Be-Tabs Investments Proprietary Limited
(Registration number 1993/003349/07)
Financial statements
for the 15 months ended 31 March 2014

Be-Tabs Investments Proprietary Limited
(Registration number 1993/003349/07)
Financial Statements for the 15 months ended 31 March 2014

General Information

Country of incorporation and domicile	South Africa
Directors	A Madan D Brothers
Registered office	121 Boshoff Street New Muckleneuk Pretoria 0181
Business address	14 Lautre Road Stormill Ext 1 Roodepoort 1742
Postal address	PO Box 43486 Industria 2042
Holding company	Be-Tabs Pharmaceuticals Proprietary Limited incorporated in Republic of South Africa
Ultimate holding company	Daiichi Sankyo Limited incorporated in Japan
Auditors	PricewaterhouseCoopers Inc
Secretary	Grant Thornton
Company registration number	1993/003349/07
Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The financial statements were independently compiled under the supervision of: PI Heslinga CA (SA)
Published	____________________

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The reports and statements set out below comprise the financial statements presented to the shareholder:

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial 15 months and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the period to 31 March 2015 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 6 to 7.

The external auditors were given unrestricted access to all financial records and related data, including minutes of the board of directors. The directors believe that all representations made to the independent auditors during their audit are valid and appropriate.

The financial statements and additional schedules set out on pages 8 to 22, and the directors report for pages 4 to 5, which have been prepared on the going concern basis, were approved by the directors on 05 May 2014 and were signed on its behalf by:

A Madan	**D Brothers**

Directors' Report

The directors submit their report for the 15 months ended 31 March 2014.

1. Review of activities

Main business and operations

The company is engaged in holding investment property for the purpose of earning rental income and operates principally in South Africa.

The operating results and state of affairs of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

Net profit of the company was R 1,072,736 INR 6,435,129 (2012: R 20,555 loss INR 133,735 loss), after taxation of R 417,175 INR 2,502,549 (2012: R – INR -).

Registered office	121 Boshoff Street New Muckleneuk Pretoria
Business address	14 Lautre Road Stormill Ext 1 Roodepoort
Postal address	PO Box 43486 Industria 2042

2. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial 15 months, which might have a material impact on the reported results.

4. Authorised and issued share capital

There were no changes in the authorised or issued share capital of the company during the 15 months under review.

5. Dividends

No dividends were declared or paid to the shareholder during the 15 months.

6. Directors

The directors of the company during the 15 months and to the date of this report are as follows:

Name	**Nationality**
A Madan	Indian
D Brothers	South African

7. Secretary

The secretary of the company is Grant Thornton of:

Business address 121 Boshoff Street
New Muckleneuk
Pretoria
0181

8. Holding company

The company's holding company is Be-Tabs Pharmaceuticals Proprietary Limited incorporated in Republic of South Africa

9. Ultimate holding company

The company's ultimate holding company is Daiichi Sankyo Limited incorporated in Japan.

10. Auditors

PricewaterhouseCoopers Inc, will continue in office in accordance with section 90 of the Companies Act of South Africa.

11. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa.

12. Change in financial year end

The company changed its financial year end from December to March during the current year, resulting is a 15 months reporting period.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BE-TABS INVESTMENTS PROPRIETARY LIMITED

We have audited the financial statements of Be-Tabs Investments Proprietary Limited set out on pages 8 to 22, which comprise the statement of financial position as at 31 March 2014, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Be-Tabs Investments Proprietary Limited as at 31 March 2014, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 31 March 2014, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between the report and the audited financial statements. This report is the responsibility of the respective preparers. Based on reading this report we have not identified material inconsistencies between this report and the audited financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.

Director: Leon de Wet
Registered Auditor
Sunninghills
05 May 2014

Opinion

L de Wet
Partner

L de Wet
Additional description
Additional description

05 May 2014

32 Ida Street
Menlo Park
0081

Be-Tabs Investments Proprietary Limited
(Registration number 1993/003349/07)
Financial Statements for the 15 months ended 31 March 2014

Statement of Financial Position as at 31 March 2014

	Notes	31 March 2014 R	31 December 2012 R
Assets			
Non-Current Assets			
Loans to group companies	6	3,500,712	2,146,978
		3,500,712	**2,146,978**
Current Assets			
Trade and other receivables	7	266,263	264,470
Cash and cash equivalents	8	287,514	153,130
		553,777	**417,600**
Total Assets		**4,054,489**	**2,564,578**
Equity and Liabilities			
Equity			
Share capital	9	200	200
Retained income		3,568,414	2,495,678
		3,568,614	**2,495,878**
Liabilities			
Current Liabilities			
Current tax payable		417,175	-
Trade and other payables	10	68,700	68,700
		485,875	**68,700**
Total Equity and Liabilities		**4,054,489**	**2,564,578**

The notes on pages 12 - 22 form an integral part of the financial statements.

