



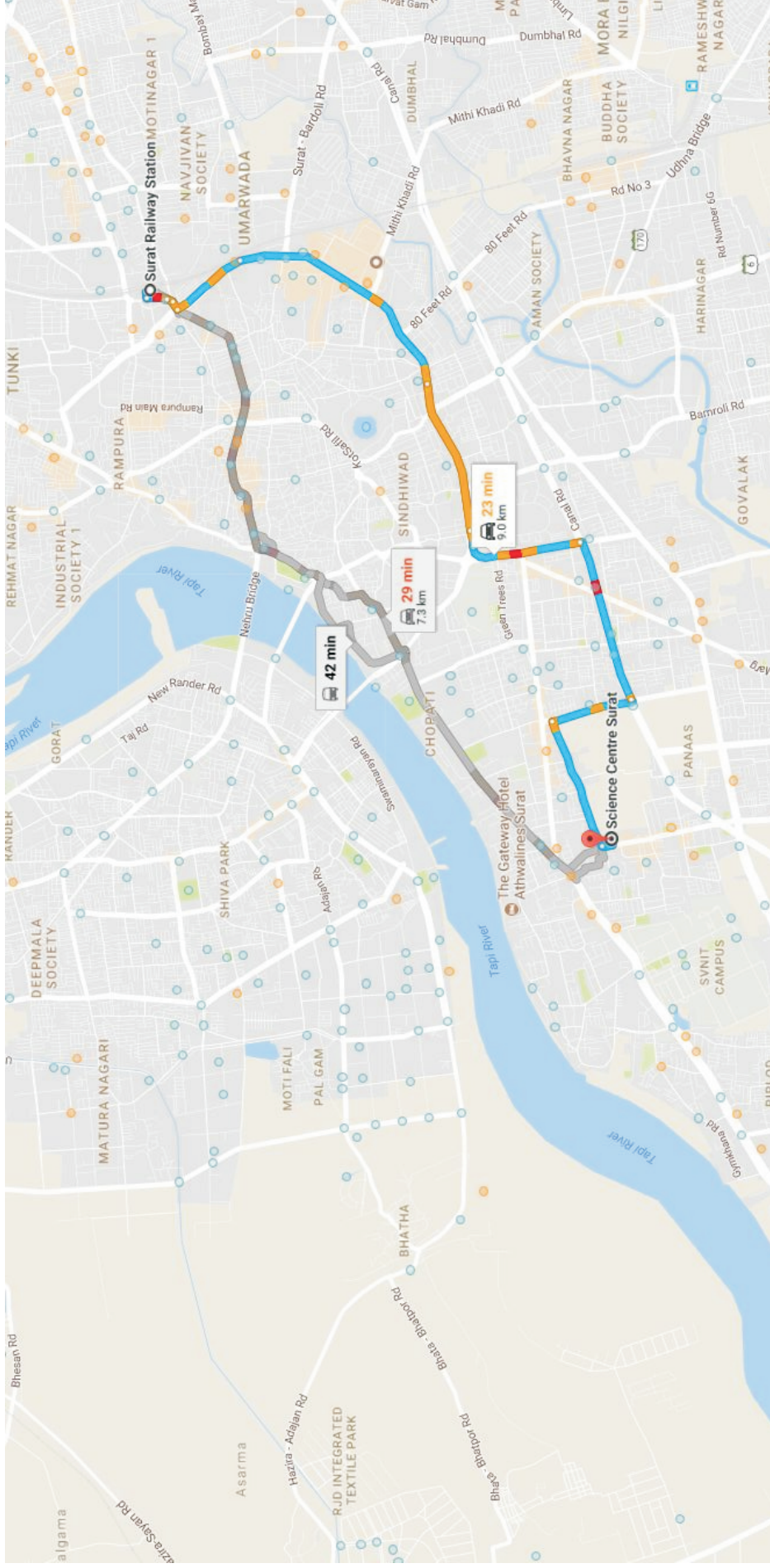
# 37<sup>th</sup> Annual Report 2016 - 17

The map displays the proposed Metro route in Surat, India, connecting the Surat Railway Station to the Science Centre Surat. The route is divided into three segments with the following travel times and distances:

- Segment 1 (Blue):** 42 min, 7.3 km. From Surat Railway Station to the area near the Tapi River.
- Segment 2 (Orange):** 29 min, 7.3 km. From the Tapi River area to the Science Centre Surat.
- Segment 3 (Red):** 23 min, 9.0 km. From the Science Centre Surat to the area near the Tapi River.

Key locations and landmarks shown on the map include:

- Surat Railway Station** (Starting point)
- Science Centre Surat** (Destination)
- The Gateway Hotel**
- Athwales' Surat**
- Surat - Bardoli Rd**
- Mithi Khadi Rd**
- 80 Feet Rd**
- Green Trees Rd**
- Neeru Bridge**
- New Rander Rd**
- Taj Rd**
- SHIVA PARK**
- MOTI FALI**
- PAL GAM**
- BHATHA**
- Asarma**
- Hazira - Adajan Rd**
- RJD INTEGRATED TEXTILE PARK**
- Bhara - Bhadoor Rd**
- Bhara - Bhadoor Rd**
- Ginkaa Rd**
- SVNIT CAMPUS**
- PANAAS**
- GOVALAK**
- Bamrol Rd**
- Harinaragar**
- Rd Number 6G**
- Udhya Bridge**
- Buddha Society**
- MORA**
- NILGI**
- RAMESHW NAGAR**
- Dumbhal Rd**
- Mithi Khadi Rd**
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- Buddha**



**BOARD OF DIRECTORS**

Mr. N. Gopalaswami  
Mr. Viral P. Desai  
Dr. Pradip K. Desai  
Dr. Sushil K. Shah  
Mr. Shyamal Ghosh  
Mr. Kamlesh Patel  
Dr. Pranav S. Desai  
Mr. Sanjay N. Mehta  
Ms. Lataben P. Desai

Chairman  
Managing Director  
Director  
Director  
Director  
Director  
Director  
Director  
Director

**COMPANY SECRETARY**

Pankaj Ajmera

**BANKERS****HDFC BANK LIMITED**

Chaitanya Jyoti, Maskati Plot - Vibhag - 2,  
Plot No. 32, Opp. Raymonds Showrooms,  
Dumas Road, Surat - 395 007.

**STATUTORY AUDITORS**

M/s. Haibhakti & Co., LLP  
Chartered Accountant,  
703, Venus Atlantis, 100 ft. Road,  
Beside Reliance Petrol Pump,  
Pralhad Nagar, Ahmedabad - 380 015

**HEAD OFFICE &  
REGISTERED OFFICE**

9th Floor, 902 - 904, Rajhans Bonista,  
Behind Ram Chowk Temple, Ghod Dod Road,  
Surat - 395007.

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**NOTICE****To,  
THE MEMBERS OF SPAN DIVERGENT LIMITED  
FORMERLY SPAN DIAGNOSTICS LIMITED**

Notice is hereby given that the 37<sup>th</sup> Annual General Meeting of Shareholders of Span Divergent Limited (Formerly Span Diagnostics Limited) will be held at Science Center Auditorium, City Light Road, Surat – 395 007 on Friday, September 22, 2017 at 11:00 A.M. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt:

- (a) The Audited Financial Statements of the Company for the year ended on March 31, 2017, and the Reports of the Board of Directors and Auditors thereon.
- (b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017.

2. To appoint a director in place of Mr. Sanjay Mehta (DIN: 00002817) who retires by rotation and being eligible, offer himself for reappointment

3. To consider and if thought fit, to pass with or without modification, following resolution for ratification of appointment of M/s. Haribhakti & Co., LLP, Chartered Accountants as Statutory Auditor and fix their remuneration

**“RESOLVED THAT** pursuant to the provisions of the Section 139, 142, and Auditors Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the appointment of Haribhakti & Co. LLP (Firm Registration Number 103523W) Chartered Accountants, Auditors of the Company, who hold office from the conclusion of 36<sup>th</sup> annual general meeting till the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company to be held in the year 2020 on such remunerations as may be agreed upon by Board of Directors in consultation with the said Auditors be and is hereby ratified.

**Date: May 11, 2017**

**Place: Mumbai**

**For and on behalf of the Board of Directors**

**Registered Office:**

**9<sup>th</sup> Floor, 902 – 904, Rajhans Bonista,  
Behind Ram Chowk Temple, Ghod Dod Road,  
Surat – 395 007  
CIN: L74999GJ1980PLC003710**

**Pankaj Ajmera  
Company Secretary**

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY DULY COMPLETED MUST BE RETURNED TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.
- b) Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- c) Members, proxies and authorized representatives are requested to bring to the meeting, the attendance slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
- d) The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 of person seeking appointment/reappointment as director under item No. 2 of the Notice are also annexed.
- e) Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company / Depositories unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
- f) The Register of Members and the Share Transfer Books of the Company will remain closed on September 12, 2017 to September 22, 2017 (both days inclusive).
- g) Link Intime India Private Limited is the Registrar and Share Transfer Agents of the Company. Shareholders are requested to make all correspondence including change of address to them at the following address.

Link Intime India Private Limited  
Unit: Span Divergent Limited  
C – 101, 247 Park, L.B.S. Marg,  
Vikhroli (West),  
Mumbai – 400 083  
Telephone No.: +91 22 49186270, Fax: +91 22 49186060  
Email: rmt.helpdesk@linkintime.co.in  
Website: www.linkintime.co.in

- h) Members are advised to avail of the facility for receipt of future dividends through Electronic Clearing Services (ECS). The ECS facility is available at the specified locations. Members holding shares in dematerialized mode are requested to contact their respective Depository Participants (DPs) for availing ECS facility. Members holding shares in physical form and desirous of availing ECS facility are requested to write to the Company's Registrar & Share Transfer Agent for details.
- i) Members who are holding shares in identical order of names in more than one account are requested to intimate to Link Intime India Private Limited (formerly known as Intime Spectrum Registry Limited) at the address stated above with the ledger folio of such accounts together with the share certificates to enable the Company to consolidate all the holdings into one account. The share certificates will be returned to the members after making the necessary endorsement in due course.
- j) Members are requested to bring their copy of the Annual Report to the Annual General Meeting. As a measure of economy, no extra copies of the Annual Report will be supplied at the meeting.
- k) Members seeking further information on the Accounts or any other matter contained in the notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.
- l) Green Initiative

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA). The Company will henceforth effect electronic delivery of documents including the annual report, half yearly shareholder communication, notices of meetings/postal ballot, etc. to the members at the email address registered for the said purpose.

For supporting this initiative, if you hold shares in:

- a) **Electronic form**, please intimate your email address to your Depository Participants (DP). The same will be deemed to be your registered email address for servicing notices/documents.
- b) **physical form**, please send a duly signed letter quoting the name of first / sole holder and folios to the Company's Registrar & Share Transfer Agents:

Link Intime India Private Limited  
Unit: Span Divergent Limited  
C – 101, 247 Park, L.B.S. Marg,  
Vikhroli (West),  
Mumbai – 400 083  
Telephone No.: +91 22 49186270, Fax: +91 22 49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Kindly note that if you do not register your email address, a physical copy of the annual report and other communication/ documents will be sent to you free of cost, as per current practice. Such documents will also be displayed on the Company's website [www.spandivergent.com](http://www.spandivergent.com)

We strongly urge you to support this 'Green Initiative' by opting for electronic mode of communication and making the world a cleaner, greener and healthier place to live. In case your shares are in physical form, we also urge you to have your shares dematerialized by approaching Depository Participant (DP) of your choice at the earliest.

**m) Voting through electronic means**

- I In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 the Company is pleased to provide members facility to exercise their right to vote at the 37<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

**The instructions for members opting to vote electronically are as under:**

- The voting period begins on September 19, 2017 (9:00 a.m.) and ends on September 21, (5:00) p.m. During this period shareholder's of the Company, holding shares in physical form or in dematerialized form, as on the cut-off date September 15, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- Click on "Shareholders" tab
- Now enter your user ID
  - For CDSL: 16 digits beneficiary ID
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - Members holding shares in Physical Form should enter Folio Number Registered with the Company
- Next Enter the Image Verification Code as displayed and click on Login
- If you are holding shares in Demat Form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company then your existing password is to be used.
- If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (IV).</li> </ul>

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in the Notice.
- Click on the relevant EVSN of Span Divergent Limited (Formerly Span Diagnostics Limited) on which you choose to vote.
- On the voting page, you will see RESOLUTION DESCRIPTION and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies you dissent to the Resolution.
- Click on the RESOLUTIONS FILE LINK if you wish to view the entire Resolution.
- After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take out print of the voting done by you by clicking on click here to print" option on the Voting Page.
- If Demat Account holder has forgotten the changed password then enter the user ID and image verification code and click on forgot password & enter the details as prompted by the system.
- Note for Non-Individual Shareholders and Custodians



- a) Non Individual Shareholders other than Individuals, HUF, NRI etc. and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate and Custodians.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- c) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- d) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- e) They should upload a scanned copy of the Board Resolution / Authority Letter etc. in PDF Format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ('FAQs') and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

## II. Voting at AGM:

The Members who have not casted their vote either electronically can exercise their voting rights at the Annual General Meeting venue and the member who have not cast their vote by remote e-voting can exercise their right during the meeting on September 22, 2017 at Annual General Meeting.

If a member casts vote in AGM is found to have exercised their voting options electronically or ballot forms or both, voting at the AGM will be treated as invalid.

## OTHER INSTRUCTIONS

III. Once the vote on a resolution is cast by the shareholders, the shareholder shall not be allowed to change it subsequently.

IV. Mitesh Rana of Mitesh Rana & Co., Company Secretaries (Membership No.: 28113) has been appointed as the scrutinizer to scrutinize voting process (electronically or otherwise) in fair and transparent manner.

V. The scrutinizer shall from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in employment of the Company and make a scrutinizer's Report of the votes cast in favour or against, if any, & forthwith to the Chairman/Managing Director of the Company or any other person authorized in this regards.

VI. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on website of the Company and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

Date: May 11, 2017

Place: Mumbai

For and on behalf of the Board of Directors

Pankaj Ajmera  
Company Secretary

Registered Office:

9<sup>th</sup> Floor, 902 – 904, Rajhans Bonista,  
Behind Ram Chowk Temple, Ghod Dod Road,  
Surat – 395 007  
CIN: L74999GJ1980PLC003710

## DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015

Name of the Director	Mr. Sanjay Mehta
Age	66
Qualification	Commerce Graduate, Chartered Accountant, Cost & Work Accountant
Experience in Specific functional area	A practicing Chartered Accountant at Mumbai, having post qualification experience of more than 35 years in the area of auditing, corporate advisory services in the field of domestics & international taxation, project finance, working capital appraisals, company law compliance, FEMA regulations, indirect taxes, management accounting etc. He is associated with the Company since its inception and was looking after Finance, Taxation and Company Law matters.
Director Since	
List of Companies in which outside directorship held	1. Span Finstock Pvt Ltd 2. Neogen Chemicals Limited 3. Quest Biochemicals Private Limited
Membership of Committee of the Board of Director of the Company	1. Audit Committee 2. Corporate Social Responsibility Committee 3. Nomination & Remuneration Committee 4. Stakeholders Relationship Committee
Membership in Committee in other Companies	N.A.
No. of Shares held	30,000/-

Date: May 11, 2017

Place: Mumbai

For and on behalf of the Board of Directors

Pankaj Ajmera  
Company Secretary

Registered Office:

9<sup>th</sup> Floor, 902 – 904, Rajhans Bonista,  
Behind Ram Chowk Temple, Ghod Dod Road,  
Surat – 395 007  
CIN: L74999GJ1980PLC003710

**DIRECTORS' REPORT**

To,  
The Shareholders,

Your Directors have pleasure in presenting the 37<sup>th</sup> Annual Report of Span Divergent Limited (the Company) on the business and operations of the Company together with the audited financial statements for the year ended on March 31, 2017.

**1. FINANCIAL SUMMARY/PERFORMANCE OF THE COMPANY**

The financial performance of the Company for the financial year ended March 31, 2017 along with figures of previous financial year is summarized below:

Particulars	Amount (Rs. In Lacs)	
	2016 - 17	2015 - 16
Total Income	464.21	274.27
Profit/(Loss) before tax, Depreciation and interest (Excluding extraordinary income/(Loss))	(194.33)	(250.91)
Interest	16.54	0.00
Profit/(Loss) before Depreciation	(210.87)	(250.91)
Depreciation	34.27	16.65
<b>Profit/(Loss) before tax</b>	<b>(245.14)</b>	<b>(267.56)</b>
Exceptional Item	0.00	742.04
<b>Profit/(Loss) before tax</b>	<b>(245.14)</b>	<b>474.48</b>
<b>Income Tax Expense</b>	<b>8.50</b>	<b>121.20</b>
<b>Profit/(Loss) after tax</b>	<b>(236.64)</b>	<b>353.28</b>
<b>Profit/(Loss) after tax for the year</b>	<b>(236.64)</b>	<b>353.28</b>
Balance brought forward	4283.37	4248.67
<b>Amount available for appropriation</b>	<b>4046.73</b>	<b>4601.95</b>
Proposed Dividend	Nil	Nil
Dividend Distribution tax	Nil	Nil
Dividend for earlier year (including distribution tax)	Nil	Nil
Transfer to General Reserve	Nil	Nil
Utilization towards Buy Back of Equity Shares	Nil	(137.15)
Transfer to Capital Redemption Reserve	Nil	(181.42)
<b>Balance carried forward</b>	<b>4067.27</b>	<b>4283.37</b>

**2. DIVIDEND**

Board after detailed deliberation and considering loss during the year under review decided not to recommend any dividend for the financial Year 2016-17.

**3. TRANSFER TO RESERVES:**

No amount has been transfer to Reserves for the financial year ended on March 31, 2017.

**4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

During the Financial Year 2016-17, the Company has incurred losses and the reason for such loss is that the Company is into initial phase of investments in two business verticals. After sale of *in-vitro* Diagnostics Business to Japanese Company, the Company has started exploring various business opportunities available in Food, Agriculture and Health Care related activities.

Your Board has decided to operate in two business verticals namely Food and Agriculture Business (FAB) and Healthcare and Life Sciences (HCLS). Company will be operating in all the businesses through specific subsidiary firm for each business.

The Details of firm where Company is actively pursuing the business development are as follow:

FAB Verticals:

Dryfruit Factory LLP;

Company is in process of setting up Dry Fruit processing plant near Ahmedabad, Gujarat for processing of Raw Cashew Nuts (RCNs) into finished cashews and commercial production is likely to begin from first quarter of FY2018.

Aranya Agri Biotech LLP:

Company is venturing into Plant Tissue culture business by setting up a business in and around Vadodara, Gujarat. The Company has already acquired an assets of an existing non-operative unit which was in business of Plant Tissue Culture and the Company is planning to make it operational by FY2018.

HCLS Verticals:

BioSpan Scientific LLP

Company will be with a niche and selective product portfolio to service indian customers in Pharmaceuticals, Bio-Pharmaceuticals and Academia Segments. BioSpan Scientific's portfolio focuses on the areas of clean room and contamination control, Microbiology, Protein Research and Scientific Laboratories Products. The commercial operation may start in second quarter of FY 2017-18.

Apart from these above mentioned ventures, the Company is also working on consolidating its presence in the field of Food, Agriculture and Healthcare which will be shared with all stakeholders from time to time.

**Industry Structure, Development & outlook**

The Company has by slump sale transferred its *in-vitro* Diagnostics Business undertaking to M/S. Arkay Healthcare Private Limited. Consequently Span is in the process of implementing alternative structures for future lines of businesses. The Company has identified and currently exploring the business in FAB and HCLS verticals.

**Research & Development**

Subsequent to company transferred its *in-vitro* Diagnostic Business undertaking to M/S. Arkay Healthcare Private Limited, currently there is neither any research nor manufacturing activity in the Company.

**Human resources and industrial relations**

As on March 31, 2017, Company has 9 employees. The focus of the Company is to enrich its employees by promoting learning & development and providing opportunities for enhancing their knowledge base continuously

During the year, Company continues to have cordial and harmonious relations with its employees.

**5. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There was no significant material order passed by the regulators or courts.

**6. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

Management is committed to continue maintaining Company's internal control system, which is reviewed and monitored critically. Compliance of the same is ensured with very valuable inputs from the independent directors, Internal Auditors and Statutory Auditors. Their vast experience and knowledge base has contributed tremendously in betterment of systems and processes, resulting in better internal control. Internal control system is further supported by periodic review by management and the Audit Committee. Company maintains high focus towards all regulatory compliances, which is regularly reviewed by the Board.

**7. SUBSIDIARIES AND JOINT VENTURES**

Your Company has one wholly owned subsidiary company viz. Span Diagnostics South Africa (Pty) Limited. In terms of proviso to sub-section (3) of the Section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed Form AOC – 1 which forms part of the Annual Report.

***Span Diagnostics South Africa (PTY) Limited***

To have significant presence in strategically important region, the company has wholly owned overseas subsidiary company in South Africa.

Pursuant to sale of IVD business of Span Divergent Ltd. (Formerly Span Diagnostics Limited) (SDL) to Arkray Healthcare Private Limited in India, the distribution agreement for the Southern African region (SADC Region) between SDL and Span SA also became inoperative. However, because of its strategic importance and potential of the region, Board of Directors of SDL decided to continue Span SA as an active entity and it is identified that Span SA will be strategically important and add value to potential new business of SDL, as per the need of new business demand.

***Limited Liabilities Partnerships***

During the year 2015 - 16, Company had incorporated new LLPs as under to carry out new businesses in FAB and HCLS verticals in respective entities.

**1. Dryfruit Factory LLP**

During the FY2017 Dryfruit Factory LLP has done turnover of Rs. 66.88 Lacs and incurred loss of Rs. 68.60 Lacs during the year. Processing of Raw Cashew Nuts are likely to start from 2<sup>nd</sup> Quarter of FY2018.

**2. Aranya Agri Biotech LLP**

During the FY2017 Aranya Agri Biotech LLP has done turnover of Rs. 2.79 Lacs and incurred loss of Rs. 54.33 Lacs during the year. Full-fledge commercial activities going to start from 2<sup>nd</sup> Quarter of FY2018.

**3. Biospan Scientific LLP**

During the FY2017 Biospan Scientific LLP has not started any operations and has incurred loss of Rs. 52.37 Lacs during the year.

**4. Span Diagnostics Products LLP**

During the FY2017 Span Diagnostics Products LLP has not started any operations and has incurred loss of Rs. 0.09 Lacs during the year.

The Company is acting as designated partner in all the LLPs through its representative. The above said LLPs have initiated steps to set up the business but are expected to become operational in ensuing year.

**8. FIXED DEPOSITS**

We have not accepted any fixed deposits and as such no amount of principal or interest was outstanding as of balance-sheet date.

**9. PARTICULARS OF EMPLOYEES**

During the financial year 2016-17, none of the employee of the Company has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**10. STATUTORY AUDITORS & THEIR REPORT**

At the Annual General Meeting held on September 20, 2015, M/s. Haribhakti & Co LLP., Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office from conclusion of 36<sup>th</sup> Annual General Meeting till the conclusion of 40<sup>th</sup> the Annual General Meeting to be held in the year 2020 subject to ratification of appointment of statutory auditor by shareholders at every annual general meeting. Accordingly, the ratification of appointment of Haribhakti & Co., LLP Chartered Accountants, as statutory auditors of the Company, is placed for approval by the Shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

There are no qualifications or adverse remarks in the Auditors' Report, which require any clarification / explanation. The Notes on financial statements are self-explanatory and needs no further explanation.

The Notes on accounts, referred to in the Auditor's Report, are self explanatory and therefore do not call for any further comments.

**11. SHARE CAPITAL**

The paid up equity capital of the Company as on March 31, 2017 was Rs. 5,46,17,470/- divided into 54,61,747 Equity Shares of Rs. 10/- each. The Company has neither issued any shares nor granted stock option nor sweat equity.

**12. ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as "Annexure B" to the Board's Report.

**13. CONSERVATION OF ENERGY**

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are not given considering the fact that the Company is in the process of establishing new business after sale of its In-Vitro Diagnostics Business and office is an administrative office only and no manufacturing activity have been carried out during the year. Conclusion in the office all the lights used are LED lights and all air-conditioners are rated 5 star for every efficiency.



**14. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNING & OUTGO**

The particulars are attached in “Annexure 'A'” of this report.

**15. CORPORATE SOCIAL RESPONSIBILITY**

As part of Initiative under “Corporate Social Responsibility”, the Company constituted “Corporate Social Responsibility Committee” under the Chairmanship of an Independent Director Mr. Kamlesh Patel.

During the year under review, Company had contributed funds for medical aid. The contribution in this regard has been made to the Registered Trust.

The Annual Report on CSR Activities is annexed as “Annexure C” to the Board's Report.

**16. DIRECTORS/KEY MANAGERIAL PERSONNEL**

Name of the Director	Designation
Sanjay Natwarlal Mehta	Director
Pradipkumar Keshavlal Desai	Director
Lataben Pradipkumar Desai	Woman Director
Pranav Sureshbhai Desai	Director
Viral Pradipkumar Desai	Managing Director
Sushil Kanubhai Shah	Independent Director
Shyamal Ghosh	Independent Director
Kamlesh Maganlal Patel	Independent Director
Needamangalam Gopalaswami	Independent Director
Mr. Pankaj Ajmera	Company Secretary
Mr. Minesh Mohanbhai Patel	Chief Finance Officer (CFO ) upto January 31, 2017
Mr. Samkit Mehta	Chief Finance Officer (CFO ) w.e.f February 01, 2017

**17. INDEPENDENT DIRECTORS DECLARATION**

All independent directors have separately submitted a declaration that each of them meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013. Further there has been no change in the circumstances which may affect their status as Independent Director during the year.

