FERVENT

PHARMA SYNERGIES LIMITED

2nd
Annual Report
2010 - 2011

FERVENT PHARMA SYNERGIES LIMITED

SECOND ANNUAL REPORT 2010 – 2011

CHAIRMAN AND MANAGING DIRECTOR	MR. VIJAY P. THAKKAR
EXECUTIVE DIRECTORS	MR. SANJAY P. THAKKAR MR. ASHOK P. GOHIL
INDEPENDENT DIRECTORS	MR. NITIN B. PARIKH MR. RAJESH M. MAHESHWARI MR. JAGDISH C. MEHTA
AUDITORS	M/S. NITIN POTA & ASSOCIATES CHARTERED ACCOUNTANTS
BANKERS	AXIS BANK LIMITED ICICI BANK LIMITED IDBI BANK LIMITED ORIENTAL BANK OF COMMERCE
REGISTERED OFFICE	B/7-8, SATYAM SHOPPING CENTRE. M G ROAD, GHATKOPAR (EAST), MUMBAI-400077 Tel. 25017801 / 02 / 03 E-mail: fpsl2009@in.com
REGISTRAR & SHARE TRANSFER AGENTS	SHAREX DYNAMIC (INDIA) PRIVATE LTD. UNIT -I, LUTHRA INDUSTRIAL PREMISES, ANDHERI KURLA ROAD, SAFED POOL, ANDHERI (EAST), MUMBAI-400072 Tel. 28515606 / 5644 Fax. 28512885 E-mail: sharexindia@vsnl.com

NOTICE

Notice is hereby given that the Second Annual General Meeting of the Shareholders of **FERVENT PHARMA SYNERGIES LIMITED** will be held on Thursday 22nd September, 2011 at Shree Sai Leela, A1/1 Rajawadi Hsg.Socty. Opp. Rajawadi Hospital, Ghatkopar (East) Mumbai-400077 at 11.30 a. m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Report of the Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. Sanjay Thakkar who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint Auditors to hold Office from the conclusion of this meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

4. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

   "RESOLVED THAT Mr. Nitin B. Parikh, who was appointed as an Additional Director of the Company on 1st July, 2011 under Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

5. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

   "RESOLVED THAT Mr. Rajesh M. Maheshwari, who was appointed as an Additional Director of the Company on 22nd July, 2011 under Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

6. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

   "RESOLVED THAT Mr. JAGDISH C. MEHTA, who was appointed as an Additional Director of the Company on 23rd August, 2011 under Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

7. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT as recommended by Remuneration Committee and pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, including Schedule XIII to the said Act as amended up-to-date, consent and approval be and is hereby accorded to the appointment of and the remuneration being paid or provided to Mr. Vijay Thakkar as Managing Director of the Company for a period of three years with effect from 1st May, 2011 at a remuneration not exceeding Rs.1,50,000/- per month including perquisites and on the terms and conditions set out in draft Letter of appointment a copy whereof initialed by Mr. Ashok Gohil, Executive Director of the Company, for the purpose of identification has been placed before this Meeting, which draft Letter of appointment is hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration in the said draft Letter of appointment to the extent the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Vijay Thakkar shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed thereunder and the terms of the aforesaid Letter between the Company and Mr. Vijay Thakkar shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Vijay Thakkar's office as Managing Director, the remuneration set out in the aforesaid draft Letter of appointment be paid or granted to Mr. Vijay Thakkar as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Section II A of Part II of Schedule XIII to the said Act or such other amount as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof".

8. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT as recommended by Remuneration Committee and pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, including Schedule XIII to the said Act as amended up-to-date, consent and approval be and is hereby accorded to the appointment of and the remuneration being paid or provided to Mr. Sanjay Thakkar as Executive Director of the Company for a period of three years with effect from 1st May, 2011 at a remuneration not exceeding Rs.1,50,000/- per month including perquisites and on the terms and conditions set out in draft Letter of appointment a copy whereof initialed by Mr. Ashok Gohil, Executive Director of the Company, for the purpose of identification has been placed before this Meeting, which draft Letter of appointment is hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration in the said draft Letter of appointment to the extent the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Sanjay Thakkar shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed thereunder and the terms of the aforesaid Letter between the Company and Mr. Sanjay Thakkar shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the

Company during the term of Mr. Sanjay Thakkar's office as Executive Director, the remuneration set out in the aforesaid draft Letter of appointment be paid or granted to Mr. Sanjay Thakkar as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Section II A of Part II of Schedule XIII to the said Act or such other amount as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof".

9. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT as recommended by Remuneration Committee and pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, including Schedule XIII to the said Act as amended up-to-date, consent and approval be and is hereby accorded to the appointment of and the remuneration being paid or provided to Mr. Ashok Gohil as Executive Director of the Company for a period of three years with effect from 1st May, 2011 at a remuneration not exceeding Rs. 1,50,000/- per month including perquisites and on the terms and conditions set out in draft Letter of appointment a copy whereof initialed by Mr. Vijay Thakkar, Managing Director of the Company, for the purpose of identification has been placed before this Meeting, which draft Letter of appointment is hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration in the said draft Letter of appointment to the extent the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Ashok Gohil shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed thereunder and the terms of the aforesaid Letter between the Company and Mr. Ashok Gohil shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Ashok Gohil's office as Executive Director, the remuneration set out in the aforesaid draft Letter of appointment be paid or granted to Mr. Ashok Gohil as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Section II A of Part II of Schedule XIII to the said Act or such other amount as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof".

10. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT Company do hereby accord its consent under Section 293(1)(a) of the Companies Act, 1956, to mortgaging and/or charging by the Board of Directors of the Company of all or any of the immovable and movable properties of the Company, wherever situated, both present and future or the whole or substantially the whole of the undertaking or undertakings of the Company in such form and such manner as the Board of Directors may think fit, together with power to take over the management of the business and concern of the Company in certain events for securing any loans and/or advances already obtained or that may be obtained from any financial institutions/Banks/insurance Companies or person or persons, and/or to secure any debentures. issued and/or that may be issued and all interests, compound/ additional interest, commitment charge, costs, charges, expenses and all other moneys payable by the Company to the concerned lenders in respect of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 for amount up to Rs. 100 Crores."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do such acts, things, matters as may be necessary to give effect to this resolution."

11. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act 1956, the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs.100,00,00,000/- (Rs. 100 Crores) [including the money already borrowed by the Company] in Indian Rupees or equivalent thereof in any foreign currency(ies) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether domestic or international, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties including stock in trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do such acts, things, matters as may be necessary to give effect to this resolution."

Registered Office:
B/7-8, Satyam Shopping Centre,
M G Road, Ghatkopar (E)
Mumbai – 400077

By order of the Board of Directors,
For Fervent Pharma Synergies Limited

Place : Mumbai
Date : August 23, 2011

Vijay Thakkar
Chairman & Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 for item No. 4 to 11 is attached and forms part of this notice.

4. The Register of Members and Share Transfer Register of the Company will remain closed from Thursday, 15th September, 2011 to Thursday, 22nd September, 2011 (both days inclusive).

