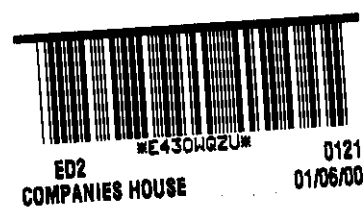


VAGHAMON (TRAVANCORE) TEA COMPANY LIMITED

REPORT AND ACCOUNTS

1999



VAGHAMON (TRAVANCORE) TEA COMPANY LIMITED

Incorporated 1925

SHARE CAPITAL

Authorised
£100,000

In shares of £1 each

Issued
£60,000

Directors P.A. LEGGATT, M.B.E. (Chairman)
H.K. FITZGERALD
A.K. MATHUR, F.C.A.

Secretary P.E. HILL, F.C.I.S.

Auditors MOORE STEPHENS
ST. PAUL'S HOUSE,
WARWICK LANE,
LONDON EC4P 4BN

Registered Office WROTHAM PLACE,
WROTHAM,
SEVENOAKS,
KENT TN15 7AE

Registered Number 209118

VAGHAMON (TRAVANCORE) TEA COMPANY LIMITED

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the seventy-fifth annual general meeting of Vaghamon (Travancore) Tea Company Limited will be held at Wrotham Place, Wrotham, Sevenoaks, Kent TN15 7AE on Monday, 10th April 2000 at 11.15 a.m. for the following purposes:-

1. To receive and adopt the directors' report and statement of accounts for the year ended 31st December 1999
2. To re-elect directors
3. To re-appoint the auditors and authorise the directors to fix their remuneration.

By Order of the Board

P.E. HILL

Secretary

Wrotham Place,
Wrotham,
Sevenoaks,
Kent, TN15 7AE.

10th April 2000

A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him and such proxy need not be a member of the company.

VAGHAMON (TRAVANCORE) TEA COMPANY LIMITED

REPORT OF THE DIRECTORS

The directors submit to the members their report together with the accounts for the year ended 31st December 1999.

| ACCOUNTS | 1999 | 1998 |
|---|---------------|---------------|
| Loss on ordinary activities before and after taxation | £(330) | £(328) |
| Retained loss for the year | <u>£(330)</u> | <u>£(328)</u> |

ACTIVITIES

The company did not trade during the year and it is not expected to trade during the forthcoming year but will continue to try to settle its affairs in India.

DIRECTORS

Board

The present board is shown on page one.

Mr. P.A. Leggatt retires by rotation and, being eligible, offers himself for re-election.

Mr. A. K. Mathur was appointed to the board on 10th April 2000 and in accordance with the Company's Articles of Association, retires and, being eligible, offers himself for re-election.

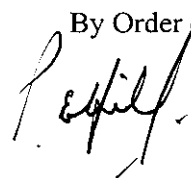
Shareholdings

Neither at the end of the year, nor at any time during the year, has any director held a beneficial interest in any shares of the company. The interests of the directors in shares of group companies are disclosed in the accounts of the ultimate parent company, Camellia Plc.

AUDITORS

Moore Stephens have expressed their willingness to continue as auditors of the Company and a resolution proposing their re-appointment and empowering the directors to fix their remuneration will be put before the annual general meeting.

10th April 2000

By Order of the Board

P.E. HILL
Secretary

VAGHAMON (TRAVANCORE) TEA COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31st December 1999

| | Note | 1999 £ | 1998 £ |
|--|------|---------------|---------------|
| Loss on ordinary activities before and after taxation | 2 | <u>£(330)</u> | <u>£(328)</u> |

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS
for the year ended 31st December 1999

| | 1999 £ | 1998 £ |
|--|------------------|------------------|
| Loss for the year | (330) | (328) |
| Currency translation differences on foreign net investments | <u>2</u> | <u>(56)</u> |
| Net deficit to shareholders' funds | (328) | (384) |
| Opening shareholders' funds | (44,599) | (44,215) |
| Closing shareholders' funds | <u>£(44,927)</u> | <u>£(44,599)</u> |


There are no recognised gains or losses other than those included in the above.

