

Co Reg No: 1333756

ANAMIKA INVESTMENTS LIMITED
DIRECTORS' REPORT AND ACCOUNTS
31 July 1997



Director's Report

The directors submit their report and accounts for the year ended 31 July 1997.

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 result of the company for that period. In preparing those financial statements, the directors are required to select suitable accounting policies and then apply them consistently, make judgments and estimates that are reasonable and prudent and 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 to 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.

RESULTS AND DIVIDENDS

The profit on ordinary activities for the year, after taxation, amounted to £45,248 (1996: £28,121).

The directors do not recommend the payment of a dividend nor any transfer to reserves.

REVIEW OF THE BUSINESS

The company's principal activity is to act as commission agents and to trade as export and import merchants in commodities. Trade is difficult and spasmodic.

DIRECTORS AND THEIR INTERESTS

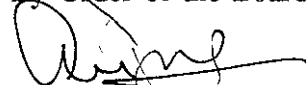
The directors at 31 July 1997 and their interests in the share capital of the holding company were as follows:-

	At 31.7.97	At 31.7.96
	Ord.shares	Ord.shares
A K Pyne	-	-
J P S Booth	-	-
Rishi Raj Sethia	-	-

AUDITORS

The auditors Croft May & Co, Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

By Order of the Board



A. K. PYNE

Secretary

Dated: 28 November 1997

ANAMIKA INVESTMENTS LIMITED

We have audited the financial statements on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

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 judgments 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 error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



33 Marloes Road
Kensington
London
W8 6LG

CROFT MAY & CO
Chartered Accountants
Registered Auditors

Dated: 28 November 1997

Profit and loss account
for the year ended 31 July 1997

	1997	1996
	£	£
TURNOVER (note 2)	140,809	462,849
Cost of sales	(102,500)	(412,918)
Gross profit	38,309	49,931
Net operating expenses:		
Administrative expenses	19,890	(12,658)
OPERATING PROFIT (note 3)	58,199	37,273
Interest receivable	48	55
PROFIT ON ORDINARY ACTIVITIES	58,247	37,328
Tax on profit on ordinary activities (note 4)	(12,999)	(9,207)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	45,248	28,121
Adverse balance brought forward	(13,170)	(41,291)
BALANCE carried forward	£(32,078)	£(13,170)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

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

The notes on pages 5 to 7 form part of these accounts.

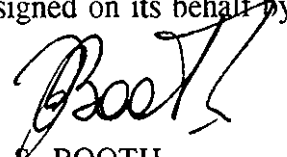
ANAMIKA INVESTMENTS LIMITED

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Balance sheet
at 31 July 1997

	1997	1996
£	£	£
INVESTMENTS (note 5)	721,859	721,859
CURRENT ASSETS		
Debtors (note 6)	-	49,556
Cash at bank and in hand	29,152	233,884
	<u>29,152</u>	<u>283,440</u>
CREDITORS: amounts falling due within one year (note 7)	<u>541,983</u>	<u>841,469</u>
NET CURRENT LIABILITIES	(512,781)	(558,029)
NET ASSETS	<u>£209,078</u>	<u>£163,830</u>
CAPITAL AND RESERVES		
Equity interests:		
Called up share capital (note 9)	2,000	2,000
Profit and loss account	32,078	(13,170)
	<u>34,078</u>	<u>(11,170)</u>
Non equity interests:		
Called up share capital (note 9)	175,000	175,000
	<u>£209,078</u>	<u>£163,830</u>

Approved by the board on 28 November 1997
and signed on its behalf by


J. P. S. BOOTH

Director

The notes on pages 5 to 7 form part of these accounts.

Notes to the accounts
at 31 July 1997

1 ACCOUNTING POLICIES

Accounting convention:

The accounts are prepared under the historical cost convention. They have been prepared on a going concern basis on the understanding that fellow group undertakings will not seek repayment of sums due to them on current accounts in excess of the company's available resources.

Cash flow statement:

The company is not required to produce a cash flow statement as it is a small company as defined by section 247 of the Companies Act 1985.

Foreign currencies:

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date except for certain non-monetary assets which from 1 August 1987 are translated at the historic sterling equivalent.

Transactions in foreign currencies are recorded at the average rate for the year. Differences in currency transactions are taken to trading account and translation differences are taken to profit and loss account.

2 TURNOVER

Turnover represents commission receivable/goods sold. The turnover and pre-tax results are attributable to trading in the United Kingdom and are attributable to continuing operations.

3 OPERATING PROFIT

This is stated after charging or crediting:	1997	1996
	£	£
Auditors' remuneration	350	350
Translation differences on exchange	<u>(20,272)</u>	<u>12,268</u>

4 TAXATION

	1997	1996
	£	£
Corporation tax at 23% (1996 24.7%)	<u>12,999</u>	<u>9,207</u>

Notes to the accounts (continued)
at 31 July 1997

5	INVESTMENTS	Unlisted investment £	Group undertakings £	Total £
	Cost at 1. 8.96	200	721,659	721,859
	Cost at 31.7.97	<u>£200</u>	<u>£721,659</u>	<u>£721,859</u>

The company holds more than 10% of the equity of the following company:-

Name of Company	Country of Incorporation	Cost £	Proportion of shares held	Nature of business
Sicpa India Limited	India	721,659	22½ %	Manufacturing security inks

6	DEBTORS	1997 £	1996 £
	Trade debtors	<u>-</u>	<u>49,556</u>

7	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1997 £	1996 £
	Accruals	33,155	14,800
	Amount owing to group undertakings	495,779	824,462
	Corporation tax	12,999	2,207
		<u>£541,933</u>	<u>£841,469</u>

Notes to the accounts (continued)
at 31 July 1997

8	SHARE CAPITAL	Authorised		Allotted, called up and fully paid	
		1997 No.	1996 No.	1997 £	1996 £
	Ordinary shares of £1 each	100,000	100,000	2,000	2,000
	5% (now 4% plus tax credit) non-voting redeemable Preference shares of £1 each	300,000	300,000	175,000	175,000
		<u>400,000</u>	<u>400,000</u>	<u>£177,000</u>	<u>£177,000</u>

9	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	1997	1996
		£	£
	At 1 August 1996	163,830	135,709
	Retained profit for the year	45,248	28,121
	At 31 July 1997	<u>£209,078</u>	<u>£163,830</u>

- 10 **HOLDING COMPANY**
The company is a wholly owned subsidiary of N. Sethia (London) Limited a company incorporated in the UK. Accordingly the company is exempt from the requirement to prepare group accounts.