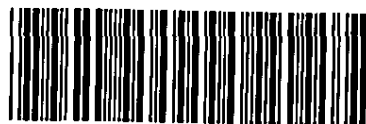


Goldshield Limited
Financial statements
For the year ended 31 March 2007

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COMPANIES HOUSE

Company No. 3561477

Officers and professional advisers

Company registration number	3561477
Registered office	NLA Tower 12-16 Addiscombe Road Croydon Surrey CR0 0XT
Directors	A R Patel K V Patel A M Patel R V Patel
Secretary	S Venkateswaran
Bankers	The Royal Bank of Scotland plc 280 Bishopsgate London EC2M 4RB
Solicitors	Jones Day 10 Old Bailey London EC4M 7NG
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors Grant Thornton House Melton Street Euston Square London NW1 2EP

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 March 2007

Principal activities

The principal activity of the company during the year was the marketing, manufacture and distribution of healthcare products

Results and dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements

The directors have not recommended a dividend

Business review and future developments

Turnover for the year was £7,128,583 (2006 £8,335,560) The shortfall in sales in this area is a direct result of the increased competition from generics and pressure on margins over the last few years. As a result, the Company has been pursuing a more branded approach in these businesses. There are already some encouraging results which should yield a more positive outlook.

Recruitment of new customers at an acceptable cost continues to present the greatest challenge to the Company. A key strategy will be to build an extensive customer database with detailed profiles across all regions. We plan to adopt an extensive personalised marketing approach focusing on customer relationships. This will enable the increase of customer lifetime values and the number of annual transactions being made across a wider portfolio of products. Strategies will be put in place that focus on customer retention and loyalty.

Financial risk management objectives and policies

The company uses financial instruments, comprising cash, trade debtors and trade creditors, which arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

Short term debtors and creditors

Short term debtors and creditors have been excluded from the following disclosures except those relating to currency risk. The company's trade and other receivables are actively monitored to avoid significant concentration of credit risk.

Interest rate risk

The company finances its operations through a mixture of retained profits and bank facilities. Bank borrowings are made using variable interest rates.

Liquidity risk

The company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Short term flexibility is achieved through overdraft facilities and short/medium term borrowings.

Currency risk

The company is exposed to transaction foreign exchange risk. Transaction exposures are hedged when known, mainly using the forward exchange hedge market.

Directors

The directors who served the company during the year were as follows

A R Patel
K V Patel
A M Patel
R V Patel

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 at the end of the year and of the profit or loss for the year then ended. 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
- state whether applicable accounting standards have been followed, 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the directors are aware

- there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

Grant Thornton UK LLP offer themselves for reappointment as auditor in accordance with section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD



R V Patel
Director

21 August 2007

Report of the independent auditor to the members of Goldshield Limited

We have audited the financial statements of Goldshield Limited for the year ended 31 March 2007 which comprise the principal accounting policies, profit and loss account, balance sheet and notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor's

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

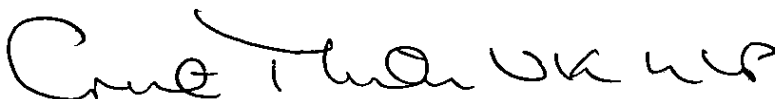
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements



GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
LONDON

21 August 2007

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

The accounts have been prepared on a going concern basis which assumes adequate financial support will be made available by the company's parent undertaking, Goldshield Group plc, for a period of not less than 12 months from the date of signing these financial statements. The directors have received confirmation of this support.

Should the company require and not receive this support and therefore be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide for any further liabilities, which might arise, and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

The directors have reviewed the principal accounting policies and consider they remain the most appropriate for the company. The principal accounting policies of the company have remained unchanged from the prior year and are set out below.

Consolidation

The financial statements have been prepared for Goldshield Limited as an individual undertaking only and not for the Group of which it is a parent. The company is exempt from producing consolidated accounts under Sec 228 of the Companies Act 1985 as it is self a wholly owned subsidiary undertaking and consolidated accounts for the larger group are drawn up to the same date.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) 'Cash Flow Statements' from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Plant & Equipment	- 15%
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Investments

Investments are included at cost. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Principal accounting policies

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Profit and loss account

	Note	2007 £	2006 £
Turnover	1	7,128,583	8,335,560
Cost of sales		(2,191,778)	(2,200,229)
Gross profit		4,936,805	6,135,331
Other operating charges	2	(7,279,405)	(6,730,235)
Other operating income	3	96,741	158,249
Operating loss	4	(2,245,859)	(436,655)
Interest receivable	6	-	41
Loss on ordinary activities before taxation		(2,245,859)	(436,614)
Tax on loss on ordinary activities	7	346,296	91,346
Retained loss for the financial year		(1,899,563)	(345,268)
Balance brought forward		(1,349,807)	(1,004,539)
Balance carried forward		<u>(3,249,370)</u>	<u>(1,349,807)</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2007 £	2006 £
Fixed Assets			
Tangible assets	8	10,275	-
Investments	9	247	-
		<u>10,522</u>	<u>-</u>
Current assets			
Stocks	10	2,013,032	1,534,905
Debtors	11	1,006,911	2,836,547
Cash at bank		1,070,254	1,113,787
		<u>4,090,197</u>	<u>5,485,239</u>
Creditors: amounts falling due within one year	13	7,349,989	6,834,946
Net current liabilities		<u>(3,259,792)</u>	<u>(1,349,707)</u>
Total assets less current liabilities		<u>(3,249,270)</u>	<u>(1,349,707)</u>
Capital and reserves			
Called-up equity share capital	14	100	100
Profit and loss account		<u>(3,249,370)</u>	<u>(1,349,807)</u>
Shareholders' deficit	15	<u>(3,249,270)</u>	<u>(1,349,707)</u>