VAGHAMON (TRAVANCORE) TEA COMPANY LIMITED

BALANCE SHEET as at 31st December 1999

| | Notes | 1999 | 1998 |
|--|-------|------------------|------------------|
| | | £ | £ |
| CURRENT ASSETS | | | |
| Cash at Bank | | 3,032 | 3,314 |
| CURRENT LIABILITIES | | | |
| Creditors: amounts falling due within one year | 3 | 47,959 | 47,913 |
| NET LIABILITIES | | <u>£(44,927)</u> | <u>£(44,599)</u> |
| EQUITY CAPITAL AND RESERVES | | | |
| Called up share capital | 4 | 60,000 | 60,000 |
| Adverse balance on profit and loss account | 5 | (104,927) | (104,599) |
| | | <u>£(44,927)</u> | <u>£(44,599)</u> |

Approved on 10th April 2000 by the board of directors
and signed on their behalf by:


H.K. FITZGERALD
Director

VAGHAMON (TRAVANCORE) TEA COMPANY LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a) The accounts are prepared on the historical cost basis of accounting and are in accordance with applicable accounting standards.

b) Exchange Rate

The rate of exchange used in these accounts was Rs. 70.14 = £1 (1998 Rs.70.70 = £1).

Exchange differences to 31st December 1999 have been credited to the deficit on profit and loss account brought forward.

| | 1999 £ | 1998 £ |
|---|-----------|-----------|
| 2. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | |

The loss on ordinary activities before taxation is arrived at as follows:-

| | | |
|-------------------------|-----------------------------|-----------------------------|
| Administration Expenses | £(330) <u> </u> | £(328) <u> </u> |
|-------------------------|-----------------------------|-----------------------------|

3. CREDITORS: Amounts falling due within one year

| | | |
|-------------------------------|------------------------------|------------------------------|
| Amount due to holding company | 44,890 | 44,875 |
| Other creditors | 3,069 <u> </u> | 3,038 <u> </u> |
| | £47,959 <u> </u> | £47,913 <u> </u> |

4. SHARE CAPITAL

| | | |
|--|-------------------------------|-------------------------------|
| Authorised: Shares of £1 each | £100,000 <u> </u> | £100,000 <u> </u> |
| | | |
| Allotted, called up and fully paid: Shares of £1 each | £60,000 <u> </u> | £60,000 <u> </u> |

VAGHAMON (TRAVANCORE) TEA COMPANY LIMITED

NOTES TO THE ACCOUNTS (continued)

| | 1999 £ | 1998 £ |
|--------------------------------------|-------------------|-------------------|
| 5. PROFIT AND LOSS ACCOUNT RESERVE | | |
| Balance at 1 st January | (104,599) | (104,215) |
| Currency fluctuation | 2 | (56) |
| Loss for the year | (330) | (328) |
| Balance at 31 st December | <u>£(104,927)</u> | <u>£(104,599)</u> |

6. PARENT COMPANY

The parent company is Lawrie Group Plc and the ultimate parent company is Camellia Plc.
Accounts of both companies are filed with the Registrar of Companies, Companies House, Crown
Way, Cardiff CF14 3UZ.

VAGHAMON (TRAVANCORE) TEA COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES AND AUDITORS' REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 to prepare accounts for each financial year which 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 the financial year. The directors consider that in preparing the accounts, the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. In addition the directors confirm that the going concern basis is appropriate and all applicable accounting standards have been followed.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985. The directors also have responsibility for safeguarding the assets of the company and for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT

to the members of Vaghamon (Travancore) Tea Company Limited

We have audited the accounts on pages four to seven which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described above, the directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

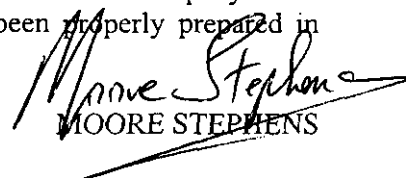
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31st December 1999 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


MOORE STEPHENS

Chartered Accountants
and Registered Auditors

10th April 2000