5. The members are requested to:

a) Intimate changes, if any, in their Registered address to the Registrar and Transfer Agents of the Company M/s. Sharex Dynamic (India) Private Limited having their office situated at Unit -I, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai 400 072.

b) Quote ledger folio numbers in all their correspondence.

c) Bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.

d) Write atleast 10 days prior to the date of Meeting, any information which they desire on the accounts, to enable the management to keep the information ready.

EXPLANATORY STATEMENT
(Pursuant to Section 173(2) of the Companies Act, 1956)

That following explanatory statement sets out the material facts referring to Item No. 4 to 11 of the Notice.

ITEM NO. 4 TO 6
Mr. Nitin B. Parikh, Mr. Rajesh M. Maheshwari and Mr. Jagdish C. Mehta were appointed as Additional Directors of the Company w. e. f. 1st July, 2011, 22nd July, 2011 and 23rd August, 2011 respectively pursuant to Section 260 of the Companies Act, 1956. As per their terms of appointment, their term as Director expires at the forthcoming Annual General Meeting. The Company in turn has received notice from members along with a deposit of Rs. 500/- in cash for each Director pursuant to Section 257 of the Companies Act, 1956 signifying their intention to appoint Mr. Nitin B. Parikh, Mr. Rajesh M. Maheshwari and Mr. Jagdish C. Mehta as Directors of the Company liable to retire by rotation. The Directors recommend the appointments in the best interests of the Company.

None of the Directors of the Company except Mr. Nitin B. Parikh, Mr. Rajesh M. Maheshwari and Mr. Jagdish C. Mehta may be considered to be interested in the passing of this resolution.

ITEM NO. 7 TO 9
Mr. Vijay Thakkar, Mr. Sanjay Thakkar and Mr. Ashok Gohil are the promoter Directors and were appointed with effect from 6th July, 2009 i. e. from the date of Incorporation. All the three Directors are having very rich experience in the Chemical and Pharmaceuticals and are acquainted with the thorough knowledge of the business. Also as the Members are aware, the Company has completed the process of Amalgamation of Midas Pharmasec Limited and Yew Investments Private Limited with Company and the requisite orders of Bombay High Court were obtained by the Company. Due to this, the Company requires full time Personnel to take the operations further. In view of this the Remuneration Committee recommended and the Board of Directors at its Meeting held on 2nd May, 2011 has decided to appoint Mr. Vijay Thakkar as Managing Director and Mr. Sanjay Thakkar and Mr. Ashok Gohil as Executive Directors for a period of 3 years w. e. f. 1st May, 2011.

The detailed terms and conditions regarding remuneration to be paid to them are given below which is as per Section 198, 269, 309 read with Schedule XIII of the Companies Act, 1956.

1) Details of Salary to be paid is as follows :

NAME OF THE DIRCTOR	DESIGNATION	MONTHLY REMUNERATION NOT EXCEEDING AMOUNT (RS.)
VIJAY THAKKAR	MANAGING DIRECTOR	1,50,000/-
SANJAY THAKKAR	EXECUTIVE DIRECTOR	1,50,000/-
ASHOK GOHIL	EXECUTIVE DIRECTOR	1,50,000/-

2) Leave:
As per the Rules and regulations of the Company.

Where in any financial year, during the tenure of Managing Director and Executive Directors, the Company has no profit or its profits are inadequate, the Company will pay remuneration not exceeding the limits specified under Section II of Part II of Schedule XII to the Companies Act, 1956.

3) Other Conditions:

i. For all other terms and conditions not specifically spelt out above, the Rules and Order of the Company shall apply.

ii. The Managing Director and Executive Directors, hold office as such, subject to the provisions of Section 283(1) of the Companies Act, 1956.

The Explanatory Statement together with the accompanying Notice should be treated as an abstract of the terms of the Agreement of concern or interest under Section 302 of the Companies Act, 1956.

The Resolutions at item no. 7 to 9 are recommended for approval of the Members.

These appointment have been made under Schedule XIII in part II in Section II (1) (A) (i) of the Companies Act, 1956.

The Board recommends the resolutions in the best interest of the company.

All the Directors of the Company, except Mr. Nitin Parikh, Mr. Rajesh M. Maheshwari and Mr. Jagdish C. Mehta, are concerned or interested in the resolutions.

ITEM NO. 10

The Company proposes a resolution authorizing the Board to borrow funds. In order to borrow funds from Banks, Institutions etc, the Board needs authorization to mortgage/hypothecate the assets of the Company as security/ collateral security. Hence the consent of the Shareholders in the General Meeting is required under Section 293(1)(a) of the Companies Act, 1956 authorizing the Board of Directors with necessary powers.

The Board recommends the ordinary resolution at item No. 10 of the Notice in the best interest of the company.

None of the Directors are interested or concerned in any way in the resolution.

ITEM NO. 11

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting, borrow monies in excess of the aggregate of the paid up capital of the Company and its free reserves.

The Increasing Business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid up capital of the Company and its free reserves, so it is proposed to authorize the Board of Directors for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs.100,00,00,000/- (Rs. 100 Crores).

The Board recommends the ordinary resolution at item No. 11 in the best interest of the company.

None of the Directors are interested or concerned in any way in the resolution.

Registered Office:
B/7-8, Satyam Shopping Centre,
M G Road, Ghatkopar (E)
Mumbai – 400077

By order of the Board of Directors,
For Fervent Pharma Synergies Limited

Place : Mumbai
Date : August 23, 2011

Vijay Thakkar
Chairman & Managing Director

DIRECTORS' REPORT

To
The Members,

The Board of Directors is pleased to present herewith the Second Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS

(Figure in Rs.)

	YEAR ENDED 31/03/2011	PERIOD ENDED 31/03/2010
Profit / (Loss) before Depreciation	16,11,999	5,62,755
Depreciation	1,09,899	Nil
Preliminary Expenses w/off	5,03,486	91,994
Profit / (Loss) before tax	9,98,614	4,70,761
Provision for taxation / (MAT credit)	(2,37,904)	1,48,823
Balance Profit / (Loss) transferred to Reserves	12,36,518	3,21,938

DIVIDEND

In view of Company's expansion plans and to support the fund requirements of the Company to stimulate growth, your Board of Directors are not recommending any dividend for the current year.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 217 (2AA) of the Companies Act, 1956, subject to disclosures in the annual accounts, as also on the basis of discussions with the Statutory Auditor of the Company from time to time, we state:

i) That in the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations provided relating to material departures, if any;

ii) That the Directors have followed appropriate accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to 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 year under review;

iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) That the Directors have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, your Directors wish to state that the same is not applicable to the Company. Also there are no foreign exchange earnings or outgo.

FIXED DEPOSITS

The Company has not accepted any deposits from public.