Be-Tabs Investments Proprietary Limited
(Registration number 1993/003349/07)
Financial Statements for the 15 months ended 31 March 2014

Statement of Financial Position as at 31 March 2014

	Notes	15 Months ended 31 March 2014 INR	15 Months ended 31 December 2012 INR
Assets			
Non-Current Assets			
Loans to group companies	6	19,711,216	13,860,413
		19,711,216	13,860,413
Current Assets			
Trade and other receivables	7	1,499,229	1,707,360
Cash and cash equivalents	8	1,618,885	988,573
		3,118, 114	2,695,933
Total Assets		22,829,330	16,556,346
Equity and Liabilities			
Equity			
Share capital	9	1,300	1,300
Retained income		23,142,439	16,217,094
FCTR on translation		-3,050,191	-105,559
		20,093,547	**16,112,834**
Liabilities			
Current Liabilities			
Current tax payable		2,348,958	
Trade and other payables	10	386,824	443,512
		2,735,783	**443,512**
Total Equity and Liabilities		22,829,330	16,556,346

The notes on pages 12 - 22 form an integral part of the financial statements.

Statement of Profit and Loss and Other Comprehensive Income

	Notes	15 months ended 31 March 2014 R	12 months ended 31 December 2012 R
Other income		1,491,041	-
Operating expenses	11	(2,822)	(19,197)
Operating profit (loss)		**1,488,219**	**(19,197)**
Investment revenue	12	1,692	65
Finance costs	13	-	(1,423)
Profit (loss) before taxation		**1,489,911**	**(20,555)**
Income tax expense	14	(417,175)	-
Profit (loss) for the period		**1,072,736**	**(20,555)**
Other comprehensive income		-	-
Total comprehensive income (loss) for the period		**1,072,736**	**(20,555)**

The notes on pages 12 - 22 form an integral part of the financial statements.

Statement of Profit and Loss and Other Comprehensive Income

	Notes	15 Months ended 31 March 2014 INR	15 Months ended 31 December 2012 INR
Other income		813951501	0
Operating expenses	11	(151890)	(1231932)
Operating profit (loss)		8,379,611	(123,932)
Investment revenue	12	91527	420
Finance costs	13	0	(9118
Profit (loss) before taxation		8,389,139	(132,699)
Income tax expense	14	(213481958)	0
Profit (loss) for the period		6,040,180	(132,699)
Other comprehensive income		0	0
Total comprehen ve income (loss) for the period		6,925,345	(132,699)

The notes on pages 12 - 22 form an integral part of the financial statements.

Statement of Changes in Equity

	Share capital R	Retained income R	Total equity R
Balance at 01 January 2012	**200**	**2,516,233**	**2,516,433**
Loss for the period	-	(20,555)	(20,555)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	**-**	**(20,555)**	**(20,555)**
Balance at 01 January 2013	**200**	**2,495,678**	**2,495,878**
Profit for the period	-	1,072,736	1,072,736
Other comprehensive income	-	-	-
Total comprehensive income for the period	**-**	**1,072,736**	**1,072,736**
Balance at 31 March 2014	**200**	**3,568,414**	**3,568,614**
Note	9		

The notes on pages 12 - 22 form an integral part of the financial statements.

Statement of Changes in Equity

	Share capital INR	Retained income INR	Total equity INR
Balance at 01 January 2012	1,300	16,349,792	16,351,092
Loss for the period		(132,699)	(132,699)
Other comprehensive income		0	0
Total comprehensive loss for the period		(132,699)	(132,699)
FCTR		(105,559)	
Balance at 01 January 2013	1,300	16,111,535	16,112,834
Profit for the period		6,925,345	6,925,345
Other comprehensive income		0	0
Total comprehensive income for the period		6,925,345	6,925,345
FCTR		(2,944,632)	
Balance at 31 March 2014	1,300	20,092,248	20,093,547
Note	9		

The notes on pages 12 - 22 form an integral part of the financial statements.