**18. BOARD MEETINGS**

An agenda of the meetings is prepared and circulated in advance to the Directors. During the year Five Board Meetings and Four audit committee meetings were convened and held. The details of which are given in the Corporate Governance Report along with other committee meetings. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**19. BOARD EVALUATION**

Pursuant to SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report. The Board approved the evaluation results as collated by the nomination remuneration committee.

None of the independent directors are due for re-appointment.

**20. Appointments :**

The Companies Act, 2013 provides for the appointment of the independent directors. Sub-section 10 of Section 149 of the Companies act, 2013 provides that independent directors shall hold office for a term of five consecutive years on the Board of a Company; and shall be eligible for the re-appointment on passing a special resolution by the shareholders of the company. In compliance with the aforesaid provision and subject to provision of Securities Exchange Board of India Act, 1992, Mr. Kamlesh Patel, Mr. N. Gopalaswami, Mr. Shyamal Ghosh and Dr. Sushil Shah have been appointed as an Independent Directors of the Company for term of 5 (Five) years. None of the Directors will retire at the ensuing Annual General Meeting.

**21. RETIREMENTS, RESIGNATIONS AND CHANGE IN THE DESIGNATION :**

- I. Mr. Sanjay Mehta, Director of the Company who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The retirement of Director by rotation at the ensuing Annual General Meeting is determined in accordance with the provisions of the Companies Act, 2013.
- II. During the year Mr. Viral Pradipkumar Desai was reappointed as Managing Director of the Company with effect from July 01, 2016 for a further period of 3 years.
- III. Mr. Minesh Patel, Chief Finance officer re-designated Senior Office – Finance & Accounts with effect from February 01, 2017.
- IV. Mr. Samkit Mehta was appointed as Chief Finance Officer of the Company with effect from February 01, 2017.

**22. AUDIT COMMITTEE :**

The Audit Committee was reconstituted on May 15, 2013. The Committee comprises of three Independent Directors, namely Mr. Shyamal Ghosh, Chairman, Mr. N. Gopalaswami, Mr. Kamlesh M. Patel and Mr. Sanjay N. Mehta (Non Executive Directors). Mr. Pankaj Ajmera, Company Secretary acts as the secretary to the Audit Committee. The composition and the Terms of Reference of the Audit Committee meet with the requirements of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

There were four meetings held during the year.

**Attendance of each member at the Audit Committee meetings held during the year**

Name of Members	No. of Meetings held	No. of Meetings Attended
Mr. Shyamal Ghosh, Chairman	4	4
Mr. N. Gopalaswami	4	3
Mr. Sanjay N. Mehta	4	4
Mr. Kamlesh M. Patel	4	2

**23. VIGIL MECHANISM**

The Company has established a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and the same has been communicated within organization.

In staying true to our values of strength, performance and passion, the Company is committed to the high standards of Corporate Governance and Stakeholders Responsibility.

The Company has formulated policy on "Protection of Women's Rights at Workplace" as per the provisions of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. This has been widely disseminated. There was no cases of sexual harassment complaints received by the Company in the financial year 2016 - 17.

**24. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was reconstituted on May 23, 2014. The Nomination and Remuneration Committee comprises of four directors of which two directors are independent directors & one Non Executive Director.

There was a two nomination and remuneration committee meeting held during the year.

Attendance of each member at the Nomination and Remuneration Committee held during the year.

Name of Members	No. of Meetings held	No. of Meetings attended	Designation
Mr. Shyamal Ghosh, Chairman	2	2	Independent Non-Executive Director
Mr. N. Gopalaswami	2	2	Non Executive Director
Mr. Sanjay N. Mehta	2	2	Independent & Non-Executive Director
Mr. Viral P. Desai	2	2	Managing Director

The main term of reference of Nomination and Remuneration Committee is to review and recommend the revision in remuneration of managerial personnel to the Board of Directors. The Nomination and Remuneration Committee while reviewing the remuneration considers the industry remuneration standards, educational qualification, relevant experience and performance of the concerned managerial personnel vis-à-vis the company requirements.

The Board has on recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination and Remuneration Policy is stated in the Corporate Governance Report.

**25. LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

**26. RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis, were in the ordinary course of business and in compliance of the provision of Section 188 of the Companies Act, 2013 and rules made there under and Listing Agreement & SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015. There were no materially significant related party transactions made by the Company with promoters, Key Managerial Personnel or other designated persons which may have potential conflict with Interest of the Company at large. All related party transactions are place before the Audit Committee as also the Board for approval. You may refer to related party transactions in note No. 29 of the Stand Alone Financial Statements.

**27. MANAGERIAL REMUNERATION :**

Name of the Director	Designation	Remuneration in the year 2017 in Rs.	Remuneration in the year 2016 in Rs.	Sitting fees in the F.Y. 2017
Sanjay Natwarlal Mehta	Director	NIL	NIL	45,000
Pradipkumar Keshavlal Desai	Director	NIL	NIL	25,000
Lataben Pradipkumar Desai	Woman Director	NIL	NIL	20,000
Pranav Sureshbhai Desai	Director	NIL	NIL	10,000
Viral Pradipkumar Desai	Managing Director	71,07,000	52,70,160	NIL
Sushil Kanubhai Shah	Independent Director	NIL	NIL	10,000
Shyamal Ghosh	Independent Director	NIL	NIL	40,000
Kamlesh Maganlal Patel	Independent Director	NIL	NIL	25,000
Needamangalam Gopalaswami	Independent Director	NIL	NIL	30,000
Pankaj Ajmera	Company Secretary	1,18,032	1,04,416	NA
Mr. Minesh Patel*	Chief Financial Officer	2,49,411	2,65,628	NA
Mr. Samkit Mehta*	Chief Financial Officer	3,25,383	NA	NA

\*Mr. Minesh Patel was CFO upto January 01, 2017 and Mr. Samkit Mehta appointed as CFO w.e.f February 01, 2017.

The median remuneration of the employee of the Company for the year 2016 – 17 is Rs. 5,37,635 as compared to Rs. 2,65,628 for the year 2015 – 16. During the year median remuneration is increased by 50.60%. There were 9 employees on rolls of the Company at the end of the financial year i.e March 31, 2017. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects company performance, the performance pay was linked to organization performance.

Sr. No.	Name of Director	Remuneration	Ratio of Remuneration to the median remuneration of the employees
01.	Mr. Viral P Desai	71,07,000	19.85:1

During the year under review, there was increase in remuneration of the Managing Director Mr. Viral P Desai who is reappointed for a further period of 3 years with effect from July 01, 2016. During the year under review, Mr. Samkit Mehta was appointed as Chief Finance Officer of the Company.

The further information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company will be provided upon request. In terms of Section 136 of the Act, the Reports and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees particulars which is available for inspection by the members at the registered office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

## 28. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT :

Mitesh Rana & Co., Company Secretaries, Vadodara, was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2016 - 17, as required under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration) Rules, 2014. The Secretarial Audit Report for FY 2016-17 forms part of the Annual Report as Annexed to the Board's Report.

A Secretarial Audit Report given by Mitesh Rana & Co., a company secretary in practice shall be annexed with the report.

Secretarial Auditor's Report, are self explanatory and therefore do not call for any further comments.

## 29. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE :

A report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 forms part of the Annual Report.

The certificate from the Auditors of company M/s. Haribhakti & Co LLP., confirming compliance with the conditions of Corporate Governance is attached to this Report.

## 30. COST AUDITORS

During the year under review, company have not carried out any operation. In view of the same and as confirmed by the cost auditor of the Company, cost audit is not applicable to the Company for the year 2017– 18.

## 31. RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

## 32. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the directors would like to state that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed.
- the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are 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 loss of the Company for the year under review the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for
- safeguarding the assets of the Company and for preventing detecting fraud and other irregularities
- the directors have prepared the annual accounts on a going concern basis
- the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 33. CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis and the Corporate Governance Report, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statement" within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those either expressed or implied in the statement depending on the circumstances.

## 32. ACKNOWLEDGMENT

Your Directors are happy to place on record their appreciation of the whole-hearted co-operation and hard work of all members of SPAN family.

The Directors would like to place on record a deep sense of gratitude to the HDFC Bank and Government Authorities for their co-operation and assistance rendered to the Company.

Place: Mumbai  
Dated: May 11, 2017

For and on behalf of the Board

Mr. Viral P Desai  
Managing Director  
DIN: 00029219

Dr. Pradip K Desai  
Non Executive Director  
DIN: 00026451

**ANNEXURE 'A'****Form of disclosure of particulars with respect to Absorption of Technology, Research & Development (R & D)****1. Specific areas in which R&D was carried out by the Company and benefits derived as a result of the above R & D:**

During the year under review, subsequent to sale of its In-Vitro Diagnostics Business to the Arkay Healthcare Private Limited, there is no manufacturing as well as R & D activity carried out. The company is exploring new business avenues in the field of Food and Healthcare.

**Expenditure on R & D – Not Applicable****2. Technology absorption, adaptation and innovation**

**Efforts in brief, made towards technology absorption, adaptation and innovation:** Not Applicable

**Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc:** Not Applicable

Sr. No.	Technology imported	Year of import	Has the technology been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.
A.	Manufacture of HRP-II Antigen – 1C1B3-1D9; 5H5G12-10D4	2013	Yes	Not Applicable

**3. FOREIGN EXCHANGE EARNING AND OUTGO**

Sr. No.	Particulars	2016 – 17 Rs.	2015 – 16 Rs.
1.	Total Foreign Exchange Earned	Nil.	Nil.
2.	Total Foreign Exchange Outgo	8,31,335	11,94,804

Place: Mumbai  
Dated: May 11, 2017

**For and on behalf of the Board**

**Mr. Viral P Desai**  
Managing Director  
DIN: 0002921

**Dr. Pradip K Desai**  
Non Executive Director  
DIN: 00026451

**ANNEXURE 'B'**

<b>EXTRACT OF ANNUAL RETURN</b>
<b>as on financial year ended on March 31, 2017</b>
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014</b>

**I. REGISTRATION & OTHER DETAILS:**

I.	CIN	L74999GJ1980PLC003710
ii.	Registration Date	March 31, 1980
iii.	Name of the Company	Span Divergent Limited (Formerly Span Diagnostics Limited)
iv.	Category/Sub-category of the Company	Company Limited by Shares Non-Govt Company
V.	Address of the Registered office & contact details	9 <sup>th</sup> Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007 Tel No.: +91 261 2663232 Email Id: secretarial@span.co.in
Vi.	Whether listed Company	Yes
Vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C – 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Tel No.: +91 22 49186270 Fax: +91 22 49186060 Email Id: rnt.helpdesk@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
01.	Trading	5121	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY &amp; ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	SPAN DIAGNOSTICS SA (Pty) Ltd. Address: 143 Beyers Naude Drive, Roosevelt Park, Johannesburg. Gauteng 2195, South Africa. P.O.Box 2839, Cresta Gauteng 2118, South Africa	2005/000692/07	Subsidiary	100	2(87)
2.	Dryfruit Factory LLP 9 <sup>th</sup> Floor, Office 902 – 904, Rajhans Bonista, Ghod Dod Road, B/h Ram Chawk Temple, Surat – 395007	AAE-6138	Subsidiary	97	2(87)
3.	Span Diagnostics Products LLP 9 <sup>th</sup> Floor, Office 902 – 904, Rajhans Bonista, Ghod Dod Road, B/h Ram Chawk Temple, Surat – 395007	AAE-9468	Subsidiary	99	2(87)
4.	Aranya Agri Biotech LLP 9 <sup>th</sup> Floor, Office 902 – 904, Rajhans Bonista, Ghod Dod Road, B/h Ram Chawk Temple, Surat – 395007	AAF-9384	Subsidiary	99	2(87)
5.	Biospan Scientific LLP 9 <sup>th</sup> Floor, Office 902 – 904, Rajhans Bonista, Ghod Dod Road, B/h Ram Chawk Temple, Surat – 395007	AAF-9387	Subsidiary	99	2(87)

## IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

## (i) Categoriwise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Shareholding of Promoter &amp; Promoter Group</b>									
(1) Indian									
a) Individual/HUF	3100146	8200	3108346	56.91	3205381	8300	3213681	58.84	1.93
b) Central Govt. or State Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bank/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Any Other (Specify)									
Bodies Corporate	76040	0.00	76040	1.39	76040	0.00	76040	1.39	0.00
<b>SUB TOTAL:(A) (1)</b>	<b>3176186</b>	<b>8200</b>	<b>3184386</b>	<b>58.30</b>	<b>3281421</b>	<b>8300</b>	<b>3289721</b>	<b>60.23</b>	<b>1.93</b>
<b>(2) Foreign</b>									
a) Individuals (Non-Resident Individuals / Foreign Individuals)	10000	20000	30000	0.55	10000	20000	30000	0.55	0.00
b) Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Institutions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Foreign Portfolio Investor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any other (Specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>SUB TOTAL (A) (2)</b>	<b>10000</b>	<b>20000</b>	<b>30000</b>	<b>0.55</b>	<b>10000</b>	<b>20000</b>	<b>30000</b>	<b>0.55</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>3186186</b>	<b>28200</b>	<b>3214386</b>	<b>58.85</b>	<b>3291421</b>	<b>28300</b>	<b>3319721</b>	<b>60.78</b>	<b>1.93</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a) Mutual Funds / UTI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Alternate Investment Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Foreign Venture Capital Investors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Foreign Portfolio Investor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Financial Institutions / Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Provident Funds / Pension Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Any Others (Specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Central Government / State Government(s) / President of India</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>SUB TOTAL (B)(2):</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



<b>(3) Non Institutions</b>									
a) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	573408	248864	822272	15.05	596116	232464	828580	15.17	0.12
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	161147	53540	214687	3.93	154767	10400	165167	3.02	-0.91
b) NBFCs Registered with RBI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Employee Trusts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Overseas Depositories (holding DRs) (balancing figure)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any other (Specify)									
Hindu Undivided Family	165180	0.00	165180	3.02	165838	0.00	165838	3.03	0.01
Non Resident Indians (Non Repat)	592085	0.00	592085	10.84	583769	0.00	583769	10.69	-0.15
Non Resident Indians (Repat)	265223	139000	404223	7.40	187139	139000	326139	5.97	-1.43
Clearing Member	5909	0	5909	0.11	10710	0	10710	0.19	0.09
Bodies Corporate	38105	4900	43005	0.79	56923	4900	61823	1.13	0.34
<b>SUB TOTAL:(B) (3)</b>	<b>1801057</b>	<b>446304</b>	<b>2247361</b>	<b>41.15</b>	<b>1755262</b>	<b>386764</b>	<b>2142026</b>	<b>39.22</b>	<b>-1.93</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2) + (B) (3)</b>	<b>1801057</b>	<b>446304</b>	<b>2247361</b>	<b>41.15</b>	<b>1755262</b>	<b>386764</b>	<b>2142026</b>	<b>39.22</b>	<b>-1.93</b>
<b>TOTAL (A)+(B)</b>	<b>474504</b>	<b>4987243</b>	<b>5461747</b>	<b>100.00</b>	<b>4987243</b>	<b>415064</b>	<b>5461747</b>	<b>100.00</b>	<b>0.00</b>
<b>(C) Non Promoter – Non Public</b>									
1) Custodian/DR Holder	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>4987243</b>	<b>474504</b>	<b>5461747</b>	<b>100.00</b>	<b>5046683</b>	<b>415064</b>	<b>5461747</b>	<b>100.00</b>	<b>0.00</b>

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	PRADIPKUMAR KESHAVLAL DESAI	1306880	2293	Nil	1306880	24.91	0	0.98
2.	LATABEN P DESAI	717060	13.13	Nil	717060	13.13	0	0.00
3.	VIRAL PRADIPKUMAR DESAI	524632	9.61	Nil	562427	10.30	0	0.69
4.	GITA SURESH DESAI	114540	2.10	Nil	114540	2.10	0	0.00
5.	SUJATA V DESAI	101576	1.86	Nil	101576	1.86	0	0.00
6.	DR. SURESH DINKERRAI DESAI	33720	0.62	Nil	33720	0.62	0	0.00
7.	PRAGATI KISHOR SHAH	32680	0.60	Nil	32680	0.60	0	0.00
8.	SHITAL SARVAJNA KAZI	31300	0.57	Nil	31300	0.57	0	0.00
9.	PRANAV S DESAI	28040	0.51	Nil	28040	0.51	0	0.00
10.	PRAKASHCHANDRA KESHAVLAL DESAI	26982	0.49	Nil	Nil	Nil	Nil	Nil
11.	PRASHANT SURESH DESAI	26040	0.48	Nil	26040	0.48	0	-0.48
12.	PRAKASH DHIRUBHAI DESAI	19000	0.35	Nil	19000	0.35	0	0.00
13.	MANJULABEN PRAKASHCHANDRA DESAI	18696	0.34	Nil	59218	1.08	0	0.74
14.	SHITAL SARVAGNA KAZI	8000	0.15	Nil	8000	0.15	0	0.00
15.	SHITAL SARVAGNA KAZI	200	0.04	Nil	200	0.04	0	0.00
16.	SPAN FINSTOCK PVT LTD	76040	1.39	Nil	76040	1.39	0	0.00
17.	VIVEK S DESAI	20000	0.37	Nil	20000	0.37	0	0.00
18.	TEJAL VIVEK DESAI	10000	0.18	Nil	10000	0.18	0	0.00
19.	DR UDAYBHAI DHIRUBHAI DESAI	89000	1.63	Nil	89000	1.63	0	0.00
20.	UDAYBHAI DHIRUBHAI DESAI	30000	0.55	Nil	30000	0.55	0	0.00
	<b>Total</b>	<b>3214386</b>	<b>58.85</b>	<b>0</b>	<b>3319721</b>	<b>60.78</b>	<b>0</b>	<b>1.93</b>

## iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sr. No.		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	3214386	58.85	3214386	58.85
	Increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	105335	1.93	105335	1.93
	At the end of the year	3319721	60.78	3319721	60.78

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1.	<b>Pradipkumar Keshavlal Desai</b>	1306880	23.93	—	—	—	—
	Market Purchase			January 20, 2017	54000	1360880	24.92
	At The End Of The Year	—	—			1360880	24.92
2.	<b>Lataben P Desai</b>	717060	13.13	—	—	—	—
	At The End Of The Year	—	—	—	—	717060	13.13
3.	<b>Viral Pradipkumar Desai</b>	524632	9.61	—	—	—	—
	Market Purchase	—	—	June 17, 2016	400	525032	9.61
	Market Purchase	—	—	August 26, 2016	2500	527532	9.66
	Market Purchase	—	—	September 16, 2016	200	527732	9.66
	Market Purchase	—	—	September 23, 2016	400	528132	9.67
	Market Purchase	—	—	September 30, 2016	300	528432	9.67
	Market Purchase	—	—	October 28, 2016	100	528532	9.68
	Market Purchase	—	—	January 20, 2017	26095	554627	10.16
	Market Purchase	—	—	January 27, 2017	7700	562327	10.29
	Market Purchase	—	—	March 24, 2017	100	562427	10.29
	At The End Of The Year	—	—	—	—	562427	10.29
4.	<b>Gita Suresh Desai</b>	114540	2.10	—	—	—	—
	At The End Of The Year	—	—	—	—	114540	2.10
5.	<b>Sujata V Desai</b>	101576	1.86	—	—	—	—
	At The End Of The Year	—	—	—	—	101576	1.86
6.	<b>Udaybhai Dhirubhai Desai</b>	89000	1.63	—	—	—	—
	At The End Of The Year	—	—	—	—	89000	1.63
7.	<b>Span Finstock Pvt Ltd</b>	76040	1.39	—	—	—	—
	At The End Of The Year	—	—	—	—	76040	1.39
8.	<b>Dr. Suresh Dinkerrai Desai</b>	33720	0.62	—	—	—	—
	At The End Of The Year	—	—	—	—	33720	0.62
9.	<b>Pragati Kishor Shah</b>	32680	0.60	—	—	—	—
	At The End Of The Year	—	—	—	—	32680	0.60
10.	<b>Manjulaben Prakashchandra Desai</b>	18696	0.34	—	—	—	—
	Transmission	—	—	10 June 2016	26982	59218	1.08
	At The End Of The Year	—	—	—	—	59218	1.08
11.	<b>Shital Sarvajna Kazi</b>	31300	0.58	—	—	—	—
	At The End Of The Year	—	—	—	—	31300	0.58
12.	<b>Udaybhai Dhirubhai Desai</b>	30000	0.55	—	—	—	—
	At The End Of The Year	—	—	—	—	30000	0.55
13.	<b>Pranav S Desai</b>	28040	0.51	—	—	—	—
	At The End Of The Year	—	—	—	—	28040	0.51
14.	<b>Prakashchandra Keshavlal Desai</b>	26982	0.49	—	—	—	—
	Transmission	—	—	—	—	0	0

	At The End Of The Year	—	—	—	—	0	0
15.	<b>Prashant Suresh Desai</b>	26040	0.48	—	—	—	—
	At The End Of The Year	—	—	—	—	26040	0.48
16.	<b>Vivek S Desai</b>	20000	0.37	—	—	—	—
	At The End Of The Year	—	—	—	—	20000	0.37
17.	<b>Prakash Dhirubhai Desai</b>	19000	0.35	—	—	—	—
	At The End Of The Year	—	—	—	—	19000	0.35
18.	<b>Tejal Vivek Desai</b>	10000	0.18	—	—	—	—
	At The End Of The Year	—	—	—	—	10000	0.18
19.	<b>Shital Sarvagna Kazi</b>	8000	0.11	—	—	—	—
	At The End Of The Year	—	—	—	—	8000	0.11
20.	<b>Shital Sarvagna Kazi</b>	200	0.00	—	—	200	0.00
	At The End Of The Year	—	—	—	—	200	0.00

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)

Sr.	Name of the shareholders	At the beginning of the year		At the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
1.	<b>Patel Bharti</b>	583440	10.68	575333	10.53
2.	<b>Patel Kokilaben B</b>	114200	2.09	114200	2.09
3.	<b>Sanjay Mehta</b>	103568	1.89	103600	1.90
4.	<b>Leena Sanjay Mehta</b>	70000	1.28	70000	1.28
5.	<b>Sanjay Natwarlal Mehta</b>	30000	0.55	30000	0.55
6.	<b>Dinesh Patel</b>	30000	0.55	30000	0.55
7.	<b>Molakala Prasad Reddy</b>	27000	0.49	27000	0.49
8.	<b>Mukundrai Manibhai Desai</b>	20020	0.37	20020	0.37
9.	<b>Dineshchandra K Joshi</b>	35000	0.64	832	0.01
10.	<b>Arti Nilesh Patel</b>	54420	0.99	0.00	0.00
11.	<b>Rajul R Desai</b>	30000	0.55	0.00	0.00

The above details are given as on March 31, 2017. The Company is listed and 92.28% shareholding is in dematerialized form. Hence, it is not feasible to track movement of shares on daily basis. The aforesaid holdings by top ten shareholders are due to market operations. Further, Company has not allotted/transferred or issued any bonus or sweat equity shares during the year.