DIRECTORS

Mr. Sanjay Thakkar who retires by rotation and is, being eligible offers himself for re-appointment.
Mr. Nitin Parikh, Mr. Rajesh Maheshwari and Mr. Jagdish C. Mehta were appointed as Additional Directors of the Company w.e.f. 1st July, 2011, 22nd July, 2011 and 23rd August, 2011 respectively pursuant to Section 260 of the Companies Act, 1956. Their terms as Director expire at the forthcoming Annual General Meeting. The Company in turn has received notice from members proposing the candidatures of Mr. Nitin Parikh, Mr. Rajesh Maheshwari and Mr. Jagdish C. Mehta as Directors under Section 257 of the Companies Act, 1956 along with the requisite fees. The Board recommends their appointments.

A brief resume of Mr. Nitin Parikh, Mr. Rajesh Maheshwari and Mr. Jagdish C. Mehta, nature of experience and the names of the Companies in which they hold directorship and membership/chairmanship of the Board/ Committees, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange is provided in the Report on Corporate Governance forming part of the Annual Report.

AMALGAMATION

Pursuant to the Scheme of Amalgamation ('the scheme') as sanctioned by the Honourable High Court of Bombay vide its order dated on 6th May 2011, Midas Pharmasec Ltd. (MPL) and Yew Investment Pvt. Ltd. (Yew) have been merged with the Company. The Company has made an application for listing of its equity shares on the Bombay Stock Exchange Limited. The Company's paid up Capital post amalgamation stands at Rs. 25 Crores.

PARTICULARS OF EMPLOYEES

Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended are not given as no Employee of the company is in receipt of remuneration of Rs. 60,00,000/- per annum or Rs. 5,00,000/- per month.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, the Corporate Governance Report is made a part of the Annual Report.

LISTING

The Company has made an application for listing of its equity shares on the Bombay Stock Exchange Limited. Listing Fees for the year 2011-12 has already been paid.

AUDITORS

M/s. Nitin Pota & Associates, Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made would be within the prescribed limits specified under Section 224(1B) of the Companies Act, 1956.

ACKNOWLEDGMENT

The Board wishes to place on records its appreciation to all its Shareholders, Customers, Bankers, Stock Exchange Authorities and Employees for the co-operation and contributions made by them at all levels.

Registered Office:
B/7-8, Satyam Shopping Centre,
M G Road, Ghatkopar (E)
Mumbai – 400077

By order of the Board of Directors,
For Fervent Pharma Synergies Limited

Place : Mumbai
Date : August 23, 2011

Vijay Thakkar
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS REPORT

This report forms a part of the Directors' Report.

ECONOMIC BACKGROUND

Gross Domestic Product (GDP) at factor cost at constant prices, as per Advance Estimates, was 8.6% in 2010-2011 representing an increase from the revised growth of 8.0% during 2009-2010, according to the Advance Estimate (AE) of Central Statistics Office (CSO). While growth appears to have been maintained, there are dark clouds which could subdue the outlook with high inflation, high interest rates, lower government expenditure and subdued investment activity. The area of concern is also the unabated rise in the global crude oil prices. While it will not only stoke further inflationary pressures it would also raise the subsidy burden of the government, and reduce the government's ability to invest in growth.

The Reserve Bank of India has been responding to the changing dynamics with its monetary policy and has estimated that the baseline projection of real GDP growth is around 8% based on the assumption of a normal monsoon and crude oil prices averaging $110 a barrel over the full year 2011-2012.

At comparative level, India continues to do much better as an economy and hence remains one of the most attractive investment destinations across the globe. Indeed, the UNCTAD World Investment Report (WIR) 2010, in its analysis of the global trends and sustained growth of Foreign Direct Investment (FDI) inflows, has reported India to be the second most attractive location for FDI for 2010-2012. This is an improvement over the projection made in World Investment Prospects Survey 2009-2011, which ranked India third in the list.

INDUSTRY PERSPECTIVE

Indian pharmaceutical industry can be characterized as a high technology industry with wide ranging capabilities in the complex field of drug manufacture and technology and over the past three decades, has transformed into a world leader in the production of high quality drugs.

India's pharmaceutical industry is now the 3rd largest in the world in terms of volume and ranks 14th in terms of value. A highly organized sector, the Indian pharmaceutical Industry is estimated to be worth USD 4.5 billion, growing at about 8 to 9% annually. India produces approximately 60,000 generic brands and 500 different active pharmaceutical ingredients (APIs) across 60 therapeutic segments.

By 2015, Indian pharmaceutical market is expected to establish itself among the world's leading 10 markets.

The Industry has also been characterised by

- > A need for product patent recognition, which served as an entry impediment for large global players.
- > Domination by local companies which have shown twice as much growth as that of their global counter parts in the country.
- > High price sensitivity with the government playing a role of moderator.
- > Fragmented market place, which has moved towards consolidation especially in light of the new patent act.
- > A nascent health Insurance sector where an overwhelming majority of people cannot afford insurance.
- > Shift in the growth of therapy areas.

While acute illness still dominate, the growth rate of chronic category, cardiovascular, CNS and diabetes segments have demonstrated the fastest growth.

COMPANY PERSPECTIVE

FPSL will strive on constant review of its product-market portfolio with a view to strengthen sustainable growth. In the coming years, FPSL will work towards strengthening its competitive status by investing in long-term value

assets.
Likewise, research will become an area of focus. Similarly, manufacturing facilities will be set-up to cater to the regulated market needs.

To ensure superior control of operations, the Company will institute a top quality managerial and executive information system, for achieving the desired results and consequently, the Company will be able to better monitor its operations and costs.

OPPORTUNITIES

Low per capita expenditure on pharmaceuticals - India has one of the lowest per capita health care expenditures in the world which is likely to correct over the coming years.

Privatisation of Insurance - Presently, very low percent of the population are medically insured even as a recent study indicates that 75 percent are potential insurable. Insurance companies have estimated that household healthcare spending will rise fast in the coming years, translating into attractive growth for India's pharmaceuticals industry.

Rising Income Levels - Rising income and an increase in the geriatrics population, sustained by advance in hygiene and medicine, are driving a shift in market away from vitamins, anti - infectives and gastrointestinal treatment towards products that treat cardiovascular problem, central nervous systems disorders, diabetes and other complex ailments. In the coming years, cardiovascular and central nervous systems treatment will account for a higher share of remedies provided. This is expected to result in a faster growth for niche companies.

Rural Opportunity - Presently, a major chunk of the Indian pharmaceutical off –take transpires in urban centres. The four metros namely Delhi, Kolkata and Chennai account for about a fourth of the entire IPM. Within rural India, the market is concentrated in areas where the level of infrastructure development is relatively high. According to a report, nearly one half of the population in India does not have access to healthcare facilities. In rural areas, this percentage is higher. As penetration levels improve, a broader growth for India's pharmaceuticals industries is expected.

THREATS

The recognition of product patents will reduce process reverse engineering opportunities. Indian companies that have not prepared for this realty will face intense competition and perhaps even de-grow over the coming years. The challenges are greater from Indian manufacturers who have similar production facilities. It is also common to find managers with similar talents and experiences in the industry. Indian manufacturers have made an impact on the global stage and have worked hard to get shelf space.