Statement of Cash Flows

	Notes	15 months ended 31 March 2014 R	12 months ended 31 December 2012 R
Cash flows from operating activities			
Cash generated from operations	15	1,486,426	16,834
Interest income		1,692	65
Finance costs		-	(1,423)
Net cash flows from operating activities		**1,488,118**	**15,476**
Cash flows from investing activities			
Loans advanced to group companies		(1,353,734)	(716,599)
Net cash flows from investing activities		**(1,353,734)**	**(716,599)**
Cash flows from financing activities			
Total cash movement for the period		**134,384**	**(701,123)**
Cash at the beginning of the period		153,130	854,253
Total cash at end of the period	8	**287,514**	**153,130**

Statement of Cash Flows

	1S Months ended 31 March 2014 INR	15 Months ended 31December 2012 INR
Cash flows from operating activities		
Cash generated from operations	8,369,516	108,677
Interest income	9,527	420
F1nance costs	0	(9,187)
Net cash flows from operating activities	8,379,043	99,910
Cash flows from investing activities		
Loans advanced to group companies	(7,622,376)	(4,626,204)
Net cash flows from investing activities	(7,622,376)	(4,626,204)
Cash flows from financing activities		
Total cash movement for the period	756,667	(4,526,294)
Cash at the beginning of the period	988,573	5,514,868
Forex mo>vement on opening Balance	(126,355)	
Total cash at end of the period	1,618,885	988,573

The notes on pages 12 - 22 form an integral part of the financial statements.

Accounting Policies

1. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards, and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

1.2 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:

- Loans and receivables
- Financial liabilities measured at amortised cost

Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

Impairment losses are recognised in profit or loss.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in profit or loss except for equity investments classified as available-for-sale.

1.2 Financial instruments (continued)

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Loans to (from) group companies

These include loans to and from holding companies and fellow subsidiaries and are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand.

1.3 Income tax

Current income tax assets and liabilities

Current income tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current income tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Income tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

Accounting Policies

1.4 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as equity.

1.5 Revenue

Interest is recognised, in profit or loss, using the effective interest rate method.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current 15 months

In the current 15 months, the company has adopted the following standards and interpretations that are effective for the current financial 15 months and that are relevant to its operations:

IAS 1 Presentation of Financial Statements

The amendment now requires items of other comprehensive income to be presented as:

- Those which will be reclassified to profit or loss
- Those which will not be reclassified to profit or loss.

The related tax disclosures are also required to follow the presentation allocation.

In addition, the amendment changed the name of the statement of comprehensive income to the statement of profit or loss and other comprehensive income.

The effective date of the amendment is for years beginning on or after 01 July 2012.

The company has adopted the amendment for the first time in the 2014 financial statements.

The impact of the amendment is not material.

IAS 1 – Annual Improvements for 2009 – 2011 cycle

Clarification is provided on the requirements for comparative information. Specifically, if a retrospective restatement is made, a retrospective change in accounting policy or a reclassification, the statement of financial position at the beginning of the previous period is only required if the impact on the beginning of the previous period is material. Related notes are not required, other than disclosure of specified information.

The effective date of the amendment is for years beginning on or after 01 January 2013.

The company has adopted the amendment for the first time in the 2014 financial statements.

The impact of the amendment is not material.

IAS 16 – Annual Improvements for 2009 – 2011 cycle

Spare parts, stand by equipment and servicing equipment should only be classified as property, plant and equipment if they meet the definition.

The effective date of the amendment is for years beginning on or after 01 January 2013.

The company has adopted the amendment for the first time in the 2014 financial statements.

The impact of the amendment is not material.

2. New Standards and Interpretations (continued)

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 January 2014 or later periods:

IFRS 9 Financial Instruments

This new standard is the first phase of a three phase project to replace IAS 39 Financial Instruments: Recognition and Measurement. To date, the standard includes chapters for classification, measurement and derecognition of financial assets and liabilities. The following are main changes from IAS 39:

- Financial assets will be categorised as those subsequently measured at fair value or at amortised cost.
- Financial assets at amortised cost are those financial assets where the business model for managing the assets is to hold the assets to collect contractual cash flows (where the contractual cash flows represent payments of principal and interest only). All other financial assets are to be subsequently measured at fair value.
- Under certain circumstances, financial assets may be designated as at fair value.
- For hybrid contracts, where the host contract is an asset within the scope of IFRS 9, then the whole instrument is classified in accordance with IFRS 9, without separation of the embedded derivative. In other circumstances, the provisions of IAS 39 still apply.
- Voluntary reclassification of financial assets is prohibited. Financial assets shall be reclassified if the entity changes its business model for the management of financial assets. In such circumstances, reclassification takes place prospectively from the beginning of the first reporting period after the date of change of the business model.
- Financial liabilities shall not be reclassified.
- Investments in equity instruments may be measured at fair value through other comprehensive income. When such an election is made, it may not subsequently be revoked, and gains or losses accumulated in equity are not recycled to profit or loss on derecognition of the investment. The election may be made per individual investment.
- IFRS 9 does not allow for investments in equity instruments to be measured at cost.
- The classification categories for financial liabilities remains unchanged. However, where a financial liability is designated as at fair value through profit or loss, the change in fair value attributable to changes in the liabilities credit risk shall be presented in other comprehensive income. This excludes situations where such presentation will create or enlarge an accounting mismatch, in which case, the full fair value adjustment shall be recognised in profit or loss.