## (v) Shareholding of Directors &amp; KMP

Sr.		Shareholding at the beginning of the year		Transactions during the year		Cumulative Share holding during the year	
		No of shares	% of total shares of the company	DATE OF TRANSACTION	NO. OF SHARES	No of shares	% of total shares of the company
1.	<b>Dr. Pradip K Desai – Director</b>	-	-	-	-	-	-
	At the beginning of the year	1306880	17.96	-	-	-	-
	Market Purchase	-	-	20 JAN 2017	54000	-	-
	At the end of the year	1360880	23.93	-	-	1360880	23.93
2.	<b>Mr. Viral P Desai - Managing Director</b>	-	-	-	-	-	-
	At the beginning of the year	524632	9.61	-	-	-	-
	Market Purchase	-	-	17 Jun 2016	400	525032	9.61
	Market Purchase	-	-	26 Aug 2016	2500	527532	9.66
	Market Purchase	-	-	16 Sep 2016	200	527732	9.66
	Market Purchase	-	-	23 Sep 2016	400	528132	9.67
	Market Purchase	-	-	30 Sep 2016	300	528432	9.68
	Market Purchase	-	-	28 Oct 2016	100	528532	9.68
	Market Purchase	-	-	20 Jan 2017	26055	554627	10.15
	Market Purchase	-	-	27 Jan 2017	7700	562327	10.30
	Market Purchase	-	-	24 Mar 2017	100	562427	10.30
	At the beginning of the year	-	-	-	-	562427	10.30

<b>3.</b>	<b>Ms. Lataben P Desai – Director</b>						
	At the beginning of the year	717060	13.13			717060	13.13
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the end of the year	717060	13.13			717060	13.13
<b>4.</b>	<b>Dr. Pranav S Desai – Director</b>						
	At the beginning of the year	28040	0.51			28040	0.51
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the end of the year	28040	0.51			28040	0.51
<b>5.</b>	<b>Mr. Sanjay Mehta – Director</b>						
	At the beginning of the year	30000	0.41			30000	0.41
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the end of the year	30000	0.55			30000	0.55
<b>6.</b>	<b>Mr. N. Gopalaswami – Director</b>						
	At the beginning of the year	0.00	0.00			0.00	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the end of the year	0.00	0.00			0.00	0.00
<b>7.</b>	<b>Mr. Shyamal Ghosh – Director</b>						
	At the beginning of the year	0.00	0.00			0.00	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the end of the year	0.00	0.00			0.00	0.00
<b>8.</b>	<b>Mr. Kamlesh Patel – Director</b>						
	At the beginning of the year	0.00	0.00			0.00	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the end of the year	0.00	0.00			0.00	0.00
<b>9.</b>	<b>Dr. Sushil Shah – Director</b>						
	At the beginning of the year	0.00	0.00			0.00	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the end of the year	0.00	0.00			0.00	0.00
<b>10.</b>	<b>Mr. Minesh Patel – CFO*</b>						
	At the beginning of the year	0.00	0.00			0.00	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the end of the year	0.00	0.00			0.00	0.00
<b>11.</b>	<b>Mr. Pankaj Ajmera – Company Secretary</b>						
	At the beginning of the year	0.00	0.00			0.00	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the end of the year	0.00	0.00			0.00	0.00

12.	Mr. Samkit Mehta – CFO						
	At the beginning of the year	0.00	0.00			0.00	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-		75	75	0.00
	At the end of the year	0.00	0.00		75	75	0.00

## (V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil
<b>Change in Indebtedness during the financial year</b>				
Additions	8,44,99,904	Nil	Nil	8,44,99,904
Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	8,44,99,904	Nil	Nil	8,44,99,904
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	8,44,99,904	Nil	Nil	8,44,99,904
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	4,98,831	Nil	Nil	4,98,831
<b>Total (i+ii+iii)</b>	8,49,98,735	Nil	Nil	8,49,98,735

VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
A.	Remuneration to Managing Director, Whole time director and/or Manager:		
Sl.No	Particulars of Remuneration	Total Amount	
1.	Gross salary	Mr. Viral P Desai	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	66,75,000	66,75,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2.	Stock option	0	0
3.	Sweat Equity	0	0
4.	Commission	0	0
	as % of profit	-	-
	others (specify)	-	-
5.	Others, please specify	-	-
	Retrial Benefits	4,32,000	4,32,000
	<b>Total (A)</b>	<b>71,07,000</b>	<b>71,07,000</b>
	<b>Ceiling as per the Act</b>	<b>84 Lakhs</b>	<b>84 Lakhs</b>

## B) Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors				Total Amount
1.	Independent Directors	Dr. Sushil Shah	Mr. Shyamal Ghosh	Mr. N. Gopalaswami	Mr. Kamlesh Patel	
	(a) Fee for attending board committee meetings	10,000	40,000	30,000	25,000	1,05,000
	(b) Commission	-	-	-	-	-
	(c ) Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>10,000</b>	<b>40,000</b>	<b>30,000</b>	<b>25,000</b>	<b>1,05,000</b>
2.	Other Non Executive Directors	Mr. Sanjay Mehta	Dr. Pranav Desai	Ms. Lataben P Desai		
	(a) Fee for attending board committee meetings	45,000	10,000	20,000		75,000
	(b) Commission	-	-	-	-	-
	(c ) Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>45,000</b>	<b>10,000</b>	<b>20,000</b>	<b>0</b>	<b>75,000</b>
	<b>Total (B)=(1+2)</b>	<b>55,000</b>	<b>50,000</b>	<b>50,000</b>	<b>25,000</b>	<b>1,80,000</b>
	<b>Total Managerial Remuneration</b>					<b>1,80,000</b>
	<b>Overall Ceiling as per the Act.</b>					



**A. Remuneration to Key Managerial Personnel other than MD/Manager/WTd**

Sl. No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL			
		Company Secretary	CFO		Total Amount
		Pankaj Ajmera	Minesh Patel	Samkit Mehta	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1,18,032	241,011	301,623	660,666
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	<b>Retrial Benefits</b>	0	8,400	23,760	32,160
	<b>Total</b>	<b>1,18,032</b>	<b>2,49,411</b>	<b>3,25,383</b>	<b>692,826</b>

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES					
Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding	181	Donation paid in excess of Limit Prescribed under Section 181 of the Companies Act, 2013 during year 2014 - 15	20000	RD	NA
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding	181	Donation paid in excess of Limit Prescribed under Section 181 of the Companies Act, 2013 during year 2014 - 15	20000	RD	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding	181	Donation paid in excess of Limit Prescribed under Section 181 of the Companies Act, 2013 during year 2014 - 15	20000	RD	NA

Place: Mumbai  
Dated: May 11, 2017

For and on behalf of the Board

Mr. Viral P Desai  
Managing Director  
DIN: 00029219

Dr. Pradip K Desai  
Non Executive Director  
DIN: 00026451

**“ANNEXURE C”****CORPORATE SOCIAL RESPONSIBILITY (CSR)**

(Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

**1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

**CSR POLICY**

(As approved by the Board at its meeting held February 10, 2015)

As a responsible Company, It has since its inception participated in business activities which help in improving quality of life for the Communities where it operates. This also includes creating better livelihood opportunities:

**Objective:**

The main objective of CSR Policy is to lay down guidelines for Corporate Social Responsibility Activities of Span Divergent Limited. The Policy is formulated in compliance with the requirements of the Companies Act, 2013 and rules made there under.

**Philosophy of Span Divergent Limited on CSR:**

Span on a voluntary basis, has contributed towards welfare of society over a period of time. In this process, it established education institutions on 'no profit' basis for the benefit of Society.

Now, Company will strive to do its best to follow the requirements of New Companies Act, on CSR obligation in letter and spirit.

**Projects / Programs to be Undertaken:**

The activities to be undertaken by the Company as CSR activities shall be the projects/programs relating to the activities/subjects specified enumerated in the Schedule VII of the Companies Act, 2013 or any amendment thereto or modification thereof.

The Committee shall from time to time decide/recommend to the Board on, CSR activities to be undertaken, the geographical area covered, agencies or trusts or NGOs with which the projects/activities are to be undertaken, Amount to be spent on various projects whether ongoing or fresh.

While deciding on the CSR activities, priority shall be given to the needs and requirements of communities or area in the vicinity of the manufacturing facilities of the Company.

The CSR programs or projects or activities that the Company plans to undertake for the execution/implementation are as under:

1. Blood Donation Camps in association with Surat Raktdaan Kendra
2. Spread of Education at affordable cost to students of poor or low income groups through the following trusts by donation in cash or kind - Vanita Vishram
3. Rural Development: Supporting the sustainable development of Rural Areas in association with or without Companies, NGOs or Trusts etc.
4. Any other activity as may be recommended by the Board from time to time

The Company will continue to engage with stakeholders including experts, NGOs and the Government and would take up such other CSR activities in line with Government's intent and which are important for society.

The CSR Policy of the Company is available on website of the Company [www.spandivergent.com](http://www.spandivergent.com)

**2. The Composition of the CSR Committee**

Name of the Member	Designation
Mr. Kamlesh Patel	Chairman
Mr. Sanjay Mehta	Member
Mr. Viral P Desai	Member

**3. Average Net Profit of the Company for last 3 financial year**

Average Net Profit: Rs. (2,19,55,370)

**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

The Company is required to spend Rs: Nil

**5. Details of CSR Spend for the Financial Year:**

- (a) Total amount to be spent for the financial year: NA
- (b) Amount unspent, if any: NA
- (c) Manner in which the amount spent during the financial year is detailed below: NA

1.	2.	3.	4.	5.	6.	7.	8.
Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered	Location	Amount Outlay (Budget) Project or Programs wise	Amount spent on the projects or programs	Cumulative Expenditure upto the reporting period	Amount spent direct or through implementing agency*

Members of CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and Policy of the Company

Sd/-  
Mr. Viral P Desai  
Managing Director  
DIN: 00029219

Sd/-  
Mr. Kamlesh Patel  
Chairman  
DIN: 01521972

## **Auditors' Report on Corporate Governance**

### **Independent Auditor's Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To The Members of  
**Span Divergent Limited (Formerly known as Span Diagnostics Limited)**

1. This Certificate is issued in accordance with the terms of our engagement letter dated December 26, 2016.
2. We have examined the compliance of conditions of Corporate Governance by Span Divergent Limited ('the Company'), for the year ended on March 31, 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

#### **Management's Responsibility**

3. The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

#### **Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this Certificate.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

#### **Opinion**

8. Based on our examination, as above, and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2017.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

#### **Restriction on Use**

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W/W100048

Atul Gala  
Partner  
Membership No.048650  
Place: Mumbai  
Date: May 11, 2017

## **CORPORATE GOVERNANCE REPORT**

### **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Business objective of Span Divergent Limited (Span), its management and its employees is to manufacture and market the Company's products in such a way as to create value that can be sustained over the long term for consumers, shareholders, employees, business partners and the national economy. Span is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, Span endeavors to ensure that highest standard of ethical conduct are met throughout the organization. Different eco-systems need specific solution to meet demand of legal compliances and regulations. However, there is a single thread which runs through the tapestry of governance which ensures that the affairs of a Company be controlled and regulated in a manner which is transparent, ethical and accountable.

### **BOARD OF DIRECTORS**

**Composition, attendance at the Board Meetings during 2016-17 and the last Annual General Meeting, outside directorship and Membership / Chairmanship of Board Committees of other Companies for the year ended / as at March 31, 2017**

Director	No. of Board Meetings attended	Attendance at last AGM	No. of outside Directorship held	No. of Membership / Chairmanship in other Board Committees		Executive, Non - Executive / Independent
				Chairmanship	Membership	
Mr. N. Gopalaswami	3	Yes	2	1	2	Independent Non-Executive Director
Ms. Lataben P. Desai	4	Yes	1	Nil	Nil	Promoter Non-Executive Woman Director
Dr. Pradip K. Desai	5	Yes	6	Nil	1	Promoter & Non Executive Director
Mr. Viral P. Desai	5	Yes	2	1	1	Promoter & Executive Director
Mr. Sanjay N. Mehta	5	Yes	3	Nil	4	Non-Executive Director
Dr. Pranav S. Desai	2	No	1	Nil	1	Promoter & Non-Executive Director
Dr. Sushil K. Shah	2	No	16	5	Nil	Independent Non-Executive Director
Mr. Shyamal Ghosh	4	Yes	Nil	2	2	Independent Non-Executive Director
Mr. Kamlesh M Patel	3	No	1	1	2	Independent Non-Executive Director

**Note:** 1. This excludes directorship in overseas companies and partnership in LLPs.

### **Details of Board Meetings**

Date	Board Strength	No. of Directors present
May 05, 2016	9	5
July 18, 2016	9	7
October 24, 2016	9	7
January 30, 2017	9	8
March 28, 2017	9	6

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Agreement and Disclosures Requirements) Regulation, 2015, the Board has carried out the Annual Performance Evaluation of its own performance, the Directors Individually as well as the evaluation of working of its various committees. A separate exercise was carried out to evaluate the performance of Individual Directors including Chairman of the Board who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding interest of the Company and its minority shareholders. The performance evaluation of the Chairman and the Non Independent Director was carried out by the Independent Director including overall performance of the Board as whole at the meeting of Independent Directors held during the year under review and by Board as whole.

### **AUDIT COMMITTEE**

The Audit Committee was reconstituted on May 15, 2013. The Committee comprises of three Independent Directors, namely Mr. Shyamal Ghosh, Chairman, Mr. N. Gopalaswami, Mr. Kamlesh M. Patel and Mr. Sanjay N. Mehta (Non Executive Director). Mr. Pankaj Ajmera, Company Secretary acts as the secretary to the Audit Committee. The composition and the Terms of Reference of the Audit Committee meet with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year, four meetings of Audit Committee were held, i.e. on May 05, 2016, July 18, 2016, October 24, 2016 and January 30, 2017.

### **Attendance of each member at the Audit Committee meetings held during the year**

Name of Members	No. of Meetings held	No. of Meetings Attended
Mr. Shyamal Ghosh, Chairman	4	4
Mr. N. Gopalaswami	4	3
Mr. Sanjay N. Mehta	4	4
Mr. Kamlesh M. Patel	4	2

The brief description of the terms of reference of the Audit Committee is as under:

### **Powers of Audit Committee**

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

**The role of Audit Committee**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process
8. Approval or any subsequent modification of transaction of the Company with related parties
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the Company, wherever it is necessary
11. Evaluation of internal financial controls and risk management systems
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of internal control systems
13. Reviewing the adequacy of Internal audit function, if any, including the structures of the internal audit department, staffing, and seniority of the official heading the department, reporting structure, coverage and frequency of Internal Audit
14. Discussion with Internal Auditors of any significant findings and follow up there on
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. To review the following information:
  - a. The management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of Chief Internal Auditors shall be subject to review by the Audit Committee
22. Reviewing the financial statements and in particular the investments made by the unlisted subsidiaries of the Company.

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was reconstituted on May 23, 2014. The Nomination and Remuneration Committee comprises of four directors of which two directors are independent directors & one Non Executive Director.

There was a two nomination and remuneration committee meeting held during the year on May 05, 2016 and January 30, 2017.

Attendance of each member at the Remuneration Committee Meetings held during the year.

Name of Members	No. of Meetings held	No. of Meetings attended	Designation
Mr. Shyamal Ghosh	2	2	Independent Non-Executive Director
Mr. Sanjay N. Mehta	2	2	Non Executive Director
Mr. N. Gopalaswami	2	2	Independent & Non-Executive Director
Mr. Viral P. Desai	2	2	Managing Director

The main term of reference of Remuneration Committee is to review and recommend the revision in remuneration of managerial personnel to the Board of Directors. The Remuneration Committee while reviewing the remuneration considers the industry remuneration standards, educational qualification, relevant experience and performance of the concerned managerial personnel vis-à-vis the company requirements.

The Role of Nomination and Remuneration Committee is as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evolution criteria in its Annual Report.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors



**Details of remuneration paid to all directors 2016 - 17**

Name of the Director	Sitting Fee	Salary, Allowances & Perquisites	Contribution to Provident Fund and other funds & Retrial Benefits	Commission	Total
Dr. Pradip. K. Desai	25,000	-	-	Nil	25,000
Mr. Viral. P. Desai	-	66,75,000	4,32,000	Nil	71,07,000
Ms. Lataben. P. Desai	20,000	Nil	Nil	Nil	20,000
Mr. Sanjay N. Mehta	45,000	Nil	Nil	Nil	45,000
Dr. Pranav S. Desai	10,000	Nil	Nil	Nil	10,000
Dr. Sushil K. Shah	10,000	Nil	Nil	Nil	10,000
Mr. Shyamal Ghosh	40,000	Nil	Nil	Nil	40,000
Mr. Kamlesh M. Patel	25,000	Nil	Nil	Nil	25,000
Mr. N. Gopalaswami	30,000	Nil	Nil	Nil	30,000

Mr. Sanjay N. Mehta, a non-executive director is a partner of M/s. Akkad Mehta & Co. Chartered Accountants which has professional relationship with the Company. The Company paid Rs. 4,50,000 (plus applicable service-tax) to M/s. Akkad Mehta & Co., during the year.

**NOMINATION AND REMUNERATION POLICY****Introduction:**

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

**Objectives of the Committee:**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Director and the Board
- Devising a policy on Board diversity.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

**Definitions:**

- **“Board”**:-Board means Board of Directors of the Company.
- **“Director”**:-Directors means Directors of the Company.
- **“Committee”**:-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- **“Company”**:- Company means Span Divergent Ltd.
- **“Independent Director”**:- As provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013, 'Independent director' shall mean a non-executive director, other than a nominee director of the company:
  - who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
  - apart from receiving director's remuneration, has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
  - none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  - who, neither himself nor any of his relatives —
    - holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
    - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
    - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;  
holds together with his relatives two per cent or more of the total voting power of the company; or
    - is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
    - is a material supplier, service provider or customer or a lessor or lessee of the company;
  - who is not less than 21 years of age.

• **“Key Managerial Personnel”:-** Key Managerial Personnel (KMP) means-

- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the Company Secretary;
- (iii) the Whole-Time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the applicable statutory provisions / regulations

• **“Senior Management”:-** The expression "senior management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**Applicability:-**

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

**Constitution of the Nomination and Remuneration Committee:**

The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement. At present, the Nomination and Remuneration Committee comprises of following Directors:

- i. Mr. Shyamal Ghosh, Chairman (Independent Director)
- ii. Mr. N. Gopalaswami, (Independent Director)
- iii. Mr. Sanjay Mehta, (Non Executive Director)
- iv. Mr. Viral P Desai (Managing Director)

**General Appointment Criteria:**

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

**Additional Criteria for Appointment of Independent Directors:**

The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time ) and Companies Act, 2013.

**Term / Tenure:**

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

**Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**Criteria for Evaluation of Independent Director and the Board:**

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

**1. Executive Directors:**

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive Directors by the board from time to time

**2. Non Executive Director:**

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- (a) act objectively and constructively while exercising their duties;
- (b) exercise their responsibilities in a bona fide manner in the interest of the company;
- (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) refrain from any action that would lead to loss of his independence
- (f) inform the Board immediately when they lose their independence,
- (g) assist the company in implementing the best corporate governance practices.
- (h) strive to attend all meetings of the Board of Directors and the Committees;
- (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) strive to attend the general meetings of the company;
- (k) keep themselves well informed about the company and the external environment in which it operates;
- (l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- (n) Abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

**Policy on Board Diversity:**

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development , Human Resources etc or as may be considered appropriate.

The Board shall have optimum combination of directors as per requirement of the Companies Act, 2013 and Listing Agreement as may be applicable.

**Remuneration:**

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval

The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

**1. Director/ Managing Director**

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director etc shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

**2. Non executive Independent Directors**

The Non- Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

**3. KMPs / Senior Management Personnel etc**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

**STAKEHOLDER RELATIONSHIP COMMITTEE**

Stakeholders Relationship Committee comprises of 4 (Four) non-executive directors namely Mr. Kamlesh M. Patel (Chairman), Dr. Pranav S. Desai and Mr. Sanjay N. Mehta; and Dr. Pradip K. Desai.

Mr. Pankaj Ajmera, Company Secretary is the Compliance Officer.

During the financial year 2016 – 17, the committee met four times on May 05, 2016, July 18, 2016, October 24, 2016 and January 30, 2017. The details of member are given below:

Name of Members	No. of Meetings held	No. of Meetings attended	Designation
Dr. Pradip. K. Desai	4	4	Non-Executive Director
Mr. Sanjay N. Mehta	4	4	Non-Executive Director
Dr. Pranav S Desai	4	1	Non-Executive Director
Mr. Kamlesh Patel	4	2	Independent Non Executive Director

The Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipts of annual report and non-receipts of declared dividends.

There were 3 complaints received from shareholders / investors during the year 2016-17 and were solved to the satisfaction of the complainants and no investor complaint was pending at the beginning or at the end of the year. All valid requests for share transfers received were acted upon by the Company and no such transfer is pending.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Company has constituted Corporate Social Responsibility Committee on May 23, 2015. The Committee comprises of Mr. Kamlesh Patel, Independent Director, Mr. Sanjay Mehta, Non Executive Director and Mr. Viral P Desai, Executive Director.

There were no meeting of the committee held during the year.

**HUMAN RESOURCES COMMITTEE:**

The Board of Directors of the Company has constituted Human Resource Committee to be called as HR Committee to review Human Resource Policy & Employee Performance which was dissolved with effect from May 06, 2016.

**MANAGING COMMITTEE**

The Board of Directors of the Company has constituted Managing Committee to review business plan & performance of various Strategic Business Units of the Company which was dissolved with effect from May 06, 2016.

**GENERAL BODY MEETING**

**I. Location and time of last three Annual General Meeting & Special/Ordinary Resolutions passed in previous three Annual General Meeting were as under:**

Year	Venue	Date	Time	Resolution passed
2015-16	Science Center Auditorium, City Light Road, Surat – 395 007	September 12, 2016	10:30 a.m.	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Viral P Desai as Managing Director of the Company for a further period on 3 years with effect from July 01, 2016</li> <li>Approval of Related Party Transaction limit</li> </ul>
2014-15	DTA – 2, G 02 to G 05 Plot, Gujarat Hira Bourse, Gem & Jewellery Park, Ichhapore-2, Surat – 394 510	September 20, 2015	10:30 a.m.	<ul style="list-style-type: none"> <li>Regularization of an Additional Director Ms. Lataben P Desai as Director of the Company</li> <li>To approve appointment of Cost Auditor for the year 2015 – 16</li> <li>To authorize Board to make donation of not exceeding Rs. 2 Crore (Rupees Two Crore) in aggregate per annum over and above limit prescribed under the Companies Act, 2013</li> </ul>

2013-14	Registered Office at Plot No. 173 – B, New Industrial Estate, Road No. 6G, Udhna, Surat – 394 210	August 08, 2014	10:30 a.m.	<ul style="list-style-type: none"> <li>• Appointment of Mr. Kamlesh Patel as an Independent Director for a period of 5 years</li> <li>• Appointment of Mr. N. Gopalaswami as an Independent Director for a period of 5 years</li> <li>• Appointment of Mr. Shyamal Ghosh as an Independent Director for a period of 5 years</li> <li>• Appointment of Mr. Sushil Shah as an Independent Director for a period of 5 years</li> <li>• To authorize Board of Directors to borrow money from time to time not exceeding Rs. 75 Crore</li> <li>• To authorize Board of Directors to mortgage/hypothecate or otherwise charge the properties of the Company</li> <li>• To approve remuneration to Cost Auditor</li> <li>• To authorize to invite, accept or renew deposits</li> </ul>
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## II. Whether any special resolution passed last year through postal ballot – details of voting pattern:

There were total 3 (Three) resolutions passed as special resolutions through postal ballot, details of which are as under:

### RESOLUTION AT ITEM NO.: 1 TO AUTHORISE BOARD OF DIRECTORS OF THE COMPANY FOR MORTGAGING, HYPOTHECATING AND / OR OTHERWISE CHARGING IMMOVABLE AND/OR MOVABLE PROPERTIES/ASSETS OF THE COMPANY UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013

A special resolution proposed at Item No. 1 through postal ballot was as under:

**"RESOLVED THAT**, pursuant to Section 180 and/or Section 77 of the Companies Act, 2013 and all other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging, hypothecating and/or otherwise charging on such terms and conditions and at such time or times and in such form or manner as Board of Directors of the Company may think fit, of all or any of the immovable and/or movable properties/assets of the Company wherever situated, present and future whatsoever and/or the whole or substantially the whole of the undertaking of the Company as may be agreed to between the Company and the banks, financial institutions, lenders, their agents for the purpose of securing existing or proposed borrowing from financial institutions, banks, mutual funds and/or any other institutions/parties, together with interest, additional interest, compound interest, premium on prepayment, costs, charges, expenses and all other moneys due, owing or payable presently or in future by the Company subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to finalise with the lenders or their agents such deeds, agreements and documents for creating the aforesaid mortgage, hypothecation charge, or encumbrance including delegation of any of the powers conferred on Board to any other person as Board may deem fit and to do and perform all such acts, deeds, matters and things and to execute all such documents, writings as it may consider necessary, expedient, usual, requisite or proper for the purpose of giving effect to this Resolution.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and are hereby jointly and/or severally authorized to submit the necessary applications and the other required documents, forms and papers to the Registrar of Companies and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution including resolving any difficulties that may arise while giving effect to this resolution without seeking any further approval of the members of the Company."

### DETAILS OF VOTING PATTERN

No. of Ballot Forms and e-Voting received: 27

No. of Valid Ballot Forms and e-Voting: 23

Resolution Required				Special				
Whether promoter / promoter group are interested in the agenda / resolution?				No				
Category	Mode of Voting	No. of Shares Held	No. of Votes Polled	% of Votes polled on outstanding shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Promoter &amp; Promoter Group</b>	E-voting	3310521	0.00	NA	0.00	0.00	NA	NA
	Poll		NA	NA	NA	NA	NA	NA
	Postal Ballot		0.00	NA	0.00	0.00	NA	NA
	Total		0.00	NA	0.00	0.00	NA	NA
<b>Public Institution</b>	E-voting	Nil	0.00	NA	0.00	0.00	NA	NA
	Poll		NA	NA	NA	NA	NA	NA
	Postal Ballot		0.00	NA	0.00	0.00	NA	NA
	Total							
<b>Public Non Institution</b>	E-voting	2151226	NIL	NA	NIL	NIL	NA	NA
	Poll		NA	NA	NA	NA	NA	NA
	Postal Ballot		10020	0.47	10020	0.00	100.00	0.00
	Total		10020	0.47	10020	0.00	100.00	0.00
<b>Total</b>		<b>5461747</b>	<b>10020</b>	<b>0.18</b>	<b>10020</b>	<b>0.00</b>	<b>100.00</b>	<b>0.00</b>

**RESOLUTION AT ITEM NO.: 2. TO AUTHORISE BOARD TO BORROW MONEY IN ANY MANNER FROM TIME TO TIME NOT EXCEEDING INR 150 CRORE (RUPEES ONE HUNDRED FIFTY CRORE ONLY) UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013**

A special resolution proposed at Item No. 2 through postal ballot was as under:

**"RESOLVED THAT**, pursuant to Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money in any manner from time to time with or without securities and upon such terms and conditions as they may deem fit, notwithstanding that monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company subject however to the condition that such borrowings at any point of time shall not exceed INR 150 Crore (Rupees One Fifty Crore).

**RESOLVED FURTHER THAT** any of the Directors of the Company be and are hereby jointly and/or severally authorized to submit the necessary applications and the other required documents, forms and papers to the Registrar of Companies and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution including resolving any difficulties that may arise while giving effect to this resolution without seeking any further approval of the members of the Company."

**DETAILS OF VOTING PATTERN**

**No. of Ballot Forms and e-Voting received: 27**

**No. of Valid Ballot Forms and e-Voting: 23**

Resolution Required				Special				
Whether promoter / promoter group are interested in the agenda / resolution?				No				
Category	Mode of Voting	No. of Shares Held	No. of Votes Polled	% of Votes polled on outstanding shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Promoter &amp; Promoter Group</b>	E-voting	3310521	0.00	NA	0.00	0.00	NA	NA
	Poll		NA	NA	NA	NA	NA	NA
	Postal Ballot		0.00	NA	0.00	0.00	NA	NA
	Total		0.00	NA	0.00	0.00	NA	NA
<b>Public Institution</b>	E-voting	Nil	0.00	NA	0.00	0.00	NA	NA
	Poll		NA	NA	NA	NA	NA	NA
	Postal Ballot		0.00	NA	0.00	0.00	NA	NA
	Total							
<b>Public Non Institution</b>	E-voting	2151226	NIL	NA	NIL	NIL	NA	NA
	Poll		NA	NA	NA	NA	NA	NA
	Postal Ballot		10020	0.47	10020	0.00	100.00	0.00
	Total		10020*	0.47	9620	0.00	96.00	0.00
<b>Total</b>		<b>5461747</b>	<b>10020</b>	<b>0.18</b>	<b>9620</b>	<b>0.00</b>	<b>96.00</b>	<b>0.00</b>

\*Of the 10020 shares voted, 400 shares were less voted.