OUTLOOK

FPSL's short term and long term outlook appears encouraging for the following:

> An integrated approach will focus in R&D, bulk actives and formulation along with an increasing coverage of regulated markets.
> A strong focus to establish each element in its integrated chain as revenue generators.
> Commitment to expand to new global markets with customised strategies.
> A variety of investments ranging from setting and upgrading manufacturing capabilities, understanding regulatory requirements, alliances and building IPR assets, like new drugs and delivery systems for the future.

REGULATORY COMPLIANCE SYSTEMS

Since pharmaceutical products affect human lives directly, the corresponding raw material quality is stringently regulated by the health authorities of the various countries. These authorities govern each aspect of bringing a drug to the market. Moreover, these regulatory agencies keep raising their quality benchmarks in response to consumer concerns. In view of this, a manufacturer seeking to serve these countries requires to invest in, closely track and comply with this evolving regulatory environment. Any delay in compliance could potentially lead to a staggered market entry and lost business opportunities.

FPSL will build a dedicated Regulatory Affairs team engaged in tracking and building protocols to comply with the stringent regulatory requirements across geographies. It will also extend its ability into a confidence-building documentation system, which will prove the quality of the Company's products as safe for consumption and customized to the precise requirements of these geographies.

INTERNAL CONTROL AND SYSTEMS

FPSL has adequate controls covering a comprehensive definition of individual roles and responsibilities, an effective feedback flow to facilitate effective monitoring and a responsible internal audit process.

HUMAN RESOURCES

The company currently does not have large man power resources. But it has a team of able and experienced management, and employment generation and hiring process in place. The work culture and value system in the company is designed to provide each employee the adequate space, freedom and guidance to bring out their full potential and provide personal growth opportunities within the organization.

Statements in the Management's Discussion and Analysis Report describing the Company's Objective, projections and estimates are forward looking statements and progressive within the meaning of applicable Security Laws and Regulations. Actual results may vary from those expressed.

CORPORATE GOVERNANCE REPORT

In compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchange, a report on Corporate Governance is set out below:

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance strives for attaining the optimum level of transparency and accountability in all facets of its operations and all dealings which is shareholders, employees, lenders, creditors, customers and the government. The Board of Directors, by considering itself as trustee of its Shareholders, aims at maximizing shareholders value and protecting the interest of all stakeholders.

II. BOARD OF DIRECTORS;

The Board of Directors comprises six members consisting of three Independent – Non Executive Directors. The composition is as under:

Name	Category	Attendence at the last AGM	No. of directorships in other companies	No. of committee(s), in other companies, in positions held as Chairman	Member
Vijay Thakkar	Promoter – Executive	Yes	-	-	-
Sanjay Thakkar	Promoter – Executive	Yes	-	-	-
Ashok Gohil	Promoter – Executive	Yes	-	-	-
Nitin Parikh (appointed w.e.f. 1/7/2011)	Independent – Non Executive	N.A.	-	-	-
Rajesh Maheshwari (appointed w.e.f. 22/7/2011)	Independent – Non Executive	N.A.	-	-	-
Jagdish Mehta (appointed w.e.f. 23/8/2011)	Independent – Non Executive	N.A.	-	-	-

Note: Other directorships are exclusive of Indian private limited companies and foreign companies.

The Board met 5 times during the year from April, 2010 to March, 2011, i.e. 8th April, 2010, 15th April, 2010, 5th August, 2010, 27th December, 2010 and. 22nd March, 2011. All the Executive Directors of the Company have attended all the Board Meetings and General Meetings.

Details of Directors proposed for re-appointment is as under:

Mr. Sanjay Thakkar is 46 years old and is a resident of India. He is an Executive Director of our Company. He is also a promoter of our Company & brother of Mr. Vijay Thakkar. He has more than two decades of experience in the pharmaceuticals market. His organizational skills combined with his managerial abilities will surely help the administration of the company. He does not hold directorships in any other listed companies nor any membership of the Committees of the Board of other listed companies.

Mr. Nitin Parikh is 50 years old and is a resident of India. He has has over 20 years of experience in the industry. His wide ranging experience will strengthen inputs for the company's management. He does not hold directorships in any other listed companies nor any membership of the Committees of the Board of other listed companies.

Mr. Rajesh Maheshwari is 50 years old and is a resident of India. His commercial skills will prove to be an added advantage to the company. He does not hold directorships in any other listed companies nor any membership of the Committees of the Board of other listed companies.

Mr. Jagdish C. Mehta is 59 years old and is a resident of India. He has a wide range of experience in business, which will help the company's management. He does not hold directorships in any other listed companies nor any membership of the Committees of the Board of other listed companies.

III. AUDIT COMMITTEE

The Audit Committee was constituted by the Board at its meeting held on 23rd August, 2011. Member Directors of the Audit Committee are Jagdish Mehta, Nitin Parikh & Rajesh Maheshwari. All the members of the Audit Committee are Non-executive Directors.

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Clause 49 of Listing Agreement as well as in Section 292A of the Companies Act, 1956.

IV. REMUNERATION COMMITTEE

The Company has constituted a separate committee to determine the terms of reference and remuneration package for its managerial personnel. It was constituted by the Board at its meeting held on 23rd August, 2011. Member Directors of the Remuneration Committee are Nitin Parikh, Jagdish Mehta & Rajesh Maheshwari. All the members of the Remuneration Committee are Non-executive Directors.

The Remuneration Committee recommends and the Board of Directors determines the remuneration to the Managing Director and Executive Directors within the framework as approved by the Shareholders and also decides on the sitting fees to be paid to the Non-Executive Directors for attending the Board Meetings.

The remuneration is being paid to the Managing Director and Executive Directors w.e.f. 1st May, 2011 only and hence during the year ended 31st March, 2011, no Sitting Fees or Remuneration is paid to any Directors.

V. SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

The Committee was constituted by the Board at its meeting held on 23rd August, 2011. Member Directors of the Audit Committee are Rajesh Maheshwari, Jagdish Mehta, & Nitin Parikh. The main function of the Committee is to review and redress various shareholders/investors' complaints and express its satisfaction with the Company's performance in dealing with investors' grievances and its share transfer system. It also gives effect to transfers, transmissions, split, consolidation, etc.

VI. DISCLOSURES

There are no materially significant transactions made by the Company's with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

VII. MEANS OF COMMUNICATIONS

The company's quarterly results in the format prescribed by the Stock Exchanges will be approved and will be taken on record by Board within the prescribed time frame and will be send immediately to the Stock Exchange on which the company's shares are listed.

VIII. GENERAL SHAREHOLDER INFORMATION

General Body Meetings

Date time and venue for the last Annual General Meetings is given below;

FINANCIAL YEAR	DATE	TIME	LOCATION
31-03-2010	17-08-2010	11.00 a. m.	B/7-8, SATYAM SHOPPING CENTRE, M G ROAD,

GHATKOPAR (EAST), MUMBAI-400077

Financial Year
1st April, to 31st March.

Book Closure
15th September, 2011 to 22nd September, 2011

Dividend
No dividend was declared for last financial period.

Listing of Shares
The Company's shares will be listed at Bombay Stock Exchange. Listing fees for the same have been paid to the stock exchange.