In December 2011, the effective date of IFRS 9 was delayed. The original effective date for annual periods beginning on/after 1 January 2013 has been delayed to annual periods beginning on/after 1 January 2015. The amendment also modifies the relief from restating prior periods, in that if IFRS 9 is adopted for reporting periods: beginning before 1 January 2012, comparatives need to be restated nor does the additional disclosure requirements of IFRS 7 need to be provided; beginning on/after 1 January 2012 and before 1 January 2013, either the additional disclosure required by IFRS 7 must be provided or the prior periods need to be restated; beginning on/after 1 January 2013, the IFRS 7 additional disclosure is required but the entity need not restate prior periods.

The effective date of the standard is for years beginning on or after 01 January 2015.

The company expects to adopt the standard for the first time in the 2016 financial statements.

It is unlikely that the standard will have a material impact on the company's financial statements.

2. New Standards and Interpretations (continued)

Amendments to IAS 36, Impairment of assets

These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less cost of disposal

The effective date of the amendment is for years beginning on or after 01 January 2014.

The company expects to adopt the amendment for the first time in the 2015 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

Amendment to IAS 19 regarding defined benefit plan

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

The effective date of the amendment is for years beginning on or after 01 July 2014.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

Amendment to IFRS 13, Fair value measurement

When IFRS 13 was published, paragraphs B5.4.12 of IFRS 9 and AG79 of IAS 39 were deleted as consequential amendments. This led to a concern that entities no longer had the ability to measure short-term receivables and payables at invoice amounts where the impact of not discounting is immaterial. The IASB has amended the basis for conclusions of IFRS 13 to clarify that it did not intend to remove the ability to measure short-term receivables and payables at invoice amounts in such cases.

The effective date of the amendment is for years beginning on or after 01 July 2014.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

IAS 16, Property, plant and equipment, and IAS 38, Intangible assets

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model. The carrying amount of the asset is restated to the revalued amount.

The split between gross carrying amount and accumulated depreciation is treated in one of the following ways:

either the gross carrying amount is restated in a manner consistent with the revaluation of the carrying amount, and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses; or

the accumulated depreciation is eliminated against the gross

The effective date of the amendment is for years beginning on or after 01 July 2014.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

2. New Standards and Interpretations (continued)

IAS 24, Related party disclosures

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity ('the management entity').

The effective date of the amendment is for years beginning on or after 01 July 2014.

The company expects to adopt the amendment for the first time in the 2016 financial statements.

It is unlikely that the amendment will have a material impact on the company's financial statements.

3. Risk management

Liquidity risk

Cash flow forecasting is performed in the operating entities of the company in and aggregated by company finance. Company finance monitors rolling forecasts of the company's liquidity requirements to ensure it has sufficient cash to meet operational needs.

The table below analyses the company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 March 2014		**Less than 1 year**
Trade and other payables		68,700
	INR	386,824

At 31 December 2012		**Less than 1 year**
Trade and other payables		68,700
	INR	443,512

Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

	15 Months ended 31 March 2014	15 Months ended 31 December 2012	15 Months ended 31 March 2014	15 Months ended 31 December 2012
	R	R	INR	INR

3. Risk management (continued)

Financial assets exposed to credit risk at 15 months end were as follows:

	2014	2012	2014	2012
	R	R	INR	INR
Financial instrument				
Loan to holding company	3,500,712	2,146,978	19,711,216	13,860,413
Trade and other receivables	59,216	59,216	333,423	382,285
Cash and cash equivalents	287,514	153,130	1,618,885	988,573

4. Financial assets by category

The accounting policies for financial instruments have been applied to the line items below:

2014	Loans and receivables	Total	Loans and receivables	Total
	R	R	INR	INR
Loans to group companies	3,500,712	3,500,712	19,711,216	19,711,216
Trade and other receivables	59,216	59,216	333,423	333,423
Cash and cash equivalents	287,514	287,514	1,618,885	1,618,885
	3,847,442	**3,847,442**	**21,663,525**	**21,663,525**