**RESOLUTION AT ITEM NO.: 3 TO MAKE LOANS TO ANY PERSON OR OTHER BODIES CORPORATE, GIVE ANY GUARANTEE OR PROVIDE SECURITY IN CONNECTION WITH A LOAN TO ANY OTHER BODY CORPORATE OR PERSON AND ACQUIRE BY WAY OF SUBSCRIPTION, PURCHASE OR OTHERWISE SECURITIES OF ANY BODY-CORPORATE UPTO INR 150 CRORE (RUPEES ONE HUNDRED FIFTY CRORES ONLY) UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

A special resolution proposed at Item No. 3 through postal ballot was as under:

**"RESOLVED that** pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), and the Rules framed there under including any statutory modification or reenactment thereof for the time being in force, and such other approvals as may be required in that behalf, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to:

1. make loans from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
2. give on behalf of any person, body corporate, any guarantee, or provide security in connection with a loan made by any other person to, or to any other person by any body corporate; and
3. acquire by way of subscription, purchase or otherwise the securities of any other body corporate,

in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of INR 150 Crore, notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee or security so far provided to, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

**FURTHER RESOLVED** that the consent of the Company be and is hereby accorded to the Board to invest in the Subsidiaries, Associates, Related Parties, make loans to them; provide guarantees/security on their behalf, to person, within the limits, if any, as may be applicable from time to time and on such terms and conditions as may be deemed fit and expedient.



**FURTHER RESOLVED** that the Board be and is hereby authorized to negotiate the terms and conditions of the above said investments, loan(s), security (ies) or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.

**FURTHER RESOLVED** that the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters, and things as may necessary, proper, expedient, required or incidental thereto in this regard including but not limited to filing of requisite applications / forms / reports etc. with the Ministry of Corporate Affairs or with such authorities as may be required for the purpose of giving effect to this resolution and to resolve all the doubts, questions, difficulties relating thereto from time to time without seeking any further approval of the members of the Company."

#### DETAILS OF VOTING

**No. of Ballot Forms and e-Voting received: 27**

**No. of Valid Ballot Forms and e-Voting: 23**

Resolution Required				Special				
Whether promoter / promoter group are interested in the agenda / resolution?				No				
Category	Mode of Voting	No. of Shares Held	No. of Votes Polled	% of Votes polled on outstanding shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on votes polled	% of votes against on votes polled
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Promoter &amp; Promoter Group</b>	E-voting	3310521	0.00	NA	0.00	0.00	NA	NA
	Poll		NA	NA	NA	NA	NA	NA
	Postal Ballot		0.00	NA	0.00	0.00	NA	NA
	Total		0.00	NA	0.00	0.00	NA	NA
<b>Public Institution</b>	E-voting	Nil	0.00	NA	0.00	0.00	NA	NA
	Poll		NA	NA	NA	NA	NA	NA
	Postal Ballot		0.00	NA	0.00	0.00	NA	NA
	Total							
<b>Public Non Institution</b>	E-voting	2151226	NIL	NA	NIL	NIL	NA	NA
	Poll		NA	NA	NA	NA	NA	NA
	Postal Ballot		10020	0.47	10020	0.00	100.00	0.00
	Total		10020*	0.47	9620	0.00	96.00	0.00
<b>Total</b>		<b>5461747</b>	<b>10020</b>	<b>0.18</b>	<b>9620</b>	<b>0.00</b>	<b>96.00</b>	<b>0.00</b>

\*Of the 10020 shares voted, 400 shares were less voted.

The Managing Director announced that the special resolutions as set out in the postal ballot notice dated January 30, 2017 were carried with the requisite majority:

#### III) Person who conducted the postal ballot exercise:

Mr. Mitesh Rana  
Mitesh Rana & Co.,  
Company Secretaries

#### IV) There was no resolution proposed to be conducted through postal ballot.

#### V) Procedure for postal ballot: Not applicable

#### DISCLOSURES

None of the transactions with any of the related party were in conflict with the interest of the Company at large. The members may refer to Note No. 29 to the Accounts for details of transactions with the related parties. During the year 2016 - 17, no transactions of material nature have been entered into by the Company with the Promoters or Directors or Management, their subsidiaries or their relatives that may be in potential conflict with the interests of the Company.

There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or on any matter relating to the capital markets, during the last three years.

The Company has adopted a code of conduct for its director and senior management and the code of conduct has been put on the Company's website [www.spandivergent.com](http://www.spandivergent.com). This code of conduct has been communicated to each of them. A declaration signed by the Managing Director of the Company is given below:

I hereby confirm that the Company has obtained from all the members of the Board and management personnel, affirmation that they have complied with the Code of Conduct in respect of financial year 2016 – 17.

**Viral P. Desai**  
Managing Director  
DIN 00029219

**Whistle Blower Mechanism/Vigil Mechanism**

The Company has established a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and the same has been communicated within organization. During the year under review, Company has not received any complaint. Company also affirms that no personnel has been denied access to the audit Committee.

The Company has complied with the mandatory requirements of erstwhile clause 49 of the listing agreement and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 providing for corporate governance. In view of elaborate disclosure requirement under listing agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, publication of un-audited financial statements along with major developments every quarter and size of the Company, the Company has not gone for implementation of all non-mandatory requirements. The Company will consider their adoption at an appropriate stage.

**MEANS OF COMMUNICATION****Half-Yearly report to Shareholders, Quarterly Results, Newspaper in which published, Website etc.**

The quarterly and annual results are generally published in edition of the Economic Times, Ahmedabad and Dhabkar, Surat. The half-yearly reports are not sent to shareholders. Official news releases and presentations made to analyst are sent to the stock exchange at Mumbai, where shares of the Company are listed.

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

Certificate from the Auditors of the Company, M/s. Haribhakti & Co. LLP, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is attached to the Directors' Report forming part of the Annual Report.

**CEO/CFO CERTIFICATION**

The Managing Director of the Company and Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**GENERAL SHAREHOLDER INFORMATION****(a) Annual General Meeting**

Day, Date & Time	Friday, September 22, 2017 at 11:00 a.m.
Venue	Science Center Auditorium, City Light Road, Surat – 395 007

**(b) Financial Calender**

Financial Year: April 1 to March 31

For the financial year 2016 – 17, the results were announced as per the following details:

1 <sup>st</sup> Quarter ended on June 30, 2016	On July 18, 2016
2 <sup>nd</sup> Quarter ended on September 30, 2016	On October 24, 2016
3 <sup>rd</sup> Quarter ended on December 31, 2016	On January 30, 2017
Audited Financial Result for the year ended on March 31, 2017	On May 11, 2017

For the financial year 2017 – 18, financial results will be announced as per the following tentative schedule:

1 <sup>st</sup> Quarter ended on June 30, 2017	First week of August, 2017
2 <sup>nd</sup> Quarter ended on September 30, 2017	First week of November, 2017
3 <sup>rd</sup> Quarter ended on December 31, 2017	First week of February, 2018
Audited Financial Result for the year ended on March 31, 2018	Last week of May, 2019

**(c) Date of Book Closure**

The Company's Register of Member's & Share Transfer Book will remain closed from September 12, 2017 to September 22, 2017 (both days inclusive).

**(d) Listing of Stock Exchange and Stock Code**

Shares of the company are listed on the Bombay Stock Exchange Limited, Mumbai (Scrip Code: 524727).

**(e) Market Price Data:**

High / Low in each month of year 2016 - 17 on the Bombay Stock Exchange Limited, Mumbai.

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April	78.90	60.05	October	65.00	55.75
May	73.95	60.00	November	97.50	51.15
June	74.30	56.35	December	76.95	57.00
July	71.00	56.00	January	80.00	58.05
August	64.00	57.55	February	75.40	55.25
September	65.00	55.00	March	61.95	50.05

**(f) Performance in Comparison to BSE Sensex**

Month & Year	Closing Sensex	% Change	Closing Price of Company's share	% change
April 2016	25606.62	1.04	71.50	12.24
May 2016	26667.96	4.14	63.20	-11.61
June 2016	26999.72	1.24	61.30	-3.01
July 2016	28051.86	3.90	62.10	1.31
August 2016	28452.17	1.43	60.45	-2.66
September 2016	27865.96	-2.06	58.50	-3.23
October 2016	27930.21	0.23	60.00	2.56
November 2016	26652.81	-4.57	59.00	-1.67
December 2016	26626.46	-0.10	64.95	10.08
January 2017	27655.96	3.87	62.75	-3.39
February 2017	28743.32	3.93	57.00	-9.16
March 2017	29620.50	3.05	56.00	-1.75

**(g) Registrar & Transfer Agents & Share Transfer System**

Link Intime India Private Limited  
C – 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083  
Telephone No.: +91 22 49186270, Fax: +91 22 49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

The requests for share transfer involving 12,100 shares are processed and approved by the Registrar & Transfer Agents under the delegated authority. Other valid requests are placed before the Stakeholders Relationship Committee. The minutes of the Stakeholders Relationship Committee is placed before the Board meeting for information.

The share transfer formalities are audited by a practicing company secretary on a half-yearly basis and a copy of the audit report is filed with the stock exchange.

**(h) Categories of Shareholding and Dematerialisation of Shares as on March 31, 2016**

Category	Numbers of shares in physical form	Number of shares in dematerialized form	Number of total shares	Percentage of aggregate holding to total share capital
Promoters	28300	32153810	3243681	59.39%
Foreign Institutional investors	0	0	0	0.00%
Public financial institutions	0	0	0	0.00%
Mutual funds	0	0	0	0.00%
Nationalized banks and other banks	0	0	0	0.00%
NRI's and OCB's	139000	770908	909908	16.66%
Others (includes holding of Corporate Bodies)	247764	1060394	1308158	23.95%
<b>TOTAL</b>	<b>415064</b>	<b>5046683</b>	<b>5461747</b>	<b>100.00%</b>
<b>Percentage</b>	<b>7.60</b>	<b>92.40</b>	<b>100</b>	

**(i) Distribution of Share Holding as on March 31, 2016**

No. of Share	Number of shareholders	Percentage of Total	Number of shares	Percentage of total shares
1 to 500	2339	86.89	403962	7.40
501 to 1000	160	5.94	129959	2.38
1001 to 2000	81	3.01	125675	2.30
2001 to 3000	24	0.89	61896	1.13
3001 to 4000	18	0.67	66043	1.21
4001 to 5000	7	0.26	32762	0.60
5001 to 10000	25	0.93	200676	3.67
10001 and above	38	1.41	4440774	81.31
<b>Total</b>	<b>2692</b>	<b>100.00</b>	<b>5461747</b>	<b>100.00</b>

**(j) Outstanding ADRs / GDRs / Warrants or any convertible instruments, conversion date and likely impact on equity:**

There were NIL convertible share warrants outstanding as on March 31, 2017.

**(k) Plant Location: Not Applicable****(l) Registered Office & Address for correspondence:**

Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007

Email: [secretarial@span.co.in](mailto:secretarial@span.co.in)

Website: [www.spandivergent.com](http://www.spandivergent.com)

For and on behalf of the Board

Place: Mumbai  
Dated: May 11, 2017

Viral P Desai  
Managing Director  
DIN: 00029219

Dr. Pradip K Desai  
Non Executive Director  
DIN: 00026451

**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED ON **MARCH 31, 2017**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members,**  
**Span Divergent Limited**  
**Formerly Span Diagnostics Limited**  
**Surat**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Span Divergent Limited** (hereinafter referred to as "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Span Divergent Limited** ("**Company**") for the financial year ended on March 31, 2017, according to the provisions of:

- i. The Companies Act, 2013 (**the Act**), and the Rules made thereunder; The Companies Act, 1956 to the extent applicable
- ii. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client

Our Scope of Audit for the compliance check for all other applicable laws to the Company from time to time (As briefed in Annexure A) to the extent applicable, was limited to comment with respect to proper systems in place to ensure compliance of various requirements of the stated laws. In respect of the same, as explained and confirmed to us by management, prima facie, there are adequate system checks implemented by management of the company to ensure compliance of the applicable provisions of the stated law, during the period under review.

Further, in respect of labour laws applicable to the company (As briefed in Annexure B), the company has proper systems in place to ensure compliance of various requirements of the stated laws. In respect of the same, as explained and confirmed to us by management and on an examination of various records, registers etc. kept and maintained by the Company, prima facie, the Company has complied with the stated applicable labour laws to the company, from time to time, during period under review to the extent applicable.

We have also examined compliance with the applicable clauses of the following:

- 1) Applicable Secretarial Standards issued by The Institute of Company Secretaries of India.
- 2) The Equity Listing Agreements entered into by the Company with the BSE Limited
- 3) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015
- 4) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, requiring compliance thereof by the Company during the financial year

During the period under review, prima facie, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned herein above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

1. Appointed Mr. Viral P Desai as Managing Director of the Company with effect from July 01, 2016 for a further period of 3 years

**FOR MITESH RANA & CO.,**  
**COMPANY SECRETARIES**

**MITESH RANA**  
**COMAPNY SECRETARY**  
**ACS M. No.: 28113**  
**COP: 12364**

**DATE: MAY 11, 2017**  
**PLACE: MUMBAI**

**Note:** This report is to be read with assumptions/limitations as mentioned in Annexure "C" and our letter of even date which is annexed as "Annexure D" forming an integral part of this report.

**Annexure “A”**

1. The Indian Copyright Act, 1957
2. The Patents Act, 1970
3. The Trade Marks Act, 1999

**Annexure “B”**

**A. LABOUR & INDUSTRIAL LAWS**

1. Apprentices Act, 1961
2. Contract Labour (Regulation and Abolition) Act, 1970
3. Employees Provident Fund and Miscellaneous Provisions Act, 1951 & Employees Provident Funds Scheme, 1952
4. Equal Remuneration Act, 1976 and Rules, 1976
5. Industrial Disputes Act, 1947
6. Industrial Employment (Standing Orders) Act, 1946
7. Maternity Benefit Act, 1961
8. Minimum Wages Act, 1948
9. Workmen's Compensation Act, 1923
10. Payment of Bonus Act, 1965 & the Payment of Bonus Rules, 1975
11. Payment of Gratuity Act, 1972 & The Payment of Gratuity (Central) Rules, 1972
12. Payment of Wages Act, 1936
13. The Employees' State Insurance Act, 1948
14. The employees' State Insurance (General) Regulations, 1950
15. Factories Act, 1948
16. Personal Injuries Compensation Insurance Act, 1963 and Personal Injuries (Compensation Insurance) Rules, 1972
17. Employment Exchanges (Compulsory Notification of vacancies) Act, 1959 and The Employment Exchanges (Compulsory Notification of Vacancies) Rules, 1960
18. Supreme Court Guidelines on Prohibition of Sexual Harassment of Women at Work Place (Visaka v. State of Rajasthan)
19. Public Liability Insurance Act, 1991 and Public Liability Insurance Rules, 1991
20. Sales Promotion (Employees Conditions of Service) Act, 1976

**B. CENTRAL ENVIRONMENT AND SAFETY LAWS**

1. Environment Protection Act, 1986 and Environment (Protection) rules, 1986
2. Hazardous Wastes (Management and Handling) Rules, 1989
3. Manufacture, Storage And Import of Hazardous Chemicals Rules, 1989
4. The Water (Prevention And Control of Pollution) Act, 1974
5. The Air (Prevention And Control of Pollution) Act, 1974
6. Water (Prevention and Control of Pollution) Cess Act 1977 and Water (Prevention and Control of Pollution) Cess Rules 1978

**Annexure “C”**

**Assumption and limitations:**

a) For the purpose of this Secretarial Audit of Span Divergent Limited (the Company), we have assumed (without making any investigation) that:

- i) All signatures, stamps and seals on the documents submitted to us are genuine.
- ii) The information given by the Company in the documents are true and correct and the Company is not aware of any omission of material fact or information in the documents which may cause the documents to be misleading.
- iii) The documents executed by the Company thereto have been executed by the persons authorised to execute the same pursuant to resolutions of the board of directors of the company.
- iv) There have been no amendments to the documents submitted to us.
- v) There are no arrangements between any of the parties to the documents which modify or supersede any of the terms of the documents
- vi) The board resolution have been properly passed in accordance with the articles of association of company (including, that any meeting convened was properly convened) and all directors who participated and voted are entitled so to do and are duly appointed and
- vii) No further resolution has been subsequently passed which has revoked or amended any of the resolutions.

(b) We have examined the laws of India, as currently applied by Indian courts, as in our judgment is necessary for the purpose of this Report. We do not purport to be qualified to express an opinion, and we do not express any opinion, as to the laws of any jurisdiction other than India. This Report is strictly limited to the matters stated in the paragraph and does not extend to any other matter.

(c) We have not conducted due diligence on the Company. We have not conducted any physical verification or valuations of the assets of the Company, our observation set out herein are limited to issues and risks arising out of legal matters. We have not examined the implications or business issues that may arise out of the commercial transactions or tax or regulatory matters as they do not fall within the scope of our review.

(d) Our understanding of the facts is based upon and limited to the information/documents provided to us. We have no reason to believe that information or any of the documents provided to us are not genuine. Any variance of facts or of law may cause a corresponding change in the analysis set out in this Report.

**“Annexure D”**

**To,  
The Members  
Span Divergent Limited  
Surat**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR MITESH RANA & CO.,  
COMPANY SECRETARIES**

**MITESH RANA  
COMAPNY SECRETARY  
ACS M. No.: 28113  
COP: 12364**

**DATE: MAY 11, 2017  
PLACE: MUMBAI**



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Span Divergent Limited**  
(Formerly known as Span Diagnostics Limited)

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Span Divergent Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

(1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 26 on Contingent Liabilities to the standalone financial statements;
  - ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) The Company did not have any holdings or dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016 (Refer Note No. 32 to the financial statements);

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W/W100048

Atul Gala  
Partner  
Membership No.048650

Place: Mumbai  
Date: May 11, 2017

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Span Divergent Limited on the standalone financial statements for the year ended March 31, 2017]

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has granted unsecured loans to company covered in the register maintained under Section 189 of the Act.
  - a) In our opinion and according to the information and explanations given to us, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
  - b) The schedule of repayment of principal in respect of such loans is based on the revised repayment schedule. However, the Company has not received any interest during the year.
  - c) In respect of the aforesaid loans, there is no overdue amount of loans granted to companies listed in the register maintained under Section 189 of the Act.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.  
 According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.  
 (b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution, banks.
- (ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) Based on the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP  
 Chartered Accountants  
 ICAI Firm Registration No. 103523W/W100048

Atul Gala  
 Partner  
 Membership No.048650

Place: Mumbai  
 Date: May 11, 2017

**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Span Divergent Limited on the standalone financial statements for the year ended March 31, 2017]

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Span Divergent Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone\* financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W/W100048

Atul Gala  
Partner  
Membership No.48650

Place: Mumbai  
Date: May 11, 2017

**BALANCE SHEET AS AT MARCH 31, 2017**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>As at 31-03-2017 Rs.</b>	<b>As at 31-03-2016 Rs.</b>
<b>Shareholders' Funds</b>			
Share Capital	3	54,617,470	546,174,70
Reserves & Surplus	4	427,021,013	450,685,620
		<b>481,638,483</b>	<b>505,303,090</b>
<b>Non Current Liabilities</b>			
Long Term Provisions	5	2,279,393	1,517,985
		<b>2,279,393</b>	<b>1,517,985</b>
<b>Current Liabilities</b>			
Short Term Borrowings	6	84,499,904	-
Trade Payable			
Total outstanding dues of micro enterprises and small enterprises	7	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	7	1,283,234	899,872
Other Current Liabilities	8	5,034,081	1,587,692
Short Term Provisions	9	676,287	638,715
		<b>91,493,506</b>	<b>3,126,279</b>
<b>Total</b>		<b>575,411,382</b>	<b>509,947,354</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed Assets			
Tangible Assets	10	44,614,249	21,163,620
Intangible Assets	10	640,267	41,346
Tangible Capital Work-in-Progress	10	9,242,926	-
Intangible Assets under Development	10	-	314376
Non Current Investments	11	182,754,622	67,900,177
Deferred Tax Assets (Net)	12	1,017,091	167,441
Long term Loans and Advances	13	70,914,098	66,845,377
		<b>309,183,254</b>	<b>156,432,337</b>
<b>Current Assets</b>			
Current Investments	14	252,988,459	315,964,165
Trade Receivables	15	730,430	1,273,994
Cash and Cash Equivalents	16	4,082,334	15,658,958
Short term Loans and Advances	17	5,856,798	17,537,854
Other Current Assets	18	2,570,107	3,080,046
		<b>266,228,128</b>	<b>353,515,017</b>
<b>Total</b>		<b>575,411,382</b>	<b>509,947,354</b>
Summary of Significant Accounting Policies	2		
See notes accompanying financial statements			
Accounting policies and notes on financial statement form an integral part of the financial statements	1-33		

As per our Report of even date :  
**For Haribhakti & Co. LLP,**  
Chartered Accountants  
**ICAI FRN No.: 103523W/W100048**

For and on behalf of Board of Directors

**Viral P. Desai**  
Managing Director  
**DIN : 00029219**

**Dr. Prdip K. Desai**  
Director  
**DIN : 00026451**

**Atul Gala**  
**Partner**  
Membership No. 048650

**Samkit Mehta**  
**CFO**

**Pankaj Ajmera**  
**Company Secretary**

Place : Mumbai  
Date : May 11, 2017

Place : Mumbai  
Date : May 11, 2017

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

	Note	31-03-2017 Rs.	31-03-2016 Rs.
<b>INCOME</b>			
Sale of Products	19	18,147,603	-
Less : Excise Duty recovered on Sales		-	-
		<b>18,147,603</b>	<b>-</b>
Sale of Service and Other Operating Income	19	5,566,717	-
Other Income	20	22,706,380	27,427,912
<b>Total Revenue</b>		<b>46,420,700</b>	<b>27,427,912</b>
<b>EXPENSES</b>			
Cost of Materials Purchased	21	16,305,247	-
Employee Benefits Expense	22	16,351,276	5,682,573
Finance Costs	23	1,654,374	-
Depreciation and Amortisation Expense	10	3,427,311	1,665,296
Other Expenses	24	13,196,748	27,125,577
Donation		20,000,000	19,711,111
<b>Total Expenses</b>		<b>70,934,957</b>	<b>54,184,557</b>
<b>Profit / (Loss) before exceptional items &amp; tax</b>		<b>(24,514,257)</b>	<b>(26,756,645)</b>
Add : Exceptional Items	31	-	74,204,246
<b>Profit / (Loss) before tax</b>		<b>(24,514,257)</b>	<b>47,447,601</b>
<b>Profit/(Loss) before tax from operation</b>		<b>(24,514,257)</b>	<b>47,447,601</b>
Tax Expenses		-	12,218,980
Tax Adjustment of earlier year		-	141,652
Deferred Tax		(849,650)	(240,733)
<b>Income tax expense for operation</b>		<b>(849,650)</b>	<b>12,119,899</b>
<b>Profit/(Loss) after tax from operation</b>		<b>(23,664,607)</b>	<b>35,327,702</b>
<b>Profit/(Loss) after tax for the year</b>		<b>(23,664,607)</b>	<b>35,327,702</b>
Earning per equity share – Basic & Diluted (Rs.)	25	(4.33)	6.47
(Nominal Value per share of Rs.10/- each (Previous year -Rs.10/- each))			
Summary of Significant Accounting Policies			
Notes accompanying financial statements	1-33		
Accounting policies and notes form an integral part of the financial statements			

As per our Report of even date :  
**For Haribhakti & Co. LLP,**  
Chartered Accountants  
ICAI FRN No.: 103523W/W100048

Atul Gala  
Partner  
Membership No. 048650

Place : Mumbai  
Date : May 11, 2017

For and on behalf of Board of Directors

**Viral P. Desai**  
Managing Director  
DIN : 00029219

**Samkit Mehta**  
CFO

Place : Mumbai  
Date : May 11, 2017

**Dr. Prdip K. Desai**  
Director  
DIN : 00026451

**Pankaj Ajmera**  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

	31-03-2017 Rs.	31-03-2016 Rs.
<b>A. CASH FLOW FROM THE OPERATING ACTIVITIES</b>		
<b>PROFIT BEFORE TAX</b>	(24,514,257)	(26,756,645)
Depreciation and Amortization	3,427,311	1,665,296
Dividend Income	(1,702,302)	(8,310,514)
Interest Income	(10,713,735)	(9,655,615)
profit on sale of Investment	(7,787,699)	(5,397,384)
Interest Expense	1,654,374	-
Buyback related Expenses	-	3,635,370
Expenses related to Investment Activities	780,918	517,369
<b>Operating Profit before working capital changes</b>	(38,855,391)	(44,302,124)
<b>Adjusted for Change in</b>		
(Increase)/ Decrease in Short term loans and Advance	11,681,056	(6,143,456)
(Increase)/ Decrease in Trade receivable	543,564	(1,273,994)
(Increase)/ Decrease in Long term loans and Advance	(10,015,635)	(11,980,001)
Increase/(Decrease) in long term provision	761,408	165,761
Increase/(Decrease) in Trade payable	383,362	494,524
Increase/(Decrease) in Other current Liabilities	3,446,389	(31,884,929)
Increase/(Decrease) in Short term provision	37,572	571,114
Increase/(Decrease) in Other Current Assets	509,938	(1,381,289)
<b>Cash generated from operations</b>	(30,507,737)	(95,734,394)
Less: Direct taxes paid during the year	5,946,914	(19,916,807)
Cash flow before Exceptional items	(25,560,823)	(115,651,201)
Cash flow from Exceptional Item	-	74,204,246
<b>Net Cash Flow From Operating Activities</b>	(25,560,823)	(41,446,955)
<b>Net Cash Flow From Operating Activities for continuing operation</b>	(25,560,823)	(41,446,955)
<b>Net Cash Flow From Operating Activities for discontinuing operation</b>	-	-
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition in Fixed Assets and Capital Work in Process	(36,405,412)	(19,223,578)
Proceeds from Sales of Fixed Assets	-	-
Increase/ Decrease in Investments	(51,878,738)	79,690,085
Proceeds from Sales of Investments	-	-
Profit on sale of Investment	7,787,699	5,397,384
Proceeds/(Investment) in Fixed Deposit having original maturity more than 90 days	-	19,281,311
Dividend Income	1,702,302	8,310,514
Interest Income	10,713,735	9,655,615
Expenses related to Investment Activities	(780,918)	(517,369)
<b>Net Cash Flow From Investing Activities</b>	(68,861,333)	102,593,962
<b>Net Cash Flow From Investing Activities for continuing operation</b>	(68,861,333)	102,593,962
<b>Net Cash Flow From Investing Activities for discontinuing operation</b>	-	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayment)/Proceeds(of) from Long term Borrowings	-	-
(Repayment)/Proceeds(of) from Short term Borrowings	84,499,904	-
Interest paid	(1,654,374)	-
Dividend & Corporate Dividend Tax paid	-	-
Buyback of Equity Shares	-	(117,926,445)
Buyback related expenses	-	(3,635,370)
<b>Net Cash Flow From Financing Activities</b>	82,845,531	(121,561,815)
<b>Net Cash Flow From Financing Activities for continuing Operation</b>	82,845,531	(121,561,815)
<b>Net Cash Flow From Financing Activities for discontinuing Operation</b>	-	-
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	(11,576,625)	(60,414,808)
Net changes in cash and cash equivalents for continuing operations	(11,576,625)	(60,414,808)
Net changes in cash and cash equivalents for discontinuing operations	-	-
<b>CASH AND CASH EQUIVALENTS - OPENING BALANCE</b>	15,658,958	76,073,766
<b>CASH AND CASH EQUIVALENTS - CLOSING BALANCE</b>	4,082,334	15,658,958
<b>Components of Cash and Cash Equivalents</b>		
Cash in hand	77,767	25,095
With Banks		
- In Current Account	4,004,567	15,633,863
- In Fixed Deposit		
<b>Cash and cash equivalent as per Financial Statement</b>	4,082,334	15,658,958

As per our Report of even date :

**For Haribhakti & Co. LLP,**

Chartered Accountants

**ICAI FRN No.: 103523W/W100048**

Atul Gala

Partner

Membership No. 048650

Place : Mumbai

Date : May 11, 2017

For and on behalf of Board of Directors

**Viral P. Desai**  
Managing Director  
DIN : 00029219

**Samkit Mehta**  
CFO  
Place : Mumbai  
Date : May 11, 2017

**Dr. Prdip K. Desai**  
Director  
DIN : 00026451

**Pankaj Ajmera**  
Company Secretary



**Span Divergent Limited**  
(Formerly known as Span Diagnostics Limited)  
**Notes on Financial Statements**

**1. Corporate Information**

Span Divergent Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange. The Company has sold its In-Vitro Diagnostics business on March 05, 2015 and is evaluating various business options for developing of new business lines. During the year Company has operating income from Trading in Cashew nut.

