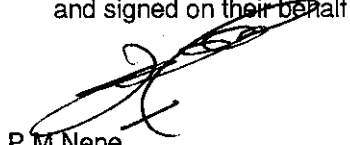
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE DIRECTORS (Continued)

AUDITORS

Crane & Partners have expressed their willingness to be re-appointed and a resolution to this effect is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on their behalf

A handwritten signature in black ink, appearing to be 'P.M. Nene', written over the text 'and signed on their behalf'.

P.M. Nene
Director.

Date: September 29, 2001

Rutland House,
44 Masons Hill,
Bromley,
Kent.
BR2 9EQ

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF

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THAMES RICE MILLING COMPANY LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 March 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Date: 3. October 2001

Crane & Partners.
CRANE & PARTNERS
Chartered Accountants
Registered Auditors

Rutland House
44, Masons Hill,
Bromley,
Kent.
BR2 9EQ.

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2001

	Note	2001 £	2000 £
Provision against Investment		-	(393,750)
Administrative expenses		(17,699)	(13,511)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(17,699)	(407,261)
Tax on loss on ordinary activities		-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(17,699)	(407,261)
Retained profit brought forward		(26,514)	380,747
RETAINED PROFIT CARRIED FORWARD		(44,213)	(26,514)

CONTINUING OPERATIONS

Income and loss before tax are attributable to continuing activities for both the current and previous financial years.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

BALANCE SHEET

AT 31 MARCH 2001

	Note	<u>2001</u>	<u>2000</u>
		£	£
FIXED ASSETS			
Investments	4	1,537,232	1,537,232
CURRENT ASSETS			
Cash at bank and in hand		-	-
CREDITORS: Amounts falling due within one year	5	<u>(76,751)</u>	<u>(59,052)</u>
NET CURRENT LIABILITIES		(76,751)	(59,052)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,460,481</u>	<u>1,478,180</u>
CAPITAL AND RESERVES			
Called up share capital	6	90,160	90,160
Revaluation reserve		1,414,534	1,414,534
Profit and loss account		(44,213)	(26,514)
SHAREHOLDERS' FUNDS	9	<u>1,460,481</u>	<u>1,478,180</u>

The financial statements were approved by the Board on September 29, 2001


 P.M. Nene
 Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards. The principal accounting policies are set out below :

a) Investments

Fixed asset investments are carried in the balance sheet at either cost or the directors' valuation where they consider this to be more representative of the underlying value of the investment. Any surplus or deficit arising on revaluation is taken to the revaluation reserve.

b) Dividend income

Dividend income is dealt with on a receivable basis and is stated gross of withholding and underlying tax.

c) Deferred taxation

Provision is made for timing differences arising from the different treatment of certain items for taxation and accounting purposes. The provision is calculated at rates of tax at which the charge is likely to crystallise. Provision is made only when the directors consider that a tax charge is likely to arise in the foreseeable future.

d) Foreign exchange

Profit and loss account transactions denominated in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Balance sheet assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rate ruling at the balance sheet date. All differences are dealt with in the profit and loss account.

2 STAFF COSTS AND DIRECTORS' EMOLUMENTS

There were no employees other than the directors of the company. The directors did not receive any remuneration during the year (2000:£NIL).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2001

**3 LOSS ON ORDINARY ACTIVITIES
BEFORE TAXATION**

	2001 £	2000 £
Loss on ordinary activities before taxation is stated after charging :		
Auditors' remuneration	<u>713</u>	<u>1,058</u>

4 FIXED ASSET INVESTMENTS

	2001 £	2000 £
Shares listed on overseas stock exchange at directors' valuation.	1,537,232	1,537,232
Shares in unquoted overseas company at cost	-	393,750
Less: Provision against Investments	-	(393,750)
	<u>1,537,232</u>	<u>1,537,232</u>

The market value of the listed investment at 31st March 2001 on The Stock Exchange, Mumbai was £ 755,632 (2000: £ 1,350,310). If the investments were sold at their market value at the balance sheet date, a liability to U.K. Corporation tax in the sum of £ Nil would arise (2000: £118,176).

The investment involves a 4.67% direct holding in the Ordinary share capital of Shaw Wallace & Company Limited, a company incorporated in India. The original cost of the investment was £122,698

5 CREDITORS : Amounts falling due within one year

	2001 £	2000 £
Amounts due to ultimate parent undertaking	62,331	45,360
Amounts owed to director	5,040	3,967
Corporation tax	8,675	8,675
Accruals	705	1,050
	<u>76,751</u>	<u>59,052</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2001

6 CALLED UP SHARE CAPITAL

	2001 £	2000 £
Authorised :		
125,000 'A' shares of £1 each	<u>125,000</u>	<u>125,000</u>
Allotted, called up and fully paid :		
90,160 Ordinary shares of £1 each	<u>90,160</u>	<u>90,160</u>

7 CONTINGENT LIABILITIES

At 31 March 2001 the company together with certain of its fellow subsidiaries had charged its assets and had given a cross party guarantee to a bank to secure the banking facility granted to its ultimate parent undertaking and its subsidiaries. The maximum liability of the guarantee is US\$ 100,000,000 together with interest, which translates at the year end exchange rate to £ 70,607,000. The directors are firmly of the view that none of this potential liability need be provided for within these accounts.

8 IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is R. G. Shaw & Company Limited, a company incorporated in England and the ultimate parent undertaking is Jumbo Worldwide Holdings Limited, a company incorporated in Bermuda (formerly Jumbo International Holdings Ltd.).

9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
(Loss) for the financial year after taxation	(17,699)	(407,261)
Opening shareholders' funds	1,478,180	1,885,441
Closing shareholders' funds	<u>1,460,481</u>	<u>1,478,180</u>