Stock code
Bombay Stock Exchange
Physical Script Code No. - BSE will issue on listing.
Demat Script Code No. - iSIN: INE258M01011

Registrar & Transfer Agents
Share Transfers in physical and demat form is handled by the Company's Share Transfer Agents M/s. Sharex Dynamic (India) Private Limited having their office situated at Unit -I, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai-400072
Tel. No. 28515606 / 5644 Fax No. 28512885 Email ID : sharexindia@vsnl.com

Share Transfer System
All the transfers are received, processed and approved by the Registrar and Share Transfer Agents and sent back to transferee.

Shareholding Pattern
The following table gives the pattern of shareholding as on 31st March, 2011.

Pattern of shareholding by ownership as on 31st March, 2011 Category	No. of Shares Held	% of Share holding
A. Promoter's Holding		
1 Promoters		
-Indian Promoters	1331000	26.62
-Foreign Promoters	0	0.00
2 Person Acting In Concert	3668000	73.36
Sub – Total	4999000	99.98
B. Non – Promoter's Holding		
3 Institutional Investors		
a Mutual Funds & UTI	0	0.00
b Banks, Fis, Insurance Cos., (Central/ State Govt. Inst., Non-Govt. Inst.)	0	0.00
c FIIS	0	0.00
Sub – Total	0	0.00
4 Others		
a Private Corporate Bodies	0	0.00
b Indian Public	1000	0.02
c NRIs/OCBsFIIS	0	0.00
d Any other (please specify) (Clearing Member)	0	0.00
Sub – Total	1000	0.02

Grand – Total	5000000	100.00

Dematerialization of shares and liquidity
100 % of shareholding was physical.

The above is the position of the company pre-amalgamation, with total issued capital of Rs.5 crore only.

MANAGEMENT CERTIFICATE ON CLAUSE 49 (1D) OF THE LISTING AGREEMENT / DECLARATION

The Company has framed a specific code of conduct for the members of the Board of Directors and the Senior Management personnel of the Company pursuant to Clause 49 of the Listing Agreement with the Stock Exchange.

This is to declare that the company has received affirmations of compliance with the applicable Code of Conduct from the Directors and Senior Management personnel of the company in respect of the financial year 2010-11.

For Fervent Pharma Synergies Limited

Place : Mumbai
Date : August 23, 2011

Vijay Thakkar
Chairman & Managing Director

AUDITORS' REPORT ON CORPORATE GOVERNANCE

TO THE MEMBERS OF FERVENT PHARMA SYNERGIES LIMITED

We have examined the compliance of conditions of corporate governance by Fervent Pharma Synergies Limited for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement) issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and according to the information explanation given to us, we certify that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

For Nitin Pota & Associates
Firm Regn No.107153W
Chartered Accountants

Nitin Pota
Proprietor
M.No.42215

Place: Mumbai
Date: August 23, 2011

AUDITORS' REPORT TO THE MEMBERS OF FERVENT PHARMA SYNERGIES LIMITED

We have audited the annexed Balance Sheet of FERVENT PHARMA SYNERGIES LIMITED as at 31st March, 2011 and Profit & Loss account and Cash Flow statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principle used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

2. Further to our comment in the Annexure referred to in paragraph (1) above, we state that :
   a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our Audit;
   b) In our opinion proper books of Accounts as required by law have been kept by the company so far as appears from our examination of such Books;
   c) The Balance Sheet, Profit & Loss Account and Cash Flow statement referred to in this report are in Agreement with the books of Accounts;
   d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow statement comply with the requirements of the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956;
   e) In our opinion and based on information and explanations given to us, none of the Directors are disqualified on 31st March, 2011 from being appointed as Directors in terms of Clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
   f) In our opinion and to the best of our information and according to the explanation given to us the said Accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:
   (i) In the case of Baiance Sheet, of the state of affairs of the Company as at 31st March, 2011;
   (ii) In the case of Profit & Loss Account, of the Profit for the year ended on that date; and
   (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Nitin Pota & Associates
Firm Regn No.107153W
Chartered Accountants

Nitin Pota
Proprietor
M.No.42215

Place: Mumbai
Date: July 22, 2011

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 3 – Pt.1 of our report of even date)

On the basis of such checks as we considered appropriate and in terms of the information and explanation given to us, in our opinion:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   Verification of Fixed Assets is being conducted in a phased programme by the Management designed to cover all assets over a period of three years, which in our opinion is reasonable having regard to be size of the Company and the nature of assets.

   None of the Fixed Asset has been revalued during the year. In our opinion and according to the information and Explanations given to us, the Company has not made any substantial disposal of fixed assets during the year and going concern status of the Company is not affected.

2. As explained to us, inventories are physically verified by the management during the year at reasonable intervals.

   Procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

   The Company has maintained proper records of inventories and no discrepancies were noticed on physical verification.

3. According to the information & explanation given to us, the Company has granted loans, secured or unsecured, to companies, firms and other parties covered under section 301 of the Companies Act, 1956 as under:

   (i) The Company has granted loans to two parties during the year. At the year-end, the outstanding balances of such loans aggregated Rs.315 lacs and the maximum amount involved during the year was Rs.1675 lacs.
   (ii) In our opinion, the rate of interest and other terms and conditions of such loans, are prima facie not prejudicial to the interest of the Company.
   (iii) The loans given were not due for repayment at year end. In respect of payment of interest, these parties have been generally regular in payment.
   (iv) The loans given were not due for repayment, therefore the question of overdue principal amount does not arise. There was no overdue interest at the year end.

   The Company has not taken any loans, secured or unsecured from Companies, firms or other parties listed in the register Under Section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, the Company has adequate internal control procedures commensurate with the size and nature of business of the Company.

5. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956:

   The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.

   In our opinion and according to the information and explanation given to us, there are no transactions of purchases and sale of goods made in pursuance of agreement entered in register to be maintained under section - 301 of the Companies Act, 1956 in excess of Rs.5 Lakhs or more in respect of each party.

6. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.

7. In our opinion, the Company has an adequate internal audit system, which is a part of the company's internal control procedures, and is commensurate with the size and nature of its business.

8. We are informed that the Central Government has not prescribed the maintenance of cost records u/s.209 (1) (d) of the Companies Act, 1956.

9. According to the information and explanation given to us and the records of the Company examined by us, in respect of statutory and other dues:

   The Company is generally regular in depositing undisputed statutory dues like, applicable income tax and MVAT, CST, Investor Education and Protection Fund, Wealth Tax, Service Tax, Custom Duty, Excise Duty and any other material statutory dues applicable to it.

   There were no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees state insurance, income tax, MVAT, wealth tax, custom duty, exciseduty, cess and other material statutory dues outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.

10. The Company does not have accumulated losses at the end of financial year. It has not incurred any cash losses during the financial year covered by the audit and in the immediately preceding financial year.

11. The Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

12. The Company has not granted any loans and advances on the basis of security by way of pledge of Shares & Debentures.

13. The provision of any Special Statute applicable to Chit Fund/Nidhi or Mutual Benefit Fund/Societies is not applicable.

14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities or debentures. The Company has maintained proper records of transactions and contracts in respect of shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.