**2. Summary of Significant Accounting Policies****1). Basis of Preparation of Financial Statements.**

The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles ('GAAP') issued by The Institute of Chartered Accountants of India. The Company has prepared these financial statements to comply in all respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**2). Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

**3). Revenue Recognition & other Accounting Policies**

- a. The Company recognizes revenue on the sale of products when risks and rewards of the ownership are transferred to the customer. Sales are accounted net of amount recovered towards, sales tax and sales returns.
- b. Sales returns are accounted on actual receipt of return goods / settlement of claims.
- c. Interest income is recognised on pro-rate basis.
- d. Dividend income is recognised when right to receive the dividend is established.

**4). Tangible Assets & Depreciation**

- a. Tangible Assets are stated at cost of acquisition / construction, cost of improvement and any attributable cost of bringing the asset to its working condition for intended use or at revalued amounts wherever such assets have been revalued less accumulated depreciation.
- b. Depreciation on all assets was provided on written down value method as per useful life specified in schedule II of the Companies Act, 2013.
- c. Lease hold improvements have been amortized over primary lease period.

**5). Intangible Assets and Amortization :**

Intangible assets are measured at cost. Lump sum fees for technical know-how is amortised over the period of agreement or as per management's best estimate of useful life but not exceeding 10 years.

**6). Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying fixed assets are capitalised as part of the cost of the assets upto the date the asset is put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

**7). Foreign Currency Transactions**

- a. Transactions other than those covered by forward contracts are accounted at exchange rates prevailing on the date of transaction.
- b. Monetary foreign currency items other than those covered by forward contracts (i. e. receivable, payable, etc.) denominated in foreign currency is reported using the closing exchange rate on each balance sheet date. Exchange difference is recognised as income/expense.
- c. Non-monetary foreign currency items are carried at historical cost determined on the date of transaction.

**8). Employee Benefits****a. Short Term Employee Benefits :**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and the expected cost of bonus are recognized in the period in which an employee renders the related services.

**b. Post-Employment Benefits :**

- i. Defined Contribution Plans: The Company's Statutory Provident Fund, Employees' Super-annuation Fund and Employee State Insurance Scheme are defined contribution plans. The company has no further obligation for Super-annuation, Provident Fund and Employee State Insurance beyond its contribution.
- ii. Defined Benefit Plan: The Employees' Group Gratuity Fund is the Company's defined benefit plan. Gratuity expenses are recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of defined benefits are charged to the Statement of Profit and Loss. The company has recognized proportionate leave liability on the balance sheet for total leaves available for encashment.

**9). Taxation**

Income Tax comprises of Current Tax and net changes in Deferred Tax Assets or Liability during the period. Current Tax is determined as the amount of tax payable in respect of taxable income for the period as per the enacted Tax Regulations.

Deferred Tax Assets and Liabilities are recognized for the future tax consequences of timing differences between the book profit and tax profit. Deferred Tax Assets and Liabilities other than on carry forward losses and unabsorbed depreciation under tax laws are recognized when it is reasonably certain that there will be future taxable income. Deferred Tax Asset on carry forward losses and unabsorbed depreciation, if any, are recognized when it is virtually certain that there will be future taxable profit. Deferred Tax Assets and liabilities are measured using substantively enacted tax rates. The effect on Deferred Tax Assets and Liabilities of a change in tax rates is recognized in the Statement of Profit & Loss in the period of substantive enactment of the change.

**10). Leases**

Assets acquired on lease and assets given on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The initial direct cost of lease is charged to Statement of Profit and Loss as and when incurred. Lease rental are charged to Statement of Profit and loss on accrual basis.

**11). Provision for Bad and Doubtful debts**

Provision is made in accounts for Bad and Doubtful Debts as and when the same in opinion of the management are considered doubtful of recovery.

**12). Liquidated Damages**

Liabilities in respect of Liquidated Damages are provided if and to the extent, not disputed by the Company. Liquidated Damages disputed by the Company are treated as contingent liability. The amount of liability/contingent liability is estimated on the basis of contracted terms, facts of each case and to the extent of revenue recognized.

**13). Impairment of Fixed Assets**

Consideration is given at each Balance Sheet date to determine whether there is any indication of carrying amount of the Company's fixed assets. If there is any indication of impairment based on internal / external factors, then asset's recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

**14). Investment**

Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value computed separately in respect of each category of investment.

**15). Provisions, contingent liabilities and contingent assets**

Provisions:-

Provision is recognised when

- a) The Company has a present obligation as a result of past event;
- b) It is probable that an outflow of resources embodying economic benefit is expected to settle the obligation,
- c) A reliable estimate can be made for the amount of obligation.
- d) Provision for warranty related costs are recognised when product is sold. Provision is estimated based on historical experience and the estimates are reviewed annually for any material changes in assumptions.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

Contingent liability:-

Contingent Liability is disclosed in case of

- a) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) A possible obligation unless the probability of outflow of resources is remote.

Contingent assets:-

Contingent assets are neither recognised nor disclosed.

Provisions, Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

**16). Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash Equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**17). Earnings per Share**

Basic earnings per share is calculated by dividing the net profit after tax for the period attributable to the equity shareholders of the Company by weighted average number of equity shares outstanding during the period.

Diluted earnings per share is calculated by dividing the net profit after tax for the period attributable to the equity shareholders of the Company by weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

**Notes on Financial Statements for the Year ended on March 31st, 2017**

	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
<b>3. SHARE CAPITAL</b>		
<b>Authorised</b>		
15,000,000 Equity Shares of Rs. 10/- each (Previous year 15,000,000)	150,000,000	150,000,000
<b>Issued, Subscribed and paid-up</b>		
5,461,747 (Previous Year 5,461,747) Equity Shares of Rs.10/- each fully paid up	54,617,470	54,617,470
	<b>54,617,470</b>	<b>54,617,470</b>

3.1 The reconciliation of the number of shares outstanding is set out below

Particulars	As at 31-03-2017 No of Shares	As at 31-03-2017 Amount in Rs.	As at 31-03-2016 No of Shares	As at 31-03-2016 Amount in Rs.
Equity Shares outstanding at the beginning of the year	5,461,747	54,617,470	7,276,000	72,760,000
Add : Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	1,814,253	18,142,530
	5,461,747	54,617,470	5,461,747	54,617,470

3.2 Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their holdings.

3.3 The details of shareholders holding more than 5% shares

Name of Shareholder	As at 31-03-2017		As at 31-03-2017	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Pradipkumar Keshavlal Desai	1,360,880	24.92	1,306,880	23.93
Lataben P Desai	717,060	13.13	717,060	13.13
Bharti Patel	575,333	10.53	583,440	10.68
Viral Pradipkumar Desai	550,727	10.08	524,632	9.61

3.4 Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	As at 31-03-2017 Rs.
Equity shares bought back by the company	
In FY 2012-13	-
In FY 2013-14	-
In FY 2014-15	-
In FY 2015-16	1,814,253
In FY 2016-17	-

Company has bought back 1,814,253 Equity shares during the previous year the details are as under;

Particulars	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
Number of shares purchased	-	1,814,253
Face value of shares purchased	-	10
Consideration paid towards buy back	-	117,926,445
Share capital reduction	-	(18,142,530)
Share premium utilised	-	(9,824,798)
General reserve utilised	-	(76,243,778)
Profit and loss utilised	-	(13,715,339)
Amount transferred to Capital redemption reserve on extinguishment of Share capital	-	18,142,530

3.5 No Shares have been issued for consideration other than cash during the period of last five years.

	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
<b>4 RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
As per last Balance Sheet	4,205,775	4,205,775
	4,205,775	4,205,775
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	18,142,530	-
Add: Transfer from statement of profit and loss on account of buy back	-	18,142,530
	18,142,530	18,142,530

**Securities Premium Reserve:**

Balance as per last Balance Sheet	-	9,824,798
Less : Utilised towards buy back of equity shares	-	9,824,798
	-	-

**General Reserve:**

Balance as per last Balance Sheet	-	76,244,200
Less : Used for Fixed assets	-	422
Less : Utilised towards buy back of equity shares	-	76,243,778
	-	-

**Surplus of Profit and Loss**

As per last Balance Sheet	428,337,313	424,867,480
Add: Profit for the year	(23,664,607)	35,327,702
	404,672,706	460,195,182
Less : Utilised towards buy back of equity shares	-	13,715,339
Less: Transfer to Capital Redemption reserve	-	18,142,530
	404,672,706	428,337,313
	<b>42,702,013</b>	<b>450,685,620</b>

**5 LONG TERM PROVISIONS:**

	As at 31-03-2017		As at 31-03-2016	
	Rs.		Rs.	
	Non Current	Current	Non Current	Current
<b>Provision for Employee Benefits</b>				
Leave Encashment (Unfunded)	1,172,246	41,144	526,611	41,144
Gratuity (Unfunded)	1,107,147	23,899	991,374	23,899
	<b>2,279,393</b>	<b>65,043</b>	<b>1,517,985</b>	<b>65,043</b>

**6 SHORT TERM BORROWINGS**

	As at 31-03-2017		As at 31-03-2016	
	Rs.		Rs.	
<b>SECURED</b>				
Loans from Banks / Financial Institutions (Refer Note 6.1)	84,499,904	-	-	-
	<b>84,499,904</b>			

6.1 Working Capital Loans are secured by hypothecation of investments made in securities by the Company. The Interest rate in case of IIFL is 11% and in case of ICICI rate of interest is varies from 8.50% to 9.40%.

**7 TRADE PAYABLE**

	As at 31-03-2017		As at 31-03-2016	
	Rs.		Rs.	
Micro & Small Enterprises	-	-	-	-
Others	-	-	599,817	-
	-	-	599,817	-
Creditor for Expenses	1,283,234	-	300,055	-
	<b>1,283,234</b>		<b>899,872</b>	

7.1 As per the information available with the Company, there is no amount outstanding to the parties covered under the provisions of Micro, Small and Medium Enterprises Development Act, 2006, hence, no disclosure is required under the said Act. The same has been relied upon by the auditors.

**8 OTHER CURRENT LIABILITIES**

	As at 31-03-2017		As at 31-03-2016	
	Rs.		Rs.	
Interest accrued and due on borrowings	498,831	-	-	-
Interest accrued but not due on borrowings	177,556	-	-	-
Unclaimed Dividend #	363,765	-	365,665	-
Statutory Dues	1,309,638	-	146,281	-
Other Payables	743,349	-	832,531	-
Salary & Wages Payable	1,940,942	-	243,215	-
	<b>5,034,081</b>		<b>1,587,692</b>	

# There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

**9 SHORT TERM PROVISIONS**

	As at 31-03-2017		As at 31-03-2016	
	Rs.		Rs.	
<b>Provision for Employee Benefits</b>				
Bonus	9,297	-	16,179	-
Performance Salary	61,947	-	17,493	-
Super Annuation Fund	540,000	-	540,000	-
Current Obligation of Leave Encashment (Refer note 5)	41,144	-	41,144	-
Gratuity (Refer note 5)	23,899	-	23,899	-
	<b>676,287</b>		<b>638,715</b>	

## Notes on Financial Statements for the Year ended March 31, 2017

## 10 FIXED ASSETS - CURRENT YEAR

Sr. No.	Name of Assets	GROSS BLOCK				DEPRECIATION/AMORTISATION					NETBLOCK	
		As at 01-04-2016 Rs.	Addition Rs.	Deductions/ Adjustments Rs.	As at 31-03-2017 Rs.	Balance as at 01-04-2016 Rs.	For the Period Rs.	Retained Earning due to Sechule II Rs.	Deductions/ Adjustments Rs.	Balance as at 31-03-2017 Rs.	as at 31-03-2017 Rs.	as at 31-03-2016 Rs.
	<b>Tangible Assets</b>											
1	Buildings & Roads	6,282,566	-	-	6,282,566	2,646,532	177,085	-	-	2,823,617	3,458,949	363,6034
2	Land	10,210,250	23,068,474	-	33,278,724	-	-	-	-	-	33,278,724	10,210,250
3	Computers & Softwares	242,325	472,472	-	714,797	101,655	201,773	-	-	303,428	411,369	140,670
4	Office Equipments	1,805,130	99,037	-	1,904,167	372,451	667,129	-	-	1,039,579	864,588	1,432,680
5	Vehicles	2,092,790	2,614,723	-	4,707,513	478,089	1,177,833	-	-	1,655,922	3,051,591	1,614,701
6	Electrical Installment	575,243	55,090	-	630,333	67,407	142,176	-	-	209,582	420,751	507,836
7	Furniture & Fixtures	1,900,539	-	-	1,900,539	216,918	435,831	-	-	652,749	1,247,790	1,683,621
8	Leasehold Improvements	2,164,448	522,792	-	2,687,240	226,620	580,132	-	-	806,752	1,880,488	1,937,828
	<b>Total (A)</b>	25,273,291	26,832,588	-	52,105,879	4,109,672	3,381,959	-	-	7,491,630	44,614,249	21,163,620
	<b>Intangible Assets</b>											
9	Software	63,577	100,800	-	164,377	22,231	16,360	-	-	38,591	125,786	41,346
10	Trademark	-	543,474	-	543,474	-	28,993	-	-	28,993	514,481	-
	<b>Total (B)</b>	63,577	644,274	-	707,851	22,231	45,353	-	-	67,584	640,267	41,346
	<b>Total (A+B)</b>	25,336,868	2,747,862	-	52,813,730	4,131,903	3,427,311	-	-	7,559,214	45,254,517	21,204,966
	<b>Capital Work-in-Progress</b>	-	9,242,926	-	9,242,926	-	-	-	-	-	9,242,926	-
	<b>Intangible Assets under Development</b>	314,376	-	314,376	-	-	-	-	-	-	-	314,376

## 10 FIXED ASSETS - PREVIOUS YEAR

Sr. No.	Name of Assets	GROSS BLOCK				DEPRECIATION/AMORTISATION					NETBLOCK	
		As at 01-04-2015 Rs.	Addition Rs.	Deductions/ Adjustments Rs.	As at 31-03-2016 Rs.	Balance as at 01-04-2015 Rs.	For the Period Rs.	Retained Earning due to Sechule II Rs.	Deductions/ Adjustments Rs.	Balance as at 31-03-2016 Rs.	as at 31-03-2016 Rs.	as at 31-03-2015 Rs.
	<b>Tangible Assets</b>											
1	Buildings & Roads	6,282,566	-	-	6,282,566	2,461,196	185,336	-	-	2,646,532	3,636,034	3,821,370
2	Land	-	10,210,250	-	10,210,250	-	-	-	-	-	10,210,250	-
3	Computers & Softwares	92,100	150,225	-	242,325	3,984	97,671	-	-	101,655	140,670	88,116
4	Office Equipments	-	1,805,130	-	1,805,130	-	372,451	-	-	372,451	1,432,680	-
5	Vehicles	-	2,092,790	-	2,092,790	-	478,089	-	-	478,089	1,614,701	-
6	Electrical Installment	-	575,243	-	575,243	-	67,407	-	-	67,407	507,836	-
7	Furniture & Fixtures	-	1,900,539	-	1,900,539	-	216,918	-	-	216,918	1,683,621	-
8	Leasehold Improvements	-	2,164,448	-	2,164,448	-	226,620	-	-	226,620	1,937,828	-
	<b>Total (A)</b>	6,374,666	18,898,625	-	25,273,291	2,465,180	1,644,492	-	-	4,109,672	21,163,620	3,909,486
	<b>Intangible Assets</b>											
9	Software	64,000	10,577	11,000	63,577	12,005	20,804	-	10,578	22,231	41,336	51,995
	<b>Total (B)</b>	64,000	10,577	11,000	63,577	12,005	20,804	-	10,578	22,231	41,336	51,995
	<b>Total (A+B)</b>	6,438,666	18,909,202	11,000	25,336,868	2,477,185	1,665,296	-	10,578	4,131,903	21,204,966	3,961,481
	<b>Intangible Assets under Development</b>	-	314,376	-	314,376	-	-	-	-	-	314,376	-

11	NON CURRENT INVESTMENTS	As at 31-03-2017		As at 31-03-2016	
		Rs.		Rs.	
	<b>Investment in LLPs</b>				
	Aranya Agri Biotech LLP				
	'-Fixed Capital		99,000		99,000
	'-Fluctuating Capital		40,412,359		40,412,359
			<b>40,511,359</b>		<b>14,599,000</b>
	Biospan Scientific LLP				
	'-Fixed Capital		99,000		99,000
	'-Fluctuating Capital		4,396,117		-
			<b>4,495,117</b>		<b>99,000</b>
	Dry Fruit Factory LLP				
	'-Fixed Capital		97,000		97,000
	'-Fluctuating Capital		123,895,154		13,500,000
			<b>123,992,154</b>		<b>13,597,000</b>
	Span Diagnostics Products LLP				
	'-Fixed Capital		99,000		99,000
	'-Fluctuating Capital		-		-
			<b>99,000</b>		<b>99,000</b>
	<b>Investment in Immovable Properties</b>				
	'-Flat-Shreepal Residency		10,650,815		-
	'-Furniture at Shreepal Residency		3,000,000		-
			<b>13,650,815</b>		<b>-</b>
	<b>Trade Investment (Unquoted fully Paid up)</b>				
	<b>Investment in Equity Shares</b>				
	Span Diagnostics south Africa (Pty) Ltd. (100% Holding - PY 100%) (1,000 Equity Shares (Previous Year – 1000 Shares) of Rand 1 each)		6,177		6,177
			<b>6,177</b>		<b>6,177</b>
	<b>Non Traded Investments</b>				
	<b>Investment in NCD/Debentures</b>				
		<b>Units</b>	<b>Amount</b>	<b>Units</b>	<b>Amount</b>
	Reliance Capital NCD Seris XIX	-	-	395	39,500,000
				-	<b>39,500,000</b>
	Aggregate Amount of Unquoted Investments (At Cost)		<b>182,754,622</b>		<b>67,900,177</b>
12	DEFERRED TAX ASSETS (Net)	As at 31-03-2017		As at 31-03-2016	
		Rs.		Rs.	
	<b>Deferred Tax Liability</b>				
	Difference between Depreciable Assets as per books of accounts and written		-		392,067
	Provision for leave encashment		-		-
	Provision for Gratuity		-		-
	<b>SUB TOTAL (A)</b>		<b>-</b>		<b>392,067</b>
	<b>Deferred Tax Assets</b>				
	Difference between Depreciable Assets as per books of accounts and written down value for tax purpose		181,072		-
	Disallowance U/S 43B of Income tax Act, 1961				
	a) Provision for leave encashment		419,930		196,488
	b) Provision for Gratuity		391,433		351,366
	c) Provision for bonus		24,656		11,654
	<b>SUB TOTAL (A)</b>		<b>1,017,091</b>		<b>559,508</b>
	<b>Net Deferred tax (Liability)/Assets</b>	<b>(TOTAL B - A)</b>	<b>1,017,091</b>		<b>167,441</b>
13	LONG TERM LOANS AND ADVANCES	As at 31-03-2017		As at 31-03-2016	
		Rs.		Rs.	
	(Unsecured and Considered Good)				
	Capital Advances		22,061,662		12,172,727
	Loans and Advances to Related Parties (Refer Note No. 13.1)		1,589,562		1,462,862
	Advance Income Tax (Net of Provision)		7,262,874		13,209,788
	Receivable on account of sale of IVD Business - Escrow 1		40,000,000		40,000,000
			<b>70,914,098</b>		<b>66,845,377</b>



## 13.1 Loans and Advances in nature of Loans given to Subsidiaries :

## Loans and Advances in the nature of Loans

Name of the Company	Type of Relation	As at 31-03-2017		As at 31-03-2016	
		Rs.		Rs.	
		Non Current	Current	Non Current	Current
Span Diagnostics SA (PTY.LTD.)	Subsidiary	1,589,562	-	1,462,862	-
		<b>1,589,562</b>	<b>-</b>	<b>1,462,862</b>	<b>-</b>

## 14 CURRENT INVESTMENTS

	As at 31-03-2017 No. of Shares	As at 31-03-2017 Rs.	As at 31-03-2016 No. of Shares	As at 31-03-2016 Rs.
--	-----------------------------------	-------------------------	-----------------------------------	-------------------------

## Investment in Equity shares (Quoted)

Aurobindo Pharma Ltd.	-	-	875	574,738
Bharat Electricals Ltd	-	-	735	801,068
Britannia Industries Ltd.	-	-	205	551,294
Colgate Palmolive(I) Ltd	-	-	770	640,543
HDFC Bank Ltd	-	-	955	985,276
Infosys Ltd.	-	-	436	490,292
Maruti Suzuki Ind Ltd	-	-	177	658,451
MRF Ltd.	-	-	25	958,372
P I Industries Ltd	-	-	1,175	668,769
Timken India Ltd	-	-	1,425	623,433
Va Tech Wabag Ltd	-	-	744	386,266
Wabco (India) Ltd	-	-	173	1,001,734

## Total Investment in Equity shares

- 8,340,236

## Investment in Bonds (Unquoted)

	No. Bonds	Amount	No. Bonds	Amount
11 % Bank of India Perpetual Bonds (Face value of Rs. 10,00,000)	22	23,952,170	22	23,952,170
11.85 % Bank of India Perpetual Bond (Face value of Rs. 1,000)	32,200	34,434,907	32,200	34,434,907
10.20% Dena Bank Perpetual Bonds	-	-	5	4,992,500
10.45% GSPC NCD	-	-	18	19,171,800
11.50% ITNL NCD 21/06/2024	5	5,031,000	6	6,037,200
6.83% PFC Taxable Bonds (Series 157) 15/04/2020	6	5,947,200	-	-
7.37% NTPC Limited Bonds (Series 66) 14/12/2031	7	6,794,200	-	-
8.17% GOI 01/12/2044	30,000	3,133,800	-	-
8.60% GOI-02/06/2028	60,000	6,234,000	110,000	11,454,000
8.94% Bajaj Finance Ltd NCD	-	-	5	5,048,000
9% Reliance Capital Limited NCD	2	2,010,000	-	-
9.23% GOI 23/12/2043	-	-	40,000	4,400,000