2012	Loans and receivables	Total	Loans and receivables	Total
	R	R	INR	INR
Loans to group companies	2,146,978	2,146,978	13,860,413	13,860,413
Trade and other receivables	59,216	59,216	382,285	382,285
Cash and cash equivalents	153,130	153,130	988,573	988,573
	2,359,324	**2,359,324**	**15,231,272**	**15,231,272**

5. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2014	Financial liabilities at amortised cost	Total	Financial liabilities at amortised cost	Total
	R	R	INR	INR
Trade and other payables	68,700	68,700	386,824	386,824

2012	Financial liabilities at amortised cost	Total		
	R	R	INR	INR
Trade and other payables	68,700	68,700	443,512	443,512

6. Loans to (from) group companies Holding company

	R	R	INR	INR
Be-Tabs Pharmaceuticals Proprietary Limited	3,500,712	2,146,978	3,500,712	2,146,978

The loan is unsecured and interest free.
The loan is not expected to be repaid within 12 months.

7. Trade and other receivables

	R	R	INR	INR
Deposits	59,216	59,216	333,423	382,285
VAT	207,047	205,254	1,165,805	1,325,074

	266,263	**264,470**	**1,499,229**	**1,707,360**

8. Cash and cash equivalents

For the purpose of the statement of cash flows, cash includes total cash assets:

	R	**R**	**INR**	**INR**
Bank balances	287,514	153,130	1,618,885	988,573

9 **Share capital**

Authorised

	R	R
1000 Ordinary shares of R1 each	1,000	1,000
	INR	INR
	5,631	5,631

Issued	**R**	**R**
200 Ordinary shares of R1 each	200	200
	INR	INR
	1,126	1,291

10. Trade and other payables

	R	**R**	**INR**	**INR**
Trade payables	68,700	68,700	386,824	443,512

11. Expenses by nature

	R	**R**	**INR**	**INR**
Fines and penalties	-	17,129	-	111,590
Legal expenses	1,520	1,163	9,118	7,577
Bank charges	1,302	905	7,810	5,896
Total cost of sales, distribution costs and administrative expenses	**2,822**	**19,197**	**16,929**	**125,062**

12. Investment revenue

	R	**R**	**INR**	**INR**
Finance income				
Bank	1,692	65	10,150	423
13. Finance costs				
Interest paid	-	1,423	-	9,270

14. Income tax expense
Major components of the income tax expense Current

	R	**R**	**INR**	**INR**
Local income tax - current period	417,175	-	2,502,549	-

Reconciliation of the income tax expense

Reconciliation between accounting profit and income tax expense.

	R	**R**	**INR**	**INR**
Accounting profit	1,489,911	-20,555	8,937,678	-133,909
Tax at the applicable tax rate of 28%	417,175	-5,755	2,502,549	-37,492
Tax effect of adjustments on taxable income				
Non-deductible expenses	-	5,755	-	37,492
	417,175	-	**2,502,549**	-

15. Cash generated from operations

	R	**R**	**INR**	**INR**
Profit before taxation	1,489,911	-20,555	8,389,139	-132,699
Adjustments for:				
Interest received	-1,692	-65	-9,527	-420
Finance costs	-	1,423	-	9,187
Changes in working capital:				
Trade and other receivables	-1,793	36,031	-10,096	232,608
	1,486,426	**16,834**	**8,369,516**	**108,677**

16. Related parties
Relationships

Ultimate holding company	Daiichi Sankyo Limited
Holding company	Be-Tabs Pharmaceuticals Proprietary Limited

Related party balances

	R	R	INR	INR
Loan accounts - Owing by related parties				

Be-Tabs Pharmaceuticals Proprietary Limited	3,500,712	2,146,978	19,711,216	13,860,413

	15 months ended 31 March 2014 R	12 months ended 31 December 2012 R

17. Directors' emoluments

No emoluments were paid to the directors or any individuals holding a prescribed office during the 15 months.

18. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

19. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the financial year, which might have a material impact on the reported results

Note : Conversion rate used against Indian Rupees for the year 2014/2013 and 2012 are:
i) Items relating to Profit and Loss account at Average rate: 1 ZAR= 0.1667 [2012: 1 ZAR =0.1535]
ii) Items relating to Balance sheet at Closing rate: 1 Euro = 0.1776 [2012: 1 ZAR=0.1549]