These financial statements were approved by the directors on 21 August 2007 and are signed on their behalf by



R V Patel
Director

Notes to the financial statements

1 Turnover

The turnover and loss before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	2007 £	2006 £
United Kingdom	6,036,946	6,857,353
Western Europe	1,091,637	1,478,207
	<u>7,128,583</u>	<u>8,335,560</u>

2 Other operating charges

	2007 £	2006 £
Distribution costs	141,389	321,875
Administrative expenses	7,138,016	6,408,360
	<u>7,279,405</u>	<u>6,730,235</u>

3 Other operating income

	2007 £	2006 £
Other operating income	<u>96,741</u>	<u>158,249</u>

4 Operating loss

Operating loss is stated after charging/(crediting)

	2007 £	2006 £
Depreciation	541	-
Auditor's remuneration		
Audit fees	15,000	15,000
Operating lease costs	-	17,310
Net (gain)/ loss on foreign currency translation	<u>(1,564)</u>	<u>11,070</u>

Auditor's remuneration for other services is disclosed in note 3 of the Consolidated IFRS financial statements for Goldshield Group plc

Fees paid to Company's auditor, Grant Thornton UK LLP, and its associates for services other than statutory audit of the Company are not disclosed in Goldshield Limited accounts since the consolidated accounts of Goldshield Group plc are required to disclose non-audit fees on a consolidated basis

5 Directors and employees

All directors and employees of Goldshield Limited have been employed by Goldshield Management Services Limited. A proportion of the total salaries expense is recharged to Goldshield Limited based upon employee usage for the period.

Notes to the financial statements

6 Interest receivable

	2007 £	2006 £
Interest receivable	<u>-</u>	<u>41</u>

7 Taxation on ordinary activities

(a) Analysis of charge in the year

	2007 £	2006 £
Current tax		
UK Corporation tax based on the results for the year at 30%	(341,957)	(91,436)
Over provision in prior year	<u>(4,339)</u>	<u>-</u>
Total current tax	<u>(346,296)</u>	<u>(91,436)</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2006 30%)

	2007 £	2006 £
Loss on ordinary activities before taxation	<u>(2,245,859)</u>	<u>(436,614)</u>
Loss on ordinary activities by rate of tax	(673,758)	(130,984)
Adjustment to tax charge in respect of previous periods	<u>(4,339)</u>	<u>-</u>
Expenses not deductible for tax purposes	331,801	39,638
Total current tax (note 7(a))	<u>(346,296)</u>	<u>(91,346)</u>

8 Tangible fixed assets

	Plant & Equipment £
Cost	
At 1 April 2006	-
Additions	10,816
At 31 March 2007	<u>10,816</u>
Depreciation	
At 1 April 2006	-
Charge	541
At 31 March 2007	<u>541</u>
Net book value	
At 31 March 2007	<u>10,275</u>
At 31 March 2006	<u>-</u>

Notes to the financial statements

9 Investments

	2007 £	2006 £
Investments in Group undertakings at cost	<u>247</u>	<u>-</u>
Cost and net book value		
At 1 April 2006	-	-
Additions	<u>247</u>	
At 31 March 2007	<u>247</u>	

Investments represent a 2% holding in the equity of Complete Wellbeing Private Limited and 0.0004% in Goldshield Real Estate Private Limited, being companies incorporated in India

10 Stocks

	2007 £	2006 £
Finished goods	<u>2,013,032</u>	<u>1,534,905</u>

11 Debtors

	2007 £	2006 £
Trade debtors	503,078	158,449
Amounts owed by group undertakings	248,915	2,654,431
Tax recoverable	239,974	23,667
Deferred taxation (note 12)	14,944	-
	<u>1,006,911</u>	<u>2,836,547</u>

12 Deferred taxation

	2007 £	2006 £
The movement in the deferred taxation account during the year was		
Balance brought forward	-	-
Other movement	<u>(14,944)</u>	<u>-</u>
Balance carried forward	<u>(14,944)</u>	<u>-</u>

The balance of deferred taxation consists of the tax effect of timing differences in respect of

	2007 £	2006 £
Other timing differences	<u>(14,944)</u>	<u>-</u>

Notes to the financial statements

13 Creditors: amounts falling due within one year

	2007 £	2006 £
Trade creditors	786,454	900,143
Amounts owed to group undertakings	5,845,661	5,240,434
Other taxation and social security	44,317	87,110
Other creditors	-	1,314
Accruals and deferred income	673,557	605,945
	<u>7,349,989</u>	<u>6,834,946</u>

14 Share capital

Authorised share capital

	2007 £	2006 £
100,000,000 Ordinary shares of £1 each	<u>100,000,000</u>	<u>100,000,000</u>

Allotted and called up

	2007 No	£	2006 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

15 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Loss for the financial year	(1,899,563)	(345,268)
Opening shareholders' equity deficit	<u>(1,349,707)</u>	<u>(1,004,439)</u>
Closing shareholders' equity deficit	<u>(3,249,270)</u>	<u>(1,349,707)</u>

16 Ultimate parent company

The directors' consider that the ultimate parent undertaking and related controlling party of this company is Goldshield Group plc, which is registered in England and Wales, by virtue of its 100% shareholding in the company

The largest group of undertakings for which group accounts have been drawn up is that headed by Goldshield Group plc. A copy of these accounts can be obtained at the NLA Tower, 12-16 Addiscombe Road, Croydon, CR0 0XT

As a wholly owned subsidiary of Goldshield Group plc, the company is exempt from the requirements of Financial Reporting Standard No 8 'Related Party Disclosures' to disclose transactions with other members of the group headed by Goldshield Group plc