87,537,277

109490577

## Total Investment in Bonds

## Investment in Mutual Fund (Unquoted)

	No. Unit	Amount	No. Unit	Amount
Baroda Pioneer Treasury Adv	-	-	17,525	29,820,700
Edelweiss Arbitrage Fund	121,474	1,282,929	1,611,744	16,649,000
Edelweiss Liquid Super Inst - G	46,649	960,500	-	-
FAIT Forefront Alternativ EQS	1,343,242	20,021,922	1,343,248	19,538,000
Kotal Floater Short Term Fund	86	87,388	-	-
Edelweiss Arbitrage Funf	-	-	2,813,362	30,000,000
DSP Blackrock FMP	2,250,000	22,500,000	-	-
Edelweiss Government Securities Fund	3,410,728	40,000,000	-	-
JP Moggan India	-	-	3,410,728	40,000,000
92 Birla Sunlife Frontline Eqty. -JM	3,106	500,000	3,106	482,854
BNP Paribas Equityfund Growth-JM	-	-	29,407	1,870,563
BNP Paribas Equity Fund JM	-	-	7,389	470,002
BSL Frontline Equity Fund-Growth-JM	12,280	2,000,000	12,280	1,908,880
Edelweiss Arbitrage Regular-JM	-	-	1,039,162	10,734,234
Franklin India Prima Plus Growth-JM	4,626	2,045,230	4,626	1,999,279
Franklin India Prima Plus-JM	1,149	500,000	1,149	496,840
ICICI Prudential Equity Arbitrage Fund -JM	-	-	778,877	10,709,171
ICICI Prudential Value Fund	244,600	2,446,000	-	-
JM Money Manager Super Plus- JM	-	-	2,664	26,793
Kotak Equity Arbirtage JM	-	-	997,669	10,711,040
Motilal Oswal Most Focus Mucticap 35 Fund- JM	29,786	500,000	29,786	494,341
Motilal Oswal Most Short Term Bond Fund- New- JM	115,772	2,000,000	115,772	1,921,368
153G Birla Sulfie Cash Plus Fnd	-	-	-	-
Birla Sun Life Short Term Fund Growth - Kotak	259,611	15,000,000	-	-
HDFC Corporate Debt Opportunity Fund-Reg-Growth	1,291,632	15,000,000	897,687	10,000,000
Hdfc Short Term Opportunity Fund Growth - Kotak	894,054	15,000,000	-	-
Kotak Medium Term Fund Reg Plan Growth - Kotak	1,205,030	15,000,000	-	-
Kotak FMP Series 172 Growth Regular Plan	1,000,000	10,000,000	1,000,000	10,000,000
Baroda Pioneer Liquid Fund	400	400,141	300	300,288
SBI Mutual Fund	206	207,070	-	-

	Total Investment in Mutual fund	-	165,451,181	198,133,351
			252,988,459	315,964,165
	<b>(a) Aggregate amount of quoted Investments</b>			
	Cost / Carrying Value		165,451,181	206,473,588
	Market Value		188,493,735	214,227,447
	<b>(b) Aggregate amount of unquoted Investments</b>			
	Cost / Carrying Value		87,537,277	109,490,577
15	<b>TRADE RECEIVABLES</b>		<b>As at 31-03-2017</b>	<b>As at 31-03-2016</b>
			<b>Rs.</b>	<b>Rs.</b>
	<b>Unsecured</b>			
	Exceeding six months		730,430	1,273,994
	Considered Good		-	-
	Considered Doubtful		-	-
	Less : Provision for Doubtful Debts		730,430	1,273,994
			730,430	1,273,994
16	<b>CASH AND CASH EQUIVALENTS</b>		<b>As at 31-03-2017</b>	<b>As at 31-03-2016</b>
			<b>Rs.</b>	<b>Rs.</b>
	Bank Balances with Banks : In Current Accounts#		4,004,567	15,633,863
	Cash on Hand		77,766	25,095
			4,082,334	15,658,958
	# Includes Earmarked Balances of Rs. 3,63,765 (Previous Year Rs. 3,65,665) in respect of Unpaid Dividend .			
17	<b>SHORT TERM LOANS AND ADVANCES</b>		<b>As at 31-03-2017</b>	<b>As at 31-03-2016</b>
			<b>Rs.</b>	<b>Rs.</b>
	<b>Unsecured and considered good</b>			
	Loans and Advances to Related Parties (Refer note 30)		552,274	546,088
	Balance with Statutory Authorities		3,178,118	1,435,723
	Security Deposits		504,852	200,000
	Advance to Sundry Creditors		1,373,319	15,258,093
	Prepaid Expenses		138,236	17,950
	Others		110,000	80,000
			5,856,798	17,537,854
18	<b>OTHER CURRENT ASSETS</b>		<b>As at 31-03-2017</b>	<b>As at 31-03-2016</b>
			<b>Rs.</b>	<b>Rs.</b>
	Interest Accrued but not due		2,570,107	3,080,046
			2,570,107	3,080,046
19	<b>REVENUE FROM OPERATIONS</b>		<b>2016 - 17</b>	<b>2015 - 16</b>
			<b>Rs.</b>	<b>Rs.</b>
	Sales of Products		18,147,603	-
	Less : Excise Duty recovered on Sales		-	-
			18,147,603	-
	Sales of Services (net of service tax)		-	-
	Other Operating Income		556,671	-
			23,714,320	-
19.1	<b>REVENUE FROM OPERATIONS</b>		<b>2016 - 17</b>	<b>2015 - 16</b>
			<b>Rs.</b>	<b>Rs.</b>
	<b>Particulars</b>			
	Cashew Nuts		18,147,603	-
			18,147,603	-
20	<b>OTHER INCOME</b>		<b>2016 - 17</b>	<b>2015 - 16</b>
			<b>Rs.</b>	<b>Rs.</b>
	Interest Income		10,713,734	9,655,615
	Dividend Income		1,702,302	8,310,514
	Profit on sale on Investment		7,787,699	5,397,384
	Management Fees Income		137,883	-
	Other Non Operating Income		2,364,761	4,064,399
			22,706,380	27,427,912
21	<b>COST OF MATERIALS CONSUMED</b>		<b>2016 - 17</b>	<b>2015 - 16</b>
			<b>Rs.</b>	<b>Rs.</b>
	Raw Materials Purchased		15,610,113	-
	Clearing and Forwarding Charges		426,738	-
	Freight Exp		253,860	-
	Insurance Charges		14,537	-
			16,305,247	-

## 21.1 VALUE OF MATERIALS CONSUMED

	2016 - 17		2015 - 16	
	Value in Rs.	% of Consumption	Value in Rs.	% of Consumption
<b>Raw Materials</b>				
Imported	15,610,113	100%	-	-
Indigenous	-	-	-	-
	<b>15,610,113</b>	<b>100%</b>	<b>-</b>	<b>-</b>

## 22 EMPLOYEE BENEFITS EXPENSES

	2016 - 17 Rs.	2015 - 16 Rs.
Salaries, Wages, Benefits and other allowances (including Directors' Remuneration)	14,973,097	4,625,983
Contribution to Provident and other funds	1,378,179	1,056,590
	<b>16,351,276</b>	<b>5,682,573</b>

## 22.1 EMPLOYEE BENEFITS

Disclosures pursuant to Accounting Standard – 15 (Revised) 'Employee Benefits'

**Defined Contribution Plan**

Contribution to Defined Contribution Plan recognized as expense for the years are as given below

	2016 - 17 Rs.	2015 - 16 Rs.
Employer's Contribution to Provident Fund and Family Pension Fund	838,179	501,943
Employer's Contribution to Employee State Insurance Fund	-	14,197
Employer's Contribution to Super Annuation Fund	540,000	540,000

**Defined Benefit Plan**

Contribution to Defined benefit Plan are as under;

**i) Reconciliation of opening and closing balances of Defined Benefit Obligation:**

	Privilege Leave (Non Funded) 2016 - 17 Rs.	Gratuity (Non Funded) 2016 - 17 Rs.	Privilege Leave (Non Funded) 2015 - 15 Rs.	Gratuity (Non Funded) 2015 - 16 Rs.
Defined Benefit obligation at beginning of year	567,775	1,015,273	-	945,282
Current Service Cost	594,942	6,445	566,477	2,316
Interest Cost	-	80,816	-	74,866
Actuarial (gain) / loss	50,673	28,512	1,328	(7,191)
Benefit Paid	-	-	-	-
Liability Transferred Out/ Divestments	-	-	-	-
Defined Benefit obligation at year end	1,213,390	1,131,046	567,775	1,015,273

**ii) Reconciliation of Fair value of assets and obligation:**

	Privilege Leave (Non Funded) 2016 - 17 Rs.	Gratuity (Non Funded) 2016 - 17 Rs.	Privilege Leave (Non Funded) 2015 - 16 Rs.	Gratuity (Non Funded) 2015 - 16 Rs.
Present value of obligation	1,213,390	1,131,046	567,775	1,015,273
Amount recognized in Balance Sheet as liability/(asset)	1,213,390	1,131,046	567,775	1,015,273

**iii) Expense recognized during the year :**

	Privilege Leave (Non Funded) 2016 - 17 Rs.	Gratuity (Non Funded) 2016 - 17 Rs.	Privilege Leave (Non Funded) 2015 - 16 Rs.	Gratuity (Non Funded) 2015 - 16 Rs.
Current Service Cost	594,942	6,445	566,474	2,316
Interest Cost	-	80,816	-	74,866
Actuarial (gain) / loss recognized in the year	50,673	28,512	1,328	(7,191)
Net Cost recognized in Statement of Profit & Loss	645,615	115,773	567,775	69,991

## iv) Actuarial assumptions:

	Privilege Leave (Non Funded) 2016 - 17 Rs.	Gratuity (Non Funded) 2016 - 17 Rs.	Privilege Leave (Non Funded) 2015 - 16 Rs.	Gratuity (Non Funded) 2015 - 16 Rs.
Discount rate (per annum)	7.34%	7.34%	7.96%	7.96%
Attrition Ratio	1.99%	1.99%	1.99%	1.99%
Retirement Age	55 Years	55 Years	55 Years	55 Years
Rate of escalation in salary (per annum)	8.00%	8.00%	8.00%	8.00%

## v) Disclosure as required under para 120(n) of Accounting Standard 15:

	Gratuity (Funded) 31-03-2017	Gratuity (Funded) 31-03-2016	Gratuity (Funded) 31-03-2015	Gratuity (Funded) 31-03-2014	Gratuity (Funded) 31-03-2013
Fair value of plan assets	-	-	-	2,80,34,950	29,419,075
Present value of obligation	1,131,046	1,015,273	9,45,282	2,68,86,018	25,537,130
Surplus/(Deficit) in Plan	(1,131,046)	(1,015,273)	(9,45,282)	11,48,932	3,881,945
Experience Adjustments					
Actuarial (Gain)/Losses on Obligations	28,512	(7,191)	28,14,421	28,14,421	(124,969)
Actuarial (Gain)/Losses on Plan Assets	-	-	(3,93,125)	(3,93,125)	133,737

vii) Expected contribution for next twelve months is Rs. 12,00,000.

23	<b>FINANCE COSTS</b>	<b>2016 - 17 Rs.</b>	<b>2015 - 16 Rs.</b>
	Interest Expenses	1,654,374	-
		1,654,374	-
24	<b>OTHER EXPENSES</b>	<b>2016 - 17 Rs.</b>	<b>2015 - 16 Rs.</b>
	<b>Selling &amp; Distribution Expenses</b>		
	Sales Promotion/Statutory Advertisement Expense	173,447	470,378
	Commission on Sale of Cashew	39,561	-
		<b>213,008</b>	<b>470,378</b>
	<b>Administration and Other Expenses</b>		
	Communication Expenses	181,232	198,574
	Printing and Stationery	121,211	217,449
	Traveling and Conveyance (Others)	2,186,503	2,316,784
	Directors' Sitting Fees & Allowances	205,000	345,500
	Rates & Taxes	444,979	2,067,749
	Insurance Charges	42,069	4,569
	Rent (Refer Note No. 27)	1,729,928	843,500
	Payment to Auditors (Refer Note 24.1)	540,363	764,762
	Legal & Professional Charges	4,875,409	6,237,964
	Electricity Charges	111,895	69,556
	House Keeping Expenses	-	6,245
	Security Charges	386,986	-
	Stamp duty	-	96,245
	Exchange loss (Net)	-	103,946
	Unrealised loss on Investments	-	1,703,320
	Cenvat Credit Written Off	-	6,267,024
	Buy Back Expenses	-	3,635,370
	Other Expenses	2,158,166	1,776,642
		<b>12,983,740</b>	<b>26,655,199</b>
		<b>13,196,748</b>	<b>27,125,577</b>
24.1	<b>AUDITOR'S REMUNERATIONS (Including Service Tax)</b>	<b>2016 - 17 Rs.</b>	<b>2015 - 16 Rs.</b>
	<b>Particulars</b>		
	Audit Fees	260,000	260,000
	Tax Audit Fees	75,000	75,000
	Other Services	205,363	429,762
		<b>540,363</b>	<b>764,762</b>

24.2

EXPENDITURE AND EARNINGS IN FOREIGN EXCHANGE

2016 - 17 Rs.

2015 - 16 Rs.

a) Earnings in Foreign Exchange

Export of Goods calculated on F.O.B. basis

-

-

b) Expenditure in foreign currency

1. Foreign Travelling expenditure

831,335

980,989

2. Other expenses

-

213,815

c) Value of imports calculated on CIF basis

Traded Goods

15,610,113

-

25

EARNING PER SHARE

2016 - 17

2015 - 16

Profit after taxation as per Statement of Profit and Loss (Amt. in Rs.)

(23,664,607)

35,327,702

Weighted average number of equity shares outstanding

5,461,747

5,461,747

Basic and Diluted Earning per shares (face value – Rs. 10 per share)

(4.33)

6.47

(Amount in Rs.)

26

CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities

Particulars		As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
a)	Tax		
	1) Sales Tax		
	Demands under contest	-	837,838
	C-Form Pending	13,880	512,474
	2) Income Tax		
	Demands under contest	-	1,492,930
b)	Claims against the Company not acknowledged as Debts	-	2,542,704
c)	Corporate Guarantee given on behalf of Subsidiary Company	9,00,00,000	Nil

B. Commitments :

Particulars	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
Estimated amount of contracts (Net of advances) remaining to be executed on Capital/Revenue Account and not provided for	-	2,827,270

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LEASE

i) The Company does not have financial lease arrangement.

ii) The Company has taken residential, office and godown premises under short term cancellable lease arrangements and are renewable on mutually agreeable terms.

Particulars	2016 -17	2015 - 16
Rent paid under this agreement	1,729,928	843,500

28

SEGMENT REPORTING

The company had sold it's entire business on March 05, 2015 and currently it is exploring various business opportunities. As of now there is income from operation in the current is from trading of raw cashew.

29

RELATED PARTY DISCLOSURES

Related party Disclosures as required by AS-18 are given below.

A : Relationship

(i) Related parties where control exists.

Span Diagnostics SA. (Pty.) Ltd. - (Subsidiary)

Span Nihon Kohden Diagnostics Pvt. Ltd. (Joint Venture) (Upto 19.11.15)

Dry Fruit Factory LLP

Span Diagnostic Products LLP

Bio Span Scientific LLP

Aranya agri biotech LLP

(ii) Key Management Personnel :

Dr. Pradip K. Desai (Upto March 04, 2015)

Mr. Viral P. Desai

Ms. Sujata V. Desai (Upto March 04, 2015)

Mr. Minesh Patel (Up to January 31, 2017)

Mr. Samkit Mehta (w.e.f. February 01, 2017)

(iii) Relatives of key management personnel and their enterprise, where transactions have taken place.

Ms. Lata P. Desai  
 Ms. Tejal V. Desai  
 Ms. Shital S. Kazi  
 Mr. Prakash K. Desai  
 Shri. Pradip. K. Desai HUF  
 Dr. Harshad R. Gandhi  
 Ms. Kokila H. Gandhi  
 Dr. Udai D. Desai  
 Dr. Pradip K. Desai (From March 05, 2015)  
 Ms. Sujata V. Desai (From March 05, 2015)

(iv) Enterprise over which persons described in (ii), (iii) above is able to exercise significant influence.

Span Diagnostics SARL  
 Quest Biochemicals Pvt. Ltd  
 Desai Agri Bio-tech Pvt. Ltd  
 Span Biotherapeutics Pvt Ltd

Note: Related party relationship on the basis of the requirements of Accounting Standard 18 as in 1 (i) to (iv) above is identified and certified by the Management and relied upon by the Auditors.

**B : Transactions with related parties :**

Particulars	Referred In A(i) Above	Referred In A(i) Above	Referred In A(i) Above	Referred In A(i) Above
<b>Expenses :</b>				
Remuneration/Appreciation	-	7,734,800	-	-
	-	4,720,519	-	-
Rent paid	-	646,838	442,838	-
	-	420,000	420,000	-
<b>Income :</b>				
Sale of shares	-	-	-	-
	80,200,000	-	-	-
Interest Income on Loans	109,067	-	-	-
	136,440	-	-	-
Interest Income on Capital	5,566,717	-	-	-
	-	-	-	-
Management Fees	137,883	-	-	-
	-	-	-	-
<b>Balance Sheet Items Movement:</b>				
Loan & Advances given	126,700	-	-	-
	-	-	-	-
Investment Made / Capital contribution in LLP	104,703,603	-	-	-
	28,400,177	-	-	-
Rent Deposits given	-	51,000	-	-
	-	100,000	100,000	-
<b>Balance as at March 31, 2017</b>				
Investments	169,103,807	-	-	-
	28,400,177	-	-	-
Loans & Advances	2,141,836	80,000	-	-
	2,008,950	80,000	-	-
Rent Deposits given	-	151,000	100,000	-
	-	100,000	100,000	-

Figures of Previous Year are represented in Italic form

Disclosure in Respect of Related Party Transactions during the year :



a)	Payment to Key Management Personnel include to Shri Viral P. Desai Rs. 72,00,000 ( Previous Year Rs. 45,00,000 ), Minesh Patel - Rs. 2,34,250 ( Previous Year 2,30,515), Samkit Mehta - Rs. 3,00,550 (Previous Year NIL).
b)	Rent paid to Mr. Viral Desai- Rs.6,46,838 (Previous year Rs.- 4,20,000), Ms. Sujata Desai- Rs.4,42,838 (Previous year Rs.- 4,20,000)
c)	Deposits given includes from Shri Viral P. Desai Rs. 1,51,000 (Previous year -Rs. 1,00,000) Ms. Sujata V. Desai Rs. 1,00,000 (Previous Year 1,00,000)
d)	Investment made in 4 LLP - 14,07,03,630 i.e. Dry Fruit Factory LLP - Rs. 11,03,95,154/- (Previous Year - Rs. 1,35,97,000/-), Span Diagnostic Products LLP Rs. NIL (Previous Year - Rs. 99,000), Bio Span LLP - Rs. 43,96,117/- (Previous Year - Rs. 99,000), Aranya LLP - Rs. 2,59,12,359/- (Previous Year -Rs. 1,45,99,000/-)
e)	Company has sold it's shares of Span Nihon kohden (A Joint Venture) during the year amounting to Rs. NIL (Previous Year - Rs. 802,00,000)
f)	Interest on Loan is Rs. 1,09,067 (Previous Year 1,36,440) on Loan given to Span Diagnostics SA. (Pty.) Ltd.
g)	Management Fees is Rs. 1,37,883 i.e from Dry Fruit Factory LLP Rs. 1,33,231 (Previous Year NIL) and Aranya Agri Biotech LLP Rs. 4,652 (Previous Year NIL).
h)	Interest on capital is Rs. 55,66,717 (Previous Year NIL) on capital provided by the Company to 4 LLP Subsidiaries.

**30 Unhedge foreign currency exposure**

Foreign currency exposures on account of trade receivables/ trade payables not hedged by derivative instruments are as follows:-

Particulars	As at 31-03-2017		As at 31-03-2016	
	Amount	Amount	Amount	Amount
	(In Original Currency)	(In Indian Rs.)	(In Original Currency)	(In Indian Rs.)
<b>Foreign Currency Receivables on account of Loan ZAR</b>	330,970	1,589,562	306,720	1,462,862
<b>Foreign Currency Receivables ZAR</b>	156,628	552,274	156,628	546,088

**31 Exceptional Items**

Followings are the details of exceptional Items

Particulars	2016 - 17	2015 - 15
	(Amount in Rs.)	
Profit on sale of shares of Span Nihon Kohden Diagnostics Private Limited	-	74,800,000
Arkay Healthcare Private Limited full and final settlement written off	-	(595,754)
<b>Total</b>	-	<b>74,204,246</b>

**32** During the year Company had no specified bank note, but had other denomination note. As defined in MCA Notification G.S.R. 380(E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination wise SBNs and other notes is given below;

Particulars	SBN	Other Denomination Notes	Total
Closing Balance on 8th November, 2016	-	18584	18584
(+) Withdrawal from Bank Account	-	50000	50000
(+) Receipts from permitted Transactions	-	-	-
(-) Payment of Permitted Transaction	-	39016	39016
(-) Deposits in Bank Account	-	-	-
<b>Closing Balance on 30th December, 2016</b>	-	<b>29,568</b>	<b>29,568</b>

**33** The figures for the previous year have been regrouped/recast wherever necessary in conformity with those of current year.

As per our Report of even date :

**For Haribhakti & Co. LLP,**

Chartered Accountants

ICAI Firm Registration No. 103523W

**Atul Gala**

Partner

Membership No. 048650

Place : Mumbai

Date : May 11, 2017

For and on behalf of the Board of Directors

**Viral .P. Desai**

DIN:00029219

**Dr. Pradip K. Desai**

DIN:00026451

**Samkit Mehta**

**Pankaj Ajmera**

Place : Mumbai

Date : May 11, 2017

Managing Director

Whole-time Director

CFO

Company Secretary

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Span Divergent Limited  
(Formerly known as Span Diagnostics Limited)  
Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of *Span Divergent Limited* (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies and Partners in respect of LLPs included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2017, their consolidated loss and their consolidated cash flows for the year ended on that date.

**Other Matters**

a) We did not audit the financial statements of a subsidiary whose financial statements reflects total assets of ` 16,18,392 and net assets of ` (29,28,692) as at March 31, 2017, total revenues of ` 78,743 and net cash flows amounting to ` 8,04,625 for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements are unaudited and have been furnished by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the Information and explanations given by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters and the financial statements certified by the management.

**Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- On the basis of written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding company, is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- Since the Subsidiary Company going into consolidation is a foreign incorporated entity not falling within definition of 'Foreign Company' as per clause (42) of Section 2 of the Act and other four entities are LLPs, the matter to be reported on the adequacy of the internal financial controls over financial reporting of the Group, is same as reported in the Auditors Report on the Standalone financial statements, and hence not reproduced in this report.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 29 to the Consolidated Financial Statements;
  - The Group did not have any material foreseeable losses on long term contracts including derivative contracts;
  - The Holding Company incorporated in India, did not have any holdings or dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures performed by us and based on the reports of other auditors, we report that the disclosures are in accordance with the books of account maintained by the Holding Company. (Refer Note No. 35 to the consolidated financial statements);

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No.103523W / W100048

Atul Gala  
Partner  
Membership No.048650

Place: Mumbai  
Date: May 11, 2017

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>As at 31-03-2017 Rs.</b>	<b>As at 31-03-2016 Rs.</b>
<b>Shareholders' Funds</b>			
Share Capital	3	54,617,470	54,617,470
Reserves & Surplus	4	406,317,878	447,090,753
Minority Interest		-	-
		<b>460,935,348</b>	<b>501,708,223</b>
<b>Non Current Liabilities</b>			
Long Term Borrowings	6	46,198,696	1,893,313
Long Term Provisions	7	2,629,596	1,517,985
		<b>48,828,292</b>	<b>3,411,298</b>
<b>Current Liabilities</b>			
Short Term Borrowings	8	84,499,904	-
Trade Payable			
Total outstanding dues of micro enterprises and small enterprises	9	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	9	15,756,351	502,079
Other Current Liabilities	10	6,858,451	1,805,609
Short Term Provisions	11	1,581,740	638,715
		<b>108,696,446</b>	<b>2,946,403</b>
<b>Total</b>		<b>618,460,086</b>	<b>508,065,924</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed Assets			
Tangible Assets	12	62,837,546	21,500,359
Intangible Assets	12	5,001,234	41,346
Tangible Capital Work-in-Progress	12	109,532,762	317,131
Intangible Assets under Development	12	-	314,376
Non Current Investments	13	13,650,815	39,500,000
Deferred Tax Assets (Net)	5	1,306,154	167,441
Long term Loans and Advances	14	85,508,787	70,295,109
		<b>277,837,298</b>	<b>132,135,762</b>
<b>Current Assets</b>			
Current Investments	15	252,988,459	315,964,164
Inventories	16	23,685,257	-
Trade Receivables	17	782,850	1,324,146
Cash and Cash Equivalents	18	52,406,109	31,843,058
Short term Loans and Advances	19	8,163,208	23,716,766
Other Current Assets	20	2,596,904	3,082,027
		<b>340,622,788</b>	<b>375,930,162</b>
<b>Total</b>		<b>618,460,086</b>	<b>508,065,924</b>
Summary of Significant Accounting Policies	2		
See notes accompanying financial statements			
Accounting policies and notes on financial statement form an integral part of the financial statements	1-36		

As per our Report of even date :  
**For Haribhakti & Co. LLP,**  
Chartered Accountants  
ICAI FRN No.: 103523W/W100048

