

INDIA TYRES LIMITED

DIRECTORS' REPORT AND

FINANCIAL STATEMENTS

for the year ended 31 March 1996

Company number SC 19260

BINDER HAMLYN



COMPANIES HOUSE 03/07/96

FINANCIAL STATEMENTS

The directors present their report and financial statements for the year ended 31 March 1996.

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 period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 DIVIDEND

The company did not trade during the year, though continues to own 18 Trademarks, which are accorded no value in these financial statements.

In view of the adverse balance on the profit and loss account, the directors are unable to recommend payment of a dividend.

DIRECTORS

The following were directors of the company during the year:

T S Shettigar
P K Davey
J M Record (resigned 30 June 1995)
P K S Chandrani (resigned 1 April 1995)

DIRECTORS' INTERESTS

The directors held no beneficial interests in the shares of the company, at any time during the year.

DIRECTORS' REPORT
for the year ended 31 March 1996

AUDITORS


In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Binder Hamlyn be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on JUNE 13, 1996



Director

Registered Office:
24 Great King Street
Edinburgh
Scotland
EH3 6QN



DIRECTOR

P. K. Dawey

AUDITORS' REPORT
to the members of India Tyres Limited

We have audited the financial statements on pages 4 and 5 which have been prepared on the basis of 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 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 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 March 1996 and have been properly prepared in accordance with the Companies Act 1985.

Binder Hamlyn

Chartered Accountants
Registered Auditors

25 May 1996

INDIA TYRES LIMITED**BALANCE SHEET**
as at 31 March 1996

	Note	1996	1995
		£	£
CURRENT ASSETS			
Investment	3	-	-

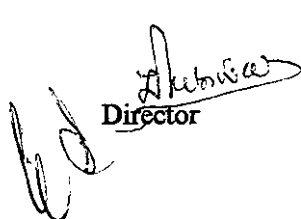
CAPITAL AND RESERVES**Called up share capital**

Authorised, allotted and fully paid 855,000 ordinary shares of £1 each	855,000	855,000
Profit and loss account (adverse balance)	(855,000)	(855,000)
Equity shareholders' funds	-	-

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There were no recognised gains or losses during the year.

The financial statements on pages 4 and 5 were approved by the Board on JUNE 13, 1996


Director


DIRECTOR
P.K. Davey

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES**Accounting convention**

The financial statements have been prepared under the historical cost convention.

Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards.

2 INTANGIBLE FIXED ASSETS

Throughout the year the company owned 18 trademarks, registered in various countries, which are not accorded any value in these financial statements.

3 INVESTMENT	1996	1995
	£	£
Shares in group company at cost	30,400	30,400
Less: Provision	(30,400)	(30,400)
	-	-

The company owns the entire issued share capital of Davies Tyre Company Limited, incorporated in Scotland.

Under S229 of the Companies Act 1985 the Company is exempt from preparing consolidated accounts as the subsidiary has no assets or liabilities at 31 March 1996 and is not material in the context of these financial statements.

4 PROFIT AND LOSS ACCOUNT

There were no transactions during the year and accordingly, no profit and loss account is presented.

5 ULTIMATE PARENT COMPANY

The directors regard Jumbo International Holdings Limited, incorporated in Bermuda, as the ultimate parent company.