15. According to the information and explanation given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.

16. The Company has not obtained any term loan during the year.

17. As no term loans are obtained, there is no question of application of the funds either for short term or long term purposes.

18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintain under Section 301 of the Companies Act, 1956 during the year.

19. The Company has not issued any Debentures and hence the question of creation of any securities does not arise.

20. The Company has not raised any money by way of Public issues during the year, and hence the question of disclosure and verification of end use of such money does not arise.

21. On the basis of our examination and according to the information and explanation given to us, no fraud, on or by the Company, was noticed or reported during the year.

For Nitin Pota & Associates
Firm Regn No.107153W
Chartered Accountants

Nitin Pota
Proprietor
M.No.42215

Place: Mumbai
Date: July 22, 2011

Baiance Sheet as at 31st March, 2011

(Amt. in Rs.)

PARTICULARS	SCHEDULE	31.03.2011	31.03.2010
SOURCES OF FUNDS			
1) Share Holders' Funds			
a) Share Capital	A	50,000,000	50,000,000
Share Capital Suspense A/c	A1	200,000,000	-
b) Reserves & Surplus	B	8,638,840	321,938
TOTAL		**258,638,840**	**50,321,938**
APPLICATION OF FUNDS			
1) Fixed Assets	C	5,196,386	-
2) Investments	D	44,108,653	-
3) Current Assets, Loans and Advances			
a) Cash & Bank Balance	E	38,176,924	49,957,271
b) Other Current Assets	F	1,485,646	148,823
c) Loans & Advances	G	168,504,968	-
		208,167,538	50,106,094
Less:Current Liabilities & Provisions	H	785,992	152,132
Net Current Assets		207,381,546	49,953,962
MISCELLANEOUS EXPENDITURE			
a) Preliminary Expenses (To the extent not written/ off.)	J	1,952,255	367,976
TOTAL		**258,638,840**	**50,321,938**
Notes to Accounts	K		

As per report of even date
For Nitin Pota & Associates
Firm Regn No.107153W
Chartered Accountants

For FERVENT PHARMA SYNERGIES LTD.

Nitin Pota
(Proprietor)
M.No.42215

Vijay P. Thakkar
(Managing Director)

Sanjay P. Thakkar
(Director)

Place : Mumbai
Date : July 22, 2011

Profit & Loss Account For The Year Ended 31st March, 2011

(Amt. in Rs.)

PARTICULARS	SCHEDULE	31.03.2011	31.03.2010
INCOME			
Interest Income		13,320,441	789,699
Dividend Income		1,545,063	-
Long Term Capital Gain / (Loss)		(9,385,097)	-
Net Total Income		5,480,406	789,699
EXPENDITURE			
Administrative Expenses	I	3,868,407	226,944
Depreciation		109,899	-
Preliminary Expenses written off	J	503,486	91,994
Net Profit/(Loss) Before Tax		998,614	470,761
Less : Provision for Income Tax		185,143	148,823
Add : MAT Credit Entitlement		504,968	-
Less : Provision for Deferred Tax		81,921	-
Net Profit/(Loss) transferred to P & L A/c		1,236,518	321,938
Notes to Accounts	K		
Basic & Diluted Earning per Equity Share of Rs.10 each - Rs.		0.05	0.06

As per report of even date
For Nitin Pota & Associates
Firm Regn No.107153W
Chartered Accountants

For FERVENT PHARMA SYNERGIES LTD.

Nitin Pota
(Proprietor)
M.No.42215

Vijay P. Thakkar
(Managing Director)

Sanjay P. Thakkar
(Director)

Place : Mumbai
Date : July 22, 2011

SCHEDULES TO ACCOUNTS

(Amt. in Rs.)

PARTICULARS	SCHEDULE	31.03.2011	31.03.2010
SHARE CAPITAL	**A**		
AUTHORISED SHARE CAPITAL			
3,00,00,000 (Pr. Yr. 50,00,000) Equity Shares of Rs.10/- Each		300,000,000	50,000,000
ISSUED, SUBSCRIBED & PAID-UP CAPITAL			
50,00,000 (Pr. Yr. 50,00,000) Equity Shares of Rs.10/- Each "		50,000,000	50,000,000
		50,000,000	50,000,000
SHARE CAPITAL SUSPENSE A/C	**A1**		
Pending Allotment, Equity Shares to be issued		200,000,000	-
pursuant to scheme of amalgamation. [since allotted & issued on 04.07.2011, please refer note no. B (1) of schedule K]		200,000,000	-
RESERVES & SURPLUS	**B**		
- Profit & Loss Account			
Opening Balance as on 01.04.2010		321,938	-
Add: Reserves of Transferor Cos. On merger		7,080,384	-
Add: Profit during the year		1,236,518	321,938
		8,638,840	321,938
FIXED ASSETS	**C**		
Office Premises		5,350,250	-
Less: Provision for Depreciation		392,171	-
		4,958,079	-
Computers		55,200	-
Less: Provision for Depreciation		55,200	-
		-	-
Furniture & Fixtures		324,843	-
Less: Provision for Depreciation		86,536	-
		238,307	-
Net Fixed Assets		5,196,386	-

PARTICULARS	SCHEDULE	(Amt. In Rs.) 31.03.2011	31.03.2010
INVESTMENTS	D		
Inv. In shares of Listed Companies		46,608,653	-
Margin Money		(2,500,000)	-
		44,108,653	-
CASH & BANK BALANCES	E		
Cash on Hand		1,492,567	285,855
Bank Balances		36,684,357	49,671,416
		38,176,924	49,957,271
OTHER CURRENT ASSETS	F		
I.Tax Refund Receivable A-Y 10-11		130,932	-
T.D.S.		1,350,689	78,970
Advance Tax		-	69,853
Security Deposit		4,025	-
		1,485,646	148,823
LOANS & ADVANCES	G		
Gem Corporation		45,000,000	-
KDAC Chem Pvt. Ltd.		40,000,000	-
Leeverage Finance & Sec Pvt. Ltd.		31,500,000	-
Sanghavi Furnitures Pvt Ltd		10,000,000	-
Sanjay Chemicals (I) Pvt Ltd		37,500,000	-
Tasc Chemical Industries Pvt. Ltd		4,000,000	-
MAT Credit Entitlement		504,968	-
		168,504,968	-
CURRENT LIABILITIES & PROVISIONS	H		
Provision for Auditors Fees		27,575	3,309
Provision for Tax		185,143	148,823
Provision for Deferred Tax		573,274	-
		785,992	152,132
ADMINISTRATION EXPENSES	I		
Audit Fees		27,575	3,309
Bank Charges		1,331	10
Conveyance Expenses		34,035	4,175
Stock Exchange, Depositories & RTA Charges		67,099	-
Directors Remuneration		510,000	-
Electricity Expenses		58,683	-
Entertainment Expenses		423,334	-
Fuel & Maintenance		240,443	-

PARTICULARS	SCHEDULE	(Amt. in Rs.) 31.03.2011	31.03.2010
Interest Expenses		337,841	-
Miscellaneous Expenses		63,582	9,880
Office General Expenses		180,549	11,250
Printing & Stationery		29,463	6,325
Professional Fees		449,600	12,500
Rent Paid		-	105,000
Repairs & Maintenance		102,677	-
Salary & Allowances		998,500	69,900
Staff Welfare Expenses		9,019	-
Telephone & Internet Expenses		158,301	4,595
Travelling Expenses		176,376	-
		3,868,407	226,944
MISCELLANEOUS EXPENDITURE :	J		
(To the Extent not Written Off or Adjusted)			
Opening Balance as on 01.04.2010		2,342,191	-
Add : Expenditure during the year		113,550	459,970
		2,455,741	459,970
Less: W/off In Current Year.		503,486	91,994
Closing Balance as on 31.03.2011		1,952,255	367,976

SCHEDULE 'K':

NOTES TO ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements are prepared to comply in all material aspects with ail the applicable accounting principles in India, the applicable Accounting Standards prescribed under section 211 (3C) of the Companies Act, 1956 (the Act) and the relevant provisions of the Companies Act, 1956.