For and on behalf of Board of Directors

**Viral P. Desai**  
**Managing Director**  
DIN : 00029219

**Dr. Prdip K. Desai**  
**Director**  
DIN : 00026451

**Atul Gala**  
**Partner**  
Membership No. 048650

**Samkit Mehta**  
**CFO**

**Pankaj Ajmera**  
**Company Secretary**

Place : Mumbai  
Date : May 11, 2017

Place : Mumbai  
Date : May 11, 2017

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

	Note	31-03-2017 Rs.	31-03-2016 Rs.
<b>INCOME</b>			
Sale of Products	21	25,088,782	-
Less : Excise Duty recovered on Sales		-	-
		<b>25,088,782</b>	<b>-</b>
Sale of Service and Other Operating Income	21	5,599,217	-
Other Income	22	17,087,052	27,320,992
<b>Total Revenue</b>		<b>47,775,051</b>	<b>27,320,992</b>
<b>EXPENSES</b>			
Cost of Materials Purchased	23	40,544,197	-
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(23,635,257)	-
Employee Benefits Expense	25	24,127,246	6,606,404
Finance Costs	26	1,843,146	277,612
Depreciation and Amortisation Expense	12	8,204,420	1,759,352
Other Expenses	27	18,495,570	27,727,107
Donation		20,000,000	19,711,111
<b>Total Expenses</b>		<b>89,579,322</b>	<b>56,081,586</b>
<b>Profit / (Loss) before exceptional items &amp; tax</b>		<b>(41,804,271)</b>	<b>(28,760,594)</b>
Add : Exceptional Items	34	-	74,204,246
<b>Profit / (Loss) before tax</b>		<b>(41,804,271)</b>	<b>45,443,652</b>
<b>Profit/(Loss) before tax from operation</b>		<b>(41,804,271)</b>	<b>47,443,652</b>
Tax Expenses		-	12,218,980
MAT Credit Entitlement/(Utilisation)		-	-
Tax Adjustment of earlier year		-	141,652
Deferred Tax		(1,138,713)	272,551
<b>Income tax expense for operation</b>		<b>(1,138,713)</b>	<b>12,633,183</b>
<b>Profit/(Loss) after tax from operation</b>		<b>(40,665,558)</b>	<b>32,810,469</b>
<b>Profit/(Loss) Before Minority Interest</b>		<b>(40,665,558)</b>	<b>32,810,469</b>
Minority Interest		(1,558,832)	(261,591)
<b>Profit/(Loss) After Minority Interest</b>		<b>(39,106,726)</b>	<b>33,075,060</b>
Earning per equity share – Basic & Diluted (Rs.)	28	<b>(7.16)</b>	6.06
(Nominal Value per share of Rs.10/- each (Previous year -Rs.10/- each))			
Summary of Significant Accounting Policies	2		
See notes accompanying financial statements			
Accounting policies and notes on financial statement form an integral part of the financial statements	1-36		

As per our Report of even date :  
**For Haribhakti & Co. LLP,**  
Chartered Accountants  
ICAI FRN No.: 103523W/W100048

For and on behalf of Board of Directors

**Viral P. Desai**  
**Managing Director**  
DIN : 00029219

**Dr. Prdip K. Desai**  
**Director**  
DIN : 00026451

Atul Gala  
Partner  
Membership No. 048650

**Samkit Mehta**  
**CFO**

**Pankaj Ajmera**  
**Company Secretary**

Place : Mumbai  
Date : May 11, 2017

Place : Mumbai  
Date : May 11, 2017

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

	2016 - 17 Rs.	2015 - 16 Rs.
<b>A. CASH FLOW FROM THE OPERATING ACTIVITIES</b>		
<b>PROFIT BEFORE TAX</b>	(41,804,271)	(28,760,594)
Depreciation and Amortization	8,204,420	1,759,352
Dividend Income	(1,702,302)	(8,310,514)
Interest Income	(5,076,829)	(9,548,694)
profit on sale of Investment	(7,787,700)	(5,397,384)
Interest Expense	1,843,146	277,612
Buyback related Expenses	-	3,635,370
Expenses related to Investment Activities	-	-
Unrealised loss on Investment	-	1,703,321
Changes in Translation Reserve	-	(1,146,064)
<b>Operating Profit before working capital changes</b>	(46,323,536)	(45,787,596)
<b>Adjusted for Change in</b>		
(Increase)/ Decrease in Short term loans and Advance	15,553,558	(11,523,854)
(Increase)/ Decrease in Trade receivable	541,296	6,406,832
(Increase)/ Decrease in Other Current assets	485,123	-
(Increase)/ Decrease in Other Non Current assets	-	351,422
(Increase)/ Decrease in Long term loans and Advance	(15,213,678)	(15,189,051)
(Increase)/ Decrease in Inventories	(23,685,257)	2,278,321
Increase/(Decrease) in long term provision	1,111,611	165,761
Increase/(Decrease) in Trade payable	15,254,272	(295,396)
Increase/(Decrease) in Other current Liabilities	4,945,525	(35,033,720)
Increase/(Decrease) in Short term provision	943,025	(130,591)
<b>Cash generated from operations</b>	(46,388,062)	(98,757,874)
Less: Direct taxes paid during the year	-	(20,144,605)
<b>Cash flow before Exceptional items</b>	(46,388,062)	(118,902,479)
Cash flow from Exceptional Item	-	45,328,237
<b>Net Cash Flow From Operating Activities</b>	(46,388,062)	(73,574,242)
<b>Net Cash Flow From Operating Activities for continuing operation</b>	(46,388,062)	(73,574,242)
<b>Net Cash Flow From Operating Activities for discontinuing operation</b>	-	-
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition in Fixed Assets and Capital Work in Process	(163,402,750)	(978,482)
Proceeds from Sales of Fixed Assets	-	7,299,274
(Increase) / Decrease in Investments	88,824,890	106,378,148
Profit on sale of Investment	7,787,699	-
Proceeds/(Investment)in Fixed Deposit having original maturity more than 90 days	12,020,000	4,771,311
Dividend Income	1,702,302	8,310,514
Interest Income	5,076,829	8,165,425
Expenses related to Investment Activities	-	-
<b>Net Cash Flow From Investing Activities</b>	(47,991,030)	133,946,190
<b>Net Cash Flow From Investing Activities for continuing operation</b>	(47,991,030)	133,946,190
<b>Net Cash Flow From Investing Activities for discontinuing operation</b>	-	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayment)/Proceeds(of) from Long term Borrowings	44,305,384	170308
(Repayment)/Proceeds(of) from Short term Borrowings	84,499,904	-
Interest paid	(1,843,146)	(117,926,445)
Dividend & Corporate Dividend Tax paid	-	(277,612)
Buyback related expenses	-	(3,635,370)
<b>Net Cash Flow From Financing Activities</b>	126,962,142	(121,669,119)
<b>Net Cash Flow From Financing Activities for continuing operation</b>	126,962,142	(121,669,119)
<b>Net Cash Flow From Financing Activities for discontinuing operation</b>	-	-
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	32583050	(61,297,170)
Net changes in cash and cash equivalents for continuing operations	32583050	(61,297,170)
Net changes in cash and cash equivalents for discontinuing operations	-	-
<b>CASH AND CASH EQUIVALENTS - OPENING BALANCE</b>	17,333,058	78,630,228
<b>CASH AND CASH EQUIVALENTS - CLOSING BALANCE</b>	49,916,109	17,333,058
<b>Components of Cash and Cash Equivalents</b>		
Cash in hand	110,014	31,525
With Banks		
- In Current Account	49,806,095	17,301,533
- In Fixed Deposit	-	-
<b>Cash and cash equivalent as per Financial Statement</b>	49916109	17,333,058
Add: FDs with original maturity of more than 90 days but part of cash and cash equivalent	-	-
<b>Cash and cash equivalent as per Financial Statement</b>	49916109	17,333,058

As per our Report of even date :

**For Haribhakti & Co. LLP,**

Chartered Accountants

ICAI FRN No.: 103523W/W100048

Atul Gala

Partner

Membership No. 048650

Place : Mumbai

Date : May 11, 2017

**Virat P. Desai**  
 Managing Director  
 DIN : 00029219

**Samkit Mehta**  
 CFO  
 Place : Mumbai  
 Date : May 11, 2017

For and on behalf of Board of Directors

**Dr. Prdip K. Desai**  
 Director  
 DIN : 00026451

**Pankaj Ajmera**  
 Company Secretary

## Consolidated Notes on Financial Statements

### 1. Corporate Information

Span Divergent Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Its shares are listed on Bombay Stock Exchange. The Company has sold its In-Vitro Diagnostics business on March 05, 2015 and is evaluating various business options for developing of new business lines. During the year Company has operating income from Trading in Cashew nut.

### 2. Summary of Significant Accounting Policies on consolidated Accounts

#### i) Basis of Preparation of Financial Statements.

The financial statements are prepared under historical cost convention on accrual basis of accounting and in accordance with the Accounting Standards prescribed under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.

#### ii) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

#### iii) Principal of Consolidation

- The financial statements of the Parent Company and Subsidiary Company have been consolidated on line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealized profits/(losses) in intra-group transactions in accordance with Accounting Standard (AS) 21 – “ Consolidated Financial Statement”.
- Interest in Joint Venture have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - “ Financial Reporting of Interest in Joint Venture”
- The difference between cost of investment in subsidiary company over the net asset at the time of acquisition of shares in the subsidiary is recognized in the financial statements as goodwill or capital reserve as the case may be.
- Minority interest's share in net asset of the subsidiary Company for the year is identified and presented in consolidated balance sheet separate from liabilities and equity of the company's shareholders.
- The Subsidiary Company considered in the consolidated financial statement is;

Name of Subsidiary	Country of Incorporation	Portion of Ownership interest
Span Diagnostics SA (Pty) Limited	South Africa	100%
Aranya Agri Biotech LLP	India	99%
Biospan Scientific LLP	India	99%
Dryfruit Factory LLP	India	97%
Span Diagnostics Products LLP	India	99%

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements

- The notes and significant policies of consolidated financial statements are intended to serve as a guide for better understanding of the Group's position. In this respect, the Company has disclosed such notes and policies which represent the required disclosure.

#### iv) Revenue Recognition & other Accounting Policies

- The Company recognizes revenue on the sale of products when risks and rewards of the ownership is transferred to the customer. Sales are accounted net of amount recovered towards excise duty, sales tax and sales returns.
- Sales returns are accounted on actual receipt of return goods / settlement of claims.
- Services are accounted for pro-rata over the period of contract.
- Interest income is recognised on pro-rate basis.
- Dividend income is recognised when right to receive the dividend is established.

#### v) Tangible Assets & Depreciation

- Tangible Assets are stated at cost of acquisition / construction, cost of improvement and any attributable cost of bringing the asset to its working condition for intended use or at revalued amounts wherever such assets have been revalued less accumulated depreciation.
- Depreciation on all assets was provided on written down value method as per useful life specified in schedule II of the Companies Act, 2013.
- Lease hold Improvements have been amortized over primary lease period.

#### vi) Intangible Assets and Amortization :

Intangible assets are measured at cost. Lump sum fees for technical know-how is amortised over the period of agreement or as per management's best estimate of useful life but not exceeding 10 years.

#### vi) Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying fixed assets are capitalised as part of the cost of the assets upto the date the asset is put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

#### vii) Foreign Currency Transactions

- Transactions other than those covered by forward contracts are accounted at exchange rates prevailing on the date of transaction.
- Monetary foreign currency items other than those covered by forward contracts (i. e. receivable, payable, etc.) denominated in foreign currency is reported using the closing exchange rate on each balance sheet date. Exchange difference is recognised as income/expense.
- Non-monetary foreign currency items are carried at historical cost determined on the date of transaction.

#### viii) Employee Benefits

- Short Term Employee Benefits :  
All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and the expected cost of bonus are recognized in the period in which an employee renders the related services.
- Post-Employment Benefits :  
i. Defined Contribution Plans: The Company's Statutory Provident Fund, Employees' Super-annuation Fund and Employee State Insurance Scheme are defined contribution plans. The company has no further obligation for Super-annuation, Provident Fund and Employee State Insurance beyond its contribution.



ii. Defined Benefit Plan: The Employees' Group Gratuity Fund is the Company's defined benefit plan. Gratuity expenses are recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of defined benefits are charged to the Statement of Profit and Loss.

iii. Provision for accrued leave encashment is provided for on the basis of actuarial valuations made at the year end.

#### ix. Taxation

Income Tax comprises of Current Tax and net changes in Deferred Tax Assets or Liability during the period. Current Tax is determined as the amount of tax payable in respect of taxable income for the period as per the enacted Tax Regulations

Deferred Tax Assets and Liabilities are recognized for the future tax consequences of timing differences between the book profit and tax profit. Deferred Tax Assets and Liabilities other than on carry forward losses and unabsorbed depreciation under tax laws are recognized when it is reasonably certain that there will be future taxable income. Deferred Tax Asset on carry forward losses and unabsorbed depreciation, if any, are recognized when it is virtually certain that there will be future taxable profit. Deferred Tax Assets and liabilities are measured using substantively enacted tax rates. The effect on Deferred Tax Assets and Liabilities of a change in tax rates is recognized in the Statement of Profit & Loss in the period of substantive enactment of the change.

#### x) Valuation of stock

The mode of valuing closing stock is as under:

##### Inventory Type

Raw-Materials, Packing Materials & Other Materials

Work-in-Process

Finished Goods/ Traded Goods for resale

##### Mode of Valuation

At lower of cost or net realizable value

At lower of cost or net realizable value

At lower of Cost or net realizable value.

The cost for the purpose of valuation of Finished Goods and work-in-process includes material cost, direct conversion cost and appropriate share of overheads incurred for bringing the goods to their present location and condition plus excise duty wherever applicable. The cost is computed based on weighted average basis.

#### xi) Leases

Assets acquired on lease and assets given on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The initial direct cost of lease is charged to Statement of Profit and Loss as and when incurred. Lease rental are charged to Statement of Profit and loss on accrual basis.

#### xii) Provision for Bad and Doubtful debts

Provision is made in accounts for Bad and Doubtful Debts as and when the same in opinion of the management are considered doubtful of recovery.

#### xiii) Impairment of Fixed Assets

Consideration is given at each Balance Sheet date to determine whether there is any indication of carrying amount of the Company's fixed assets. If there is any indication of impairment based on internal / external factors, then asset's recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

#### xiv) Investment

Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value computed separately in respect of each category of investment.

#### xv) Research & Development

Revenue expenditure on research is charged as an expense in the year in which it is incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the product and the costs can be measured reliably. Capital expenditure on research and development is included as additions to fixed assets.

#### xvii) Provisions, contingent liabilities and contingent assets

##### Provisions:-

Provision is recognised when

- The Company has a present obligation as a result of past event;
- It is probable that an outflow of resources embodying economic benefit is expected to settle the obligation,
- A reliable estimate can be made for the amount of obligation.
- Provision for warranty related costs are recognised when product is sold. Provision is estimated based on historical experience and the estimates are reviewed annually for any material changes in assumptions.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

##### Contingent liability:-

Contingent Liability is disclosed in case of

- A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A possible obligation unless the probability of outflow of resources is remote.

##### Contingent assets:-

Contingent assets are neither recognised nor disclosed.

Provisions, Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

#### xviii) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash Equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### xix) Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the period attributable to the equity shareholders of the Company by weighted average number of equity shares outstanding during the period.

Diluted earnings per share is calculated by dividing the net profit after tax for the period attributable to the equity shareholders of the Company by weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

**Notes on Consolidated Financial Statements for the Year ended on March 31, 2017**

3.	SHARE CAPITAL	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
	<b>Authorised</b>		
	15,000,000 Equity Shares of Rs. 10/- each (Previous year 15,000,000)	150,000,000	150,000,000
	<b>Issued, Subscribed and paid-up</b>		
	5,461,747 (Previous Year 5,461,747) Equity Shares of Rs.10/- each fully paid up	54,617,470	54,617,470
		<b>54,617,470</b>	<b>54,617,470</b>

3.1 The reconciliation of the number of shares outstanding is set out below

Particulars	As at 31-03-2017		As at 31-03-2016	
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Equity Shares outstanding at the beginning of the year	5,461,747	54,617,470	7,276,000	72,760,000
Add : Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	1,814,253	18,142,530
Equity Shares outstanding at the end of the year	5,461,747	54,617,470	5,461,747	54,617,470

3.2 Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their holdings.

3.3 The details of shareholders holding more than 5% shares

Name of Shareholder	As at 31-03-2017		As at 31-03-2016	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Pradipkumar Keshavlal Desai	1,360,880	24.92%	1,306,480	23.93%
Lataben P Desai	717,060	13.13%	717,060	13.13%
Bharti Patel	583,440	10.68%	583,440	10.68%
Viral Pradipkumar Desai	562,427	10.30%	524,632	9.61%

3.4 Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	As at 31-03-2017 Rs.
Equity shares bought back by the company	
In FY 2012-13	-
In FY 2013-14	-
In FY 2014-15	-
In FY 2015-16	1,814,258
In FY 2016-17	-

Company has bought back NIL (P.Y. 1,814,253/- ) Equity shares during the year the details are as under;

Particulars	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
Number of shares purchased	-	1,814,253
Face value of shares purchased	-	10
Consideration paid towards buy back	-	117,926,445
Share capital reduction	-	(18,142,530)
Share premium utilised	-	(9,824,798)
General reserve utilised	-	(76,243,778)
Profit and loss utilised	-	(13,715,339)
Amount transferred to Capital redemption reserve on extinguishment of Share capital	-	18,142,530

3.5 No Shares have been issued for consideration other than cash during the period of last five years.

4	RESERVES AND SURPLUS	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
	<b>Capital Reserve</b>		
	As per last Balance Sheet	4,205,775	4,205,775
		4,205,775	4,205,775
	<b>Capital Redemption Reserve</b>		
	As per last Balance Sheet	18,642,530	500,000
	Add: Transfer from statement of profit and loss on account of buy back	-	18,142,530
		18,642,530	18,642,530

**Securities Premium Reserve:**

Balance as per last Balance Sheet	-	9,824,798
Less : Utilised towards buy back of equity shares	-	9,824,798

**General Reserve:**

Balance as per last Balance Sheet	1,563,308	77,807,508
Less : Used for Fixed assets	-	422
Less : Utilised towards buy back of equity shares	-	76,243,778
	1,563,308	1,563,308

**Surplus of Profit and Loss**

As per last Balance Sheet	422,626,761	450,548,962
Add: Profit for the year	(39,106,726)	33,075,060
	383,520,035	483,624,022

Less : Utilised towards buy back of equity shares	-	13,715,339
Less: Transfer to Capital Redemption reserve	-	18,142,530
Less: Carrying value of assets where useful life is nil as on 01.04.2014 (after considering residual value) (Net of deferred tax of Rs. 485,571)	-	29,139,392
	383,520,035	422,626,761

Foreign Currency Translation Reserve	(33,685)	53,165
Less: Minority Share absorbed by Majority	1,580,085	786
	<b>406,317,878</b>	<b>447,090,753</b>

**5 DEFERRED TAX LIABILITIES /(ASSETS) (Net)**

	As at 31-03-2017	As at 31-03-2016	
	Rs.	Rs.	
<b>Deferred Tax Liability</b>			
Difference between Depreciable Assets as per books of accounts and written down value for tax purpose	-	392,067	
Provision for leave encashment	-	-	
Provision for Gratuity	-	-	
<b>SUB TOTAL (A)</b>	-	392,067	
<b>Deferred Tax Assets</b>			
Difference between Depreciable Assets as per books of accounts and written down value for tax purpose	172,888	-	
Disallowance U/S 43B of Income tax Act, 1961			
a) Provision for leave encashment	455,106	196,488	
b) Provision for bad/doubtful debts	-	-	
c) Provision for Gratuity	435,851	351,366	
d) Provision for bonus	242,309	11,654	
<b>SUB TOTAL (B)</b>	<b>1,306,154</b>	<b>559,508</b>	
<b>Net Deferred tax Liability/(Assets)</b>	<b>(TOTAL A - B)</b>	<b>(1,306,154)</b>	<b>(167,441)</b>

**6 LONG TERM BORROWINGS**

	As at 31-03-2017 Rs.	As at 31-03-2017 Rs.	As at 31-03-2016 Rs.	As at 31-03-2016 Rs.
	<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>	<b>Current</b>
<b>SECURED</b>				
Term loan from banks (Refer Note 6.1)	44,100,000	-	-	-
<b>UNSECURED</b>				
Others	2,098,696	-	1,893,313	-
	<b>46,198,696</b>	-	<b>1,893,313</b>	-

6.1

Security	Rate of Interest & Repayment Terms	Amount payable in next 12 months	Amount payable in after 12 months
Hypothecation of all movable assets. First charge by way of mortgage in favour of SIDBI of Leasehold right over immovable property, Lien in favour of SIDBI over mutual fund units in demat form held by Span Divergent Limited ('Holding Company').	1. Up to Three Year of Disbursement Rate of Interest will be 9.5% p.a. thereafter rate of 0.60% below SIDBI Prime lending rate. 2. Repayment in 72 monthly installments (moratorium period of 12 months from the date of first Installment).	Nil	44,100,000

7	<b>LONG TERM PROVISIONS:</b>	<b>As at 31-03-2017</b>	<b>As at 31-03-2017</b>	<b>As at 31-03-2016</b>	<b>As at 31-03-2016</b>
		<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
	<b>PREVISION FOR EMPLOYEE BENEFITS</b>	<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>	<b>Current</b>
	Leave Encashment (Unfunded)	1,341,568	41,144	526,611	41,144
	Gratuity (Unfunded)	1,288,028	23,899	991,374	23,899
		<b>2,629,596</b>	<b>65,043</b>	<b>1,517,985</b>	<b>65,043</b>
8	<b>SHORT TERM BORROWINGS</b>		<b>As at 31-03-2017</b>		<b>As at 31-03-2016</b>
			<b>Rs.</b>		<b>Rs.</b>
	<b>SECURED</b>				
	Loans from Banks / Financial Institutions (Refer Note 8.1)		84,499,904		-
			<b>84,499,904</b>		-
8.1	Working Capital Loans are secured by hypothecation of investments made in securities by the company. The Interest rate in case of IIFL is 11% and in case of ICICI rate of interest is varies from 8.50% to 9.40%				
9	<b>TRADE PAYABLES</b>		<b>As at 31-03-2017</b>		<b>As at 31-03-2016</b>
			<b>Rs.</b>		<b>Rs.</b>
	Micro & Small Enterprises		-		-
	Others		570,597		202,024
			570,597		202,024
	Creditor for Capital		13,320,819		-
	Creditor for Expenses		1,864,935		300,055
			<b>15,756,351</b>		<b>502,079</b>
9.1	As per the information available with the Company, there is no amount outstanding to the parties covered under the provisions of Micro, Small and Medium Enterprises Development Act, 2006, hence, no disclosure is required under the said Act. The same has been relied upon by the auditors.				
10	<b>OTHER CURRENT LIABILITIES</b>		<b>As at 31-03-2017</b>		<b>As at 31-03-2016</b>
			<b>Rs.</b>		<b>Rs.</b>
	Current maturities of long term debt (Refer Note No. 6)		-		-
	Interest accrued and due on borrowings		498,831		-
	Interest accrued but not due on borrowings		177,556		-
	Unclaimed Dividend #		363,765		365,665
	Statutory Dues		1,819,642		191,863
	Advance from Customers		40,265		-
	Other Payables		966,893		1,004,866
	Salary & Wages Payable		2,991,499		243,215
			<b>6,858,451</b>		<b>1,805,609</b>
	# There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.				
11	<b>SHORT TERM PROVISIONS</b>		<b>As at 31-03-2017</b>		<b>As at 31-03-2016</b>
			<b>Rs.</b>		<b>Rs.</b>
	<b>Provision for Employee Benefits</b>				
	Bonus		255,568		16,179
	Performance Salary		618,892		17,493
	Super Annuation Fund		540,000		540,000
	Leave Encashment (Refer note 7)		41,144		41,144
	Gratuity (Refer note 7)		23,899		23,899
	<b>Others</b>				
	Other Provisions		102,237		-
			<b>1,581,740</b>		<b>638,715</b>

## Notes on Consolidated Financial Statements for the Year ended March 31, 2017

## 12 FIXED ASSETS - CURRENT YEAR

Sr. No.	Name of Assets	GROSS BLOCK				DEPRECIATION/AMORTISATION					NETBLOCK	
		As at 01-04-2016 Rs.	Addition Rs.	Deductions/ Adjustments Rs.	As at 31-03-2017 Rs.	Balance as at 01-04-2016 Rs.	For the Period Rs.	Retained Earning due to Sechule II Rs.	Deductions/ Adjustments Rs.	Balance as at 31-03-2017 Rs.	as at 31-03-2017 Rs.	as at 31-03-2016 Rs.
	<b>Tangible Assets</b>											
1	Buildings & Roads	6,282,566	-	-	6,282,566	2,646,532	177,085	-	-	2,823,617	3,458,949	3,636,034
2	Agricultural Land	-	250,000	-	250,000	-	-	-	-	-	250,000	-
3	Land	10,210,250	23,068,474	-	33,278,724	-	-	-	-	-	33,278,724	10,210,250
4	Laboratory Building	-	9,607,939	-	9,607,939	-	715,454	-	-	715,454	8,892,485	-
5	Road & Storage at Site	-	1,679,863	-	1,679,863	-	593,272	-	-	593,272	1,086,591	-
6	Green House Site	-	4,307,292	-	4,307,292	-	978,700	-	-	978,700	3,328,592	-
7	Plant & Equipment	-	3,919,729	-	3,919,729	-	794,493	-	-	794,493	3,125,236	-
8	R & D Equipments	-	1,737,674	-	1,737,674	-	613,688	-	-	613,688	1,123,986	-
9	Computers & Printers	242,325	594,644	-	836,969	101,655	229,626	-	-	331,281	505,688	140,670
10	Office Equipments	1,805,130	238,566	-	2,043,696	372,451	689,210	-	-	1,061,660	982,036	1,432,680
11	Vehicles	2,732,940	2,805,058	-	4,897,848	781,500	1,322,262	-	353,644	1,750,118	3,147,730	1,614,701
12	Electrical Installment	575,243	157,741	640,150	732,984	67,407	182,817	-	-	250,224	482,760	507,836
13	Furniture & Fixtures	1,900,539	79,206	-	1,979,745	216,918	4,685,456	-	-	685,464	1,294,281	1,683,621
14	Leasehold Improvements	2,164,448	522,792	-	2,687,240	226,620	580,132	-	-	806,752	1,880,488	1,937,828
	<b>Total (A)</b>	25,913,441	48,968,978	640,150	74,242,269	4,413,083	7,345,285	-	353,644	11,404,724	62,837,546	21,163,620
	<b>Intangible Assets</b>											
15	Software	63,577	100,800	-	164,377	22,231	16,360	-	-	38,591	125,786	41,346
16	Goodwill	-	4,974,749	-	4,974,749	-	782,330	-	-	782,330	4,192,419	-
17	Intellectual Property	-	200,000	-	200,000	-	31,452	-	-	31,452	168,548	-
18	Trademark	-	543,474	-	543,474	-	28,993	-	-	28,993	514,481	-
	<b>Total (B)</b>	63,577	5,819,023	-	5,882,600	22,231	859,135	-	-	881,366	5,001,234	41,346
	<b>Total (A+B)</b>	25,977,018	54,788,001	640,150	80,124,869	4,435,314	8,204,420	-	353,644	12,286,089	67,838,780	21,204,966
	<b>Capital Work-in-Progress</b>	-	109,532,762	-	109,532,762	-	-	-	-	-	109,532,762	-
	<b>Intangible Assets under Development</b>	314,376	-	314,376	-	-	-	-	-	-	-	314,376

## 12 FIXED ASSETS - PREVIOUS YEAR

Sr. No.	Name of Assets	GROSS BLOCK				DEPRECIATION/AMORTISATION					NETBLOCK	
		As at 01-04-2015 Rs.	Addition Rs.	Deductions/ Adjustments Rs.	As at 31-03-2016 Rs.	Balance as at 01-04-2015 Rs.	For the Period Rs.	Retained Earning due to Sechule II Rs.	Deductions/ Adjustments Rs.	Balance as at 31-03-2016 Rs.	as at 31-03-2016 Rs.	as at 31-03-2015 Rs.
	<b>Tangible Assets</b>											
1	Buildings & Roads	15,192,857	-	8,910,291	6,282,566	2,510,698	185,336	-	49,502	2,646,532	3,636,034	12,682,159
2	Plant and Machinery	6,036,805	-	6,036,805	-	2,378,021	-	-	2,378,021	-	-	3,658,784
3	Land	-	10,210,250	-	10,210,250	-	-	-	-	-	10,210,250	-
4	Computers & Softwares	376,826	150,225	284,726	242,325	232,526	97,671	-	228,542	101,655	140,670	144,300
5	Office Equipments	774,980	1,805,130	774,980	1,805,130	154,684	372,451	-	154,684	372,451	1,432,680	620,297
6	Vehicles	640,521	2,092,790	371	2,732,940	177,669	572,145	-	(31,686)	781,500	1,951,440	462,852
7	Electrical Installment	2,307,651	575,243	2,307,651	575,243	38,461	67,407	-	38,461	67,407	507,836	2,269,190
8	Furniture & Fixtures	879,778	1,900,539	879,778	1,900,539	179,638	216,918	-	179,638	216,918	1,683,621	700,140
9	Leasehold Improvements	-	2,164,448	-	2,164,448	-	226,620	-	-	226,620	1,937,828	-
	<b>Total (A)</b>	26,209,418	18,898,625	19,194,602	25,913,441	5,671,696	1,738,548	-	2,997,161	4,413,083	21,500,359	20,537,722
	<b>Intangible Assets</b>											
11	Goodwill	-	-	-	-	-	-	-	-	-	-	1,415,157
10	Software	64,000	10,577	11,000	63,577	12,005	20,804	-	10,578	22,231	41,346	54,561
	<b>Total (B)</b>	64,000	10,577	11,000	63,577	12,005	20,804	-	10,578	22,231	41,346	1,469,718
	<b>Total (A+B)</b>	26,273,418	18,909,202	19,205,602	25,977,018	5,683,701	1,759,352	-	3,007,739	4,435,314	21,541,705	22,007,440
	<b>Capital Work-in-Progress</b>	946,641	317,131	946,641	317,131	-	-	-	-	-	317,131	946,641
	<b>Intangible Assets under Development</b>	-	314,376	-	314,376	-	-	-	-	-	314,376	-

13	NON CURRENT INVESTMENTS	As at 31-03-2017		As at 31-03-2016	
		Rs.		Rs.	
	Investment in Immovable Properties				
	'-Flat-Shreepal Residency	10,650,815		-	
	'-Furniture at Shreepal Residency	3,000,000		-	
	Non Traded Investments				
	Investment in NCD/Debentures				
	Reliance Capital NCD Series XIX - Units NIL (P.Y 395)	-		39500000	
	Aggregate Amount of Unquoted Investments (At Cost)	13,650,815		39,500,000	
14	LONG TERM LOANS AND ADVANCES	As at 31-03-2017		As at 31-03-2016	
		Rs.		Rs.	
	(Unsecured and Considered Good)				
	Capital Advances	37,552,763		16,289,934	
	Advance Income Tax (Net of Provision)	7,956,024		13,895,175	
	Security Deposits	-		110,000	
	Receivable on account of sale of IVD Business - Escrow 1	40,000,000		40,000,000	
		85,508,787		70,295,109	
15	CURRENT INVESTMENTS	As at	As at	As at	As at
		31-03-2017	31-03-2017	31-03-2016	31-03-2016
		No. Shares	Rs.	No. Shares	Rs.
	Investment in Equity shares (Quoted)				
	Aurobindo Pharma Ltd.	-	-	875	574,738
	Bharat Electricals Ltd.	-	-	735	801,068
	Britannia Industries Ltd.	-	-	205	551,294
	Colgate Palmolive(I) Ltd	-	-	770	640,543
	HDFC Bank Ltd	-	-	955	985,276
	Infosys Ltd.	-	-	436	490,292
	Maruti Suzuki Ind Ltd.	-	-	177	658,451
	MRF Ltd.	-	-	25	958,372
	P I Industries Ltd	-	-	1,175	668,769
	Timken India Ltd	-	-	1,425	623,433
	Va Tech Wabang Ltd	-	-	744	386,266
	Wabco (India) Ltd	-	-	173	1,001,734
			-		8,340,236
	Investment in Bonds (Unquoted)	No. Bonds	Amount	No. Bonds	Amount
	11 % Bank of India Perpetual Bonds	22	23,952,170	22	23,952,170
	11.85 % Bank of India Perpetual Bond	32,200	34,434,907	32,200	34,434,907
	10.20% Dena Bank Perpetual Bonds	-	-	5	4,992,500
	10.45% GSPC NCD	-	-	18	19,171,800
	11.50% ITNL NCD 21/06/2024	5	5,031,000	6	6,037,200
	6.83% PFC Taxable Bonds (Series 157) 15/04/2020	6	5,947,200	-	-
	7.37% NTPC Limited Bonds (Series 66) 14/12/2031	7	6,794,200	-	-
	8.17% GOI 01/12/2044	30,000	3,133,800	-	-
	8.60% GOI-02/06/2028	60,000	6,234,000	110,000	11,454,000
	8.94% Bajaj Finance Ltd NCD	-	-	5	5,048,000
	9% Reliance Capital Limited NCD	2	2,010,000	-	-
	9.23% GOI 23/12/2043	-	-	40,000	4,400,000
			87,537,277		109,490,577
	Investment in Mutual Fund (Unquoted)	No. Units	Amount	No. Units	Amount
	Baroda Pioneer Treasury Advantage Fund	-	-	17,525	29,820,700
	Edelweiss Arbitrage Fund	121,474	1,282,929	1,611,744	16,649,000
	Edelweiss Liquid Super Inst - Growth	46,649	960,500	-	-
	FAIT Forefront Alternative EQS	1,343,242	20,021,922	1,343,248	19,538,000
	Kotak Floater Short Term Fund	86	87,388	-	-
	Edelweiss Arbitrage Fund	-	-	2,813,362	30,000,000
	DSP Blackrock FMP	2,250,000	22,500,000	-	-
	Edelweiss Government Securities Fund	3,410,728	40,000,000	-	-
	JP Morgan India	-	-	3,410,728	40,000,000
	92 Birla Sun life Frontline Equity	3,106	500,000	3,106	482,854
	BNP Paribas Equity fund Growth	-	-	29,407	1,870,563
	BNP Paribas Equity Fund	-	-	7,389	470,002
	BSL Frontline Equity Fund-Growth	12,280	2,000,000	12,280	1,908,880
	Edelweiss Arbitrage Regular	-	-	1,039,162	10,734,234
	Franklin India Prima Plus Growth	4,626	2,045,230	4,626	1,999,279



Franklin India Prima Plus	1149	500,000	1,149	496,840
ICICI Prudential Equity Arbitrage Fund	-	-	778,877	10,709,171
ICICI Prudential Value Fund	244,600	2,446,000	-	-
JM Money Manager Super Plus	-	-	2,664	26,793
Kotak Equity Arbitrage Fund	-	-	997,669	10,711,040
Motilal Oswal Most Focus Multicap 35 Fund	29,786	500,000	29,786	494,341
Motilal Oswal Most Short Term Bond Fund- New	115,772	2,000,000	115,772	1,921,368
Birla Sun Life Short Term Fund Growth	259,611	15,000,000	-	-
HDFC Corporate Debt Opportunity Fund-Reg- Growth	1,291,632	15,000,000	891,687	10,000,000
HDFC Short Term Opportunity Fund Growth	894,054	15,000,000	-	-
Kotak Medium Term Fund Reg Plan Growth	1,205,030	15,000,000	-	-
Kotak FMP Series 172 Growth Regular Plan	1,000,000	10,000,000	1,000,000	10,000,000
Baroda Pioneer Liquid Fund	400	400,141	300	300,288
SBI Mutual Fund	200	207,071	-	-

Total Investment in Mutual fund

- 165,451,182 - 198,133,351

- 252,988,459 - 315,964,164

**(a) Aggregate amount of quoted Investments**

Cost / Carrying Value	165,451,182	206,473,587
Market Value	188,493,735	214,227,447

**(b) Aggregate amount of unquoted Investments**

Cost / Carrying Value	87,537,277	109,490,577
-----------------------	------------	-------------

**16 INVENTORIES**

As at 31-03-2017

As at 31-03-2016

Rs.

Rs.

Raw Material - Tissues	50,000	-
Finished Goods	10,072,296	-
Stock in Trade	13,562,961	-
	<b>23,685,257</b>	<b>-</b>

**17 TRADE RECEIVABLES**

As at 31-03-2017

As at 31-03-2016

Rs.

Rs.

**A. Unsecured**

Exceeding six months

Considered Good	781,150	1,324,146
Considered Doubtful	-	-
Less : Provision for Doubtful Debts	-	-
	<b>781,150</b>	<b>1,324,146</b>

**B. Others - Considered Good**

1,700

-

**782,850****1,324,146****18 CASH AND CASH EQUIVALENTS**

As at 31-03-2017

As at 31-03-2016

Rs.

Rs.

Bank Balances with Banks :

In Current Accounts*	49,806,095	17,301,533
In Fixed Deposit Accounts	2,490,000	14,510,000

Cash on Hand

110,014

31,525

**52,406,109****31,843,058**

\* Includes Earmarked Balances of Rs. 3,63,765 (Previous Year Rs. 3,65,665) in respect of Unpaid Dividend .

**19 SHORT TERM LOANS AND ADVANCES**

As at 31-03-2017

As at 31-03-2016

Rs.

Rs.

**Unsecured and considered good**

Balance with Statutory Authorities	3,445,626	1,435,723
Security Deposits	1,792,660	200,000
Advance to Sundry Creditors	2,627,605	21,983,093
Prepaid Expenses	173,432	17,950
Others	123,885	80,000
	<b>8,163,208</b>	<b>23,716,766</b>

20	OTHER CURRENT ASSETS	As at 31-03-2017	As at 31-03-2016
		Rs.	Rs.
	Interest Accrued and due on borrowings	26,797	-
	Interest Accrued but not due	2,570,107	3,082,027
		<b>2,596,904</b>	<b>3,082,027</b>
21	REVENUE FROM OPERATIONS	2016 - 17	2015 - 16
		Rs.	Rs.
	Sales of Products	25,088,782	-
	Less : Excise Duty recovered on Sales	-	-
		<b>25,088,782</b>	<b>-</b>
	Sales of Services (net of service tax)	-	-
	Other Operating Income	5,599,217	-
		<b>30,687,999</b>	<b>-</b>
21.1	PARTICULARS OF SALE OF PRODUCTS	2016 - 17	2015 - 16
		Rs.	Rs.
	<b>Particulars</b>		
	Cashew Nuts	24,809,270	-
	Tissues	279,512	-
		<b>25,088,782</b>	<b>-</b>
22	OTHER INCOME	2016 - 17	2015 - 16
		Rs.	Rs.
	Interest Income	5,076,829	9,548,694
	Dividend Income	1,702,302	8,310,514
	Profit on sale on Investment	7,787,699	5,397,384
	Other Non Operating Income	2,520,222	4,064,400
		<b>17,087,052</b>	<b>27,320,992</b>
23	COST OF MATERIALS CONSUMED	2016 - 17	2015 - 16
		Rs.	Rs.
	Raw Materials Purchased	39,303,916	-
	Clearing and Forwarding Charges	971,884	-
	Freight Exp	253,860	-
	Insurance Charges	14,537	-
		<b>40,544,197</b>	<b>-</b>
24	CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROCESS AND STOCK-IN-TRADE	2016 - 17	2015 - 16
		Rs.	Rs.
	<b>Closing Stock</b>		
	Finished Goods	10,072,296	-
	Stock-In-Trade	13,562,961	-
		<b>23,635,257</b>	<b>-</b>
	<b>Opening Stock</b>	-	-
	Finished Goods	-	-
	Stock-In-Trade	-	-
		<b>(23,635,257)</b>	<b>-</b>
25	EMPLOYEE BENEFITS EXPENSES	2016 - 17	2015 - 16
		Rs.	Rs.
	Salaries, Wages, Benefits and other allowances (including Directors' Remuneration)	24,952,132	5,549,814
	Contribution to Provident and other funds	1,559,060	1,056,590
	Less : Expenses transferred to Capital Work in Progress	2,383,946	-
		<b>24,127,246</b>	<b>6,606,404</b>

25.1

**EMPLOYEE BENEFITS**

Disclosures pursuant to Accounting Standard – 15 (Revised) 'Employee Benefits'

**Defined Contribution Plan**

Contribution to Defined Contribution Plan recognized as expense for the years are as given below

	2016 - 17 Rs.	2015 - 16 Rs.
Employer's Contribution to Provident Fund and Family Pension Fund	838,179	501,943
Employer's Contribution to Employee State Insurance Fund	-	14,197
Employer's Contribution to Super Annuation Fund	540,000	540,000

**Defined Benefit Plan**

The Employees' Group Gratuity Fund is the Company's defined benefits plan for which the Company has taken Group Gratuity cum Life Insurance Policy from Life Insurance Corporation of India. The fund balance in the said policy has been transferred to Arkray Healthcare Pvt. Ltd. as a part of Business Transfer, hence on March 31, 2015 the Gratuity scheme is considered as non funded. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**i) Reconciliation of opening and closing balances of Defined Benefit Obligation:**

	Privilege Leave (Non Funded) 2016 - 17 Rs.	Gratuity (Non Funded) 2016 - 17 Rs.	Privilege Leave (Non Funded) 2015 - 16 Rs.	Gratuity (Non Funded) 2015 - 16 Rs.
Defined Benefit obligation at beginning of year	567,775	1,015,273	-	945,282
Current Service Cost	594,942	6,445	566,447	2,316
Interest Cost	-	80,816	-	19
Actuarial (gain) / loss	50,673	28,512	1,328	(7,191)
Benefit Paid	-	-	-	-
Liability Transferred Out/ Divestments	-	-	-	-
Defined Benefit obligation at year end	1,213,390	1,131,046	567,775	1,015,273

**ii) Reconciliation of Fair value of assets and obligation:**

	Privilege Leave (Non Funded) 2016 - 17 Rs.	Gratuity (Non Funded) 2016 - 17 Rs.	Privilege Leave (Non Funded) 2015 - 16 Rs.	Gratuity (Non Funded) 2015 - 16 Rs.
Present value of obligation	1,213,390	1,131,046	567,775	1,015,273
Amount recognized in Balance Sheet as liability/(asset)	1,213,390	1,131,046	567,775	1,015,273

**iii) Expense recognized during the year :**

	Privilege Leave (Non Funded) 2016 - 17 Rs.	Gratuity (Non Funded) 2016 - 17 Rs.	Privilege Leave (Non Funded) 2015 - 16 Rs.	Gratuity (Non Funded) 2015 - 16 Rs.
Current Service Cost	594,942	6,445	566,447	2,316
Interest Cost	-	80,816	-	74,866
Actuarial (gain) / loss recognized in the year	50,673	28,512	1,328	(7,191)
Net Cost recognized in Statement of Profit & Loss	645,615	115,773	567,775	69,991

**iv) Actuarial assumptions:**

	Privilege Leave (Non Funded) 2016 - 17	Gratuity (Non Funded) 2016 - 17	Privilege Leave (Non Funded) 2015 - 16	Gratuity (Non Funded) 2015 - 16
Discount rate (per annum)	7.34%	7.34%	7.96%	7.96%
Attrition Ratio	1.99%	1.99%	1.99%	1.99%
Retirement Age	55 Years	55 Years	55 Years	55 Years
Rate of escalation in salary (per annum)	8.00%	8.00%	8.00%	8.00%

## v) Disclosure as required under para 120(n) of Accounting Standard 15:

	Gratuity (Funded) 31.03.2017	Gratuity (Funded) 31.03.2016	Gratuity (Funded) 31.03.2015	Gratuity (Funded) 31.03.2014	Gratuity (Funded) 31.03.2013
Fair value of plan assets	-	-	-	28,034,950	29,419,075
Present value of obligation	11,31,046	10,15,273	945,282	26,886,018	25,537,130
Surplus/(Deficit) in Plan	(11,31,046)	(10,15,273)	(945,282)	1,148,932	3,881,945
Experience Adjustments					
Actuarial (Gain)/Losses on Obligations	28,512	(7,191)	2,814,421	2,814,421	(124,969)
Actuarial (Gain)/Losses on Plan Assets	-	-	(393,125)	(393,125)	133,737

## vi) Expected contribution for next twelve months is Rs. 31,00,000.

Gratuity Liability and Leave Liability for all subsidiaries has been derived based on proportionate amount of served period by the employees and earned leave as per the policy respectively.

26	FINANCE COSTS	2016 - 17 Rs.	2015 - 16 Rs.
	Interest Expenses	3,101,498	277,612
	Other Borrowing Costs	6,623	-
	Less : Expenses transferred to Capital Work in Progress	1,264,975	-
		<b>1,843,146</b>	<b>277,612</b>
27	OTHER EXPENSES	2016 - 17 Rs.	2015 - 16 Rs.
	<b>Manufacturing Expenses</b>		
	Production Expenses	87,849	-
	Labour Charges	183,703	-
	Laboratory Expenses	153,929	-
	Repairs to Building	237,064	-
		<b>662,545</b>	-
	<b>Selling &amp; Distribution Expenses</b>		
	Freight Outward Expenses.	181,421	-
	Travelling and Conveyance (Marketing)	550,090	-
	Sales Promotion/Statutory Advertisement Expense	292,523	470,378
	Commission on Sales	128,197	-
	Other Selling & Distribution Expenses	17,353	-
		<b>1,169,584</b>	<b>470,378</b>
	<b>Administration and Other Expenses</b>		
	Communication Expenses	239,861	198,574
	Printing and Stationery	163,877	217,449
	Travelling and Conveyance (Others)	3,213,960	2,632,770
	Directors' Sitting Fees & Allowances	205,000	345,500
	Rates & Taxes	504,364	2,067,749
	Insurance Charges	84,893	70,615
	Rent (Refer Note No. 30)	2,696,595	843,500
	Payment to Auditors (Refer Note 27.1)	640,363	872,477
	Legal & Professional Charges	7,162,240	6,252,464
	Electricity Charges	704,046	69,556
	House Keeping Expenses	-	6,245
	Security Charges	1,159,803	-
	Stamp duty	560,000	96,245
	Exchange loss (Net)	-	103,946
	Unrealised loss on Investments	-	1,703,320
	Loss on sale of Assets	13,553	-
	Registration/License expenses	70,844	37,070
	Cenvat Credit Written Off	-	6,267,024
	Buy Back Expenses	-	3,635,370
	Land Development Charges	-	17,300
	Other Expenses	2,584,058	1,819,556
	Less : Expenses transferred to Capital Work in Progress	3,340,016	-
		<b>16,663,441</b>	<b>27,256,729</b>
		<b>18,495,570</b>	<b>27,727,107</b>

27.1	AUDITOR'S REMUNERATIONS (Including Service Tax)	2016 - 17 Rs.	2015 - 16 Rs.
	<b>Particulars</b>		
	Audit Fees	360,000	367,715
	Tax Audit Fees	75,000	75,000
	Other Services	205,363	429,762
		<b>640,363</b>	<b>872,477</b>
27.3	EXPENDITURE AND EARNINGS IN FOREIGN EXCHANGE	2016 - 17 Rs.	2015 - 16 Rs.
	<b>a) Earnings in Foreign Exchange</b>		
	Export of Goods calculated on F.O.B. basis	-	-
	<b>b) Expenditure in foreign currency</b>		
	1. Foreign Travelling expenditure	1,582,032	980,989
	1. Other Expenses	-	213,815
	<b>c) Value of imports calculated on CIF basis</b>		
	Traded Goods	39,303,916	-
28	EARNING PER SHARE	2016 - 17 Rs.	2015 - 16 Rs.
	Profit after taxation as per Statement of Profit and Loss (Amt. in Rs.)	(39,106,726)	33,075,060
	Weighted average number of equity shares outstanding	5,461,747	5,461,747
	Basic and Diluted Earning per shares (face value – Rs. 10 per share) (Amount in Rs.)	<b>(7.16)</b>	<b>6.06</b>

**Notes on Consolidated Financial Statements for the Year ended March 31, 2017****29 CONTINGENT LIABILITIES AND COMMITMENTS****A. Contingent Liabilities**

Particulars		As at 31-03-2017 Rs.	As at 31-03-2016 Rs.
<b>a)</b>	Taxes		
	(1) Sales tax		
	Demands under contest	-	837,838
	C-Form Pending	13,880	512,474
	(2) Income tax		
	Demands under dispute	-	1,492,930
<b>b)</b>	Claims against the Company not acknowledged as Debts	-	2,542,704
<b>c)</b>	Corporate Guarantee given on behalf of subsidiary	9,00,00,000	Nil

**B. Commitments :**

Particulars	31-03-2017 Rs.	31-03-2016 Rs.
Estimated amount of contracts (Net of advances) remaining to be executed on Capital Account and not provided for	51,609,144	2,827,270

**30 LEASE**

- (i) The Company does not have financial lease arrangement.
- (ii) The Company has taken residential, office and godown premises under short term cancelable lease arrangements and are renewable on mutually agreeable terms.

Particulars	2016 - 17	2015 -16
Rent paid under this agreement	2,696,595	843,500

**31 SEGMENT REPORTING**

The company had sold its entire business on March 05, 2015 and currently it is exploring various business opportunities. As of now there is income from operation in the current year is from trading of raw cashew and Tissue Culture.

**32 RELATED PARTY DISCLOSURES**

Related party Disclosures as required by AS-18 are given below.

**A : Relationship****(i) Key Management Personnel :**

Dr. Pradip K. Desai  
 Mr. Viral P. Desai  
 Mr. Minesh Patel (Up to January 31, 2017)  
 Mr. Samkit Mehta (w.e.f. February 01, 2017)  
 Mr. Urmil Raval  
 Mr. Hardik Shah

**(ii) Relatives of key management personnel and their enterprise, where transactions have taken place.**

Ms. Lata P. Desai  
 Ms. Tejal V. Desai  
 Ms. Shital S. Kazi  
 Mr. Prakash K. Desai  
 Shri. Pradip. K. Desai HUF  
 Dr. Harshad R. Gandhi  
 Ms. Kokila H. Gandhi  
 Dr. Udai D. Desai  
 Dr. Pradip K. Desai (From March 05, 2015)  
 Ms. Sujata V. Desai (From March 05, 2015)

**(iii) Enterprise over which persons described in (ii), (iii) above is able to exercise significant influence.**

Span Diagnostics SARL  
 Quest Biochemicals Pvt. Ltd  
 Desai Agri Bio-tech Pvt. Ltd  
 Span Biotherapeutics Pvt Ltd

Note: Related party relationship on the basis of the requirements of Accounting Standard 18 as in 1 (i) to (iv) above is identified and certified by the Management and relied upon by the Auditors.



**B. Transactions with related parties :**

Particulars	Referred In A(i) Above	Referred In A(ii) Above	Referred In A(iii) Above
<b>Expenses :</b>			
Remuneration/Appreciation	9,674,360	-	-
	<i>4,720,519</i>	-	-
Rent paid	646,838	442838	-
	<i>420,000</i>	<i>420000</i>	-
<b>Income :</b>			
Sale of shares	-	-	-
	-	-	-
<b>Balance Sheet Items Movement:</b>			
Rent Deposits given	51,000	-	-
	<i>100,000</i>	<i>100,000</i>	-
<b>Balance as at March 31, 2016</b>			
Loans & Advances	80,000	-	-
	<i>80,000</i>	-	-
Rent Deposits given	151,000	100,000	-
	<i>100,000</i>	<i>100,000</i>	-

Figures of Previous Year are represented in Italic form

**Disclosure in Respect of Material Related Party Transactions during the year :**

(a) Payment to Key Management Personnel include to Shri Viral P. Desai Rs. 72,00,000 ( Previous Year Rs. 45,00,000 ), Minesh Patel - Rs. 2,34,250 ( Previous Year 2,30,515), Samkit Mehta - Rs. 3,00,550 (Previous Year NIL), Mr. Urmil Raval Rs. 10,38,240 (Previous Year NIL) and Mr. Hardik Shah Rs. 9,01,320 (Previous Year NIL).
(b) Rent paid to Mr. Viral Desai- Rs.6,46,838 (Previous year Rs.- 4,20,000), Ms. Sujata Desai- Rs.4,42,838 (Previous year Rs.- 4,20,000)
(c) Deposits given includes from Shri Veeral P. Desai Rs. 1,51,000 (Previous year -Rs. 1,00,000) Ms. Sujata V. Desai Rs. 1,