1. FIXED ASSETS

Fixed Assets are stated at cost of acquisition, manufacture and subsequent improvements thereto including taxes and duties (net of credits and draw backs), freight and other incidental expenses related to acquisition and installation..

2. DEPRECIATION

Depreciation on fixed assets is provided on Straight Line Method at the rates & in the manner prescribed in Schedule XIV of the Companies Act, 1956.

3. IMPAIRMENT LOSS

An impairment loss, if any, is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the assets' net selling price and value in use.

4. **INVESTMENTS**
Current Investments i.e. investments which are expected to be liquidated within one year are treated as Current Assets and are valued at lower of cost and net realisable value. Long term investments are stated at cost.

5. **INVENTORIES**
Inventories are stated at lower of cost and estimated net realizable value.

6. **FOREIGN CURRENCY TRANSACTIONS**
Transactions in Foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the balance sheet date. Foreign currency nonmonetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions. Exchange differences, if any, arising on settlement of transactions and/or restatements are dealt with in the Profit and Loss Account.

7. **REVENUE RECOGNITION**
Income and Expenditure are recognised on accrual basis unless otherwise stated. Revenue is recognised on completion of sale of goods, rendering of services and use of the Company's resources by third parties. Sales are recorded net of trade discount, sales return, rebates and sales taxes but including excise duties and export incentives.

   Dividend income on investments is accounted for when the right to receive the payment is established.
   Interest income is recognised on a prudent basis where there is reasonable certainty as to realisation.

8. **BORROWING COST**
Borrowing Cost attributable to the acquisition and construction of qualifying assets are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expenses in the period in which these are incurred.

9. **TAXATION**
Current Tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisation.

   MAT Credit is recognized as an asset on the basis of convincing evidence that the company will pay normal tax during the specified period and is subject to review at each balance sheet date.

10. PROVISION AND CONTINGENT LIABILITIES

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

B) NOTES FORMING PART TO ACCOUNTS

1) AMALGAMATION

Pursuant to the Scheme of Amalgamation ('the scheme') as sanctioned by the Honourable High Court of Bombay vide its order dated 6th May 2011, Midas Pharmasec Ltd. (MPL) and Yew Investment Pvt. Ltd. (YEW) have been merged with the Company.

In terms of the Scheme, 2,00,00,000 Equity Shares of Rs.10 each issued and allotted on 4th Jul 2011, by the Company, without payment being received in cash. These shall rank for dividend, voting rights and in all respects pari passu with the existing Equity Shares of the Company.

As per the Scheme of Amalgamation, the 'Appointed Date' is 1st April 2010. The effective date of amalgamation is 19th May 2011. The amalgamation has been accounted under the "pooling of interests" method as prescribed by Accounting Standard 14 on "Accounting for Amalgamations". Accordingly all the assets and liabilities of MPL and YEW have been transferred and vested in the Company with effect from 1st April 2010.

The income accruing and expenses incurred by MPL and YEW during the year and the resultant profit before tax have also been incorporated in these accounts. During the period between the Appointed Date and Effective Date as MPL and YEW carried on the existing business in "trust" on behalf of the Company, all vouchers, documents, etc. for this period are in their respective names. The Title deeds for land, buildings, licenses, agreements, loan documents, investments etc. are in the process of being transferred in the name of the Company, wherever applicable.

Previous year's figures do not include the figures of erstwhile MPL and YEW, and hence are not comparable to those of the current year merged accounts.

2) Since there are no manufacturing activities, the additional information pursuant to para 3(ii)(a), 4C and 4D of part II of the Schedule VI of the Companies Act, 1956 is not applicable.

Information relating to Micro and Small Enterprises (MSEs), as applicable, is generally given in respect of MSEs to the extent they can be identified on the basis of information available with the Company and pursuant to amendment of Schedule VI to the Companies Act, 1956 (the Act) vide Notification dated 16th November, 2007 issued by the Central Government. During the year under review, there are no reporting required under this clause.

3) Investment is long term and is valued at cost. All Investments are quoted investments. The market value of these Quoted Investments as at the year end is estimated at more than Rs.262 lacs.

4) **Computation of Earning per Share**
The Earning per share is calculated by dividing the Profit after Taxation with the weighted average number of equity shares outstanding during the year. To provide a transparent view, the current year working is made considering the total number of equity shares post- amalgamation, since the profits of the current year are also merged with effect from the appointed date i.e. 1st April, 2010.

	F.Y. 2010-11	F.Y. 2009-10
A) Basic		
(i) No. of Equity Shares	2,50,00,000	50,00,000
(ii) Profit after tax attributable to Equity Shareholders	12,36,518	3,21,938
(iii) Basic Earning per share [(ii) / (i)] – Rs.	0.05	0.06
B) Diluted		
(i) Dilutive Potential Equity Shares	Nil	Nil
Diluted Earning per share [same as A (iii) above] – Rs.	0.05	0.06

5) **Auditors' Remuneration paid/payable (in Rs.)**

	F.Y. 2010-11	F.Y. 2009-10
Audit Fees	22,060	3,309
Tax Audit Fees	5,515	-

6) There is no contingent liability required to be reported.

7) Value of Trading Merchandise imported during the year - NIL

8) Value of imported stores, spares and components consumed during the year - NIL

9) Expenditure in Foreign Currency Equivalent to – NIL

10) CIF value of Imports – NIL

11) Remittances during the year in Foreign Currency on account of Dividend to Non-Resident Shareholders – NIL

12) Earnings in Foreign Exchange – NIL

13) Year-end Deferred Tax balance comprises of Timing Difference resulting in liabilities on account of Depreciation as per tax law and books.

14) The Company operates only in a single segment of Business and as such no separate segment

reporting is required.

15) RELATED PARTY DISCLOSURES

i. Names of Related Parties and description of relationship

a. Group Associate Companies
Posse Investments Private Limited
Leeverage Finance and Securities Private Limited
Blueplus Securities Private Limited
Yester Investments Private Limited
Hurricane Investments Private Limited
Fervent Securities Private Limited

b. Key Managerial Personnel
Vijay P. Thakkar, Managing Director
Sanjay P. Thakkar, Director
Ashok P. Gohil, Director

c. Relative to key managerial personnel
Urvi Vijay Thakkar (Wife of Vijay P. Thakkar, Managing Director)
Karan Vijay Thakkar (Son of Vijay P. Thakkar, Managing Director)
Bina Sanjay Thakkar (Wife of Sanjay P. Thakkar, Director)
Kunal Sanjay Thakkar (Son of Sanjay P. Thakkar, Director)
Jayshree P. Thakkar (Mother of Vijay P. Thakkar and Sanjay P. Thakkar)
Rekha Ashok Gohil (Wife of Ashok P. Gohil, Director)
Upasna Ashok Gohil (Daughter of Ashok P. Gohil, Director)

ii. Transactions with related parties

(Rupees in Lac)

Particulars	2010-11	2009-10
<u>Posse Investments Private Limited</u>		
Interest Received	46.13	7.90
Short Term Advance Given	600.00	490.00
Received Back	600.00	490.00
Balance Receivable at year end	-	-
<u>Leeverage Finance and Securities Private Limited</u>		
Interest Received	46.05	-
Short Term Advance Given	1075.00	-
Received Back	760.00	-
Balance Receivable at year end	315.00	-

16) As the Company does not carry on any manufacturing activity, information regarding Licensed / Registered Capacity, Installed Capacity is not applicable.

17) The figures have been regrouped / rearranged for better presentation wherever necessary. Previous year's figures do not include the figures of erstwhile MPL and YEW, and hence are not comparable to those of the current year merged accounts.

Signatures to Schedule 'A' to 'K'

For Nitin Pota & Associates Firm Regn No.107153W Chartered Accountants	**For Fervent Pharma Synergies Ltd.**
Nitin Pota (Proprietor) M.No.42215	**Vijay P. Thakkar** (Managing Director) **Sanjay P. Thakkar** (Director)

'lace : Mumbai
Date : July 22, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

(Amt. in Rs.)

		31.03.2011	31.03.2010
A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit / (Loss) before taxation	998,614	470,761
	Adjustment for :		
	Depreciation	109,899	-
	Provision for Tax	(267,064)	(148,823)
	Preliminary and Shares issue expenses w/off	503,486	91,994
	OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	1,344,935	413,932
	(Increase)/Decrease in Loans & Advances	(168,000,000)	-
	(Increase)/Decrease in Other Current Asset & Deposits	(1,336,823)	(148,823)
	Increase/(Decrease) in Current Liabilities & Provisions	633,860	152,132
	Cash Generated from Operations / Amalgamation	(168,702,963)	3,309
	Net Cash from Operating Activities / Amalgamation	(167,358,028)	417,241
B)	**CASH FLOW FROM INVESTMENT ACTIVITIES**		
	Net Investments (added) / reduced on amalgamation	(44,108,653)	-
	Net Cash from Investing Activities / Amalgamation	(44,108,653)	-
C)	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Equity Share Capital received	-	50,000,000
	Preliminary / Expenditure for Amalgamation	(113,550)	(459,970)
	Net Cash from Financing Activities / Amalgamation	(113,550)	49,540,030
	Net Increase/ (Decrease) in Cash (A+B+C)	(211,580,231)	49,957,271
	Cash & Bank Balances at the beginning of the year.	49,957,271	-
	Add: Adjustments consequent to Amalgamation	199,799,884	-
	Cash & Bank Balances at the end of the year.	38,176,924	49,957,271

Notes:

1) The above Cash Flow Statement has been prepared under the indirect method as set out in the AS-3 on Cash Flow Statements prescribed under the Companies Act, 1956 of India."
2) Figures for the previous year have been regrouped/rearranged wherever necessary.

As per report of even date
For Nitin Pota & Associates
Firm Regn No.107153W
Chartered Accountants

Nitin Pota
(Proprietor)
M.No.42215

For FERVENT PHARMA SYNERGIES LTD.

Vijay P. Thakkar
(Managing Director)

Sanjay P. Thakkar
(Director)

Place : Mumbai
Date : July 22, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	11-193843	State Code	11
Balance Sheet Date	31/03/2011		

II. Capital raised during the year (Rupees in thousands)

Public Issue	NIL	Rights Issues	NIL
Bonus Issue	NIL	Private Placements	NIL

III. Position of the mobilisation and Development of Funds (Rupees in thousands)

Total Liabilities	258639	Total Assets	258639

Sources of Funds

Paid up Capital	250000	Reserves & Surplus	8639
Secured Loans	NIL	Unsecured Loans	NIL

Application of Funds

Net Fixed Assets	5196	Investments	44109
Net Current Assets	207382	Miscellaneous Expenditure	1952
Accumulated Losses	NIL	Deferred Tax Asset	NIL

IV. Performance of Company (Rupees in thousands)

Turnover	5480	Total Expenditure	4481
Profit before tax	999	Profit after tax	1237
Earning per share (in Rs.)	0.05	Dividend Rate %	NIL

V. Generic name of Three principal products / Services of the company (As per monetary terms)

Item code no. (ITC code no.)	2827	Product Description	Potassium Iodide & other items

ATTENDENCE SILP

FERVENT PHARMA SYNERGIES LIMITED
Registered Office: B/7-8, Satyam Shopping Centre, M G Road, Ghatkopar (E), Mumbai - 400077

I, hereby record my attendance at the Second Annual General Meeting to be held on 22nd September, 2011 at Shree Sai Leela, A1/1, Rajawadi Hsg. Soc., Opp. Rajawadi Hospital, Ghatkopar (E), Mumbai 400077 at 11.30 am.

DP ID :		CLIENT ID :	
NAME AND ADDRESS OF SHAREHOLDER (IN BLOCK CAPITALS)			FOLIO NO.

SIGNATURE OF THE SHARE HOLDER OR PROXY ____________________

PROXY

FERVENT PHARMA SYNERGIES LIMITED
Registered Office: B/7-8, Satyam Shopping Centre, M G Road, Ghatkopar (E), Mumbai - 400077

DP ID :		CLIENT ID :	

I/We ....of...
....Being a Member/Members of
FERVENT PHARMA SYNERGIES LIMITED hereby appoint ....of.. (or failing him) ....of..
as my/our Proxy to attend and vote for me/us and on my/our behalf at the 22nd September, 2011 at Shree Sai Leela, A1/1, Rajawadi Hsg. Soc., Opp. Rajawadi Hospital, Ghatkopar (E), Mumbai 400077 at 11.30 a. m and at any adjournment thereof.

AS WITNESS my hand/our hands this ________ day of ____________ 2011.

SIGNATURE OF THE SHAREHOLDER OR PROXY ____________________

Signed by the said

Affix Re.1
Revenue
Stamp

NOTE: The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting. The Proxy need not be a member of the Company.

Folio No. ______________

Name of the Shareholder(s) : ________________________________

FERVENT PHARMA SYNERGIES LIMITED
B/7-8, Satyam Shopping Centre,
M. G. Road, Ghatkopar (E),
Mumbai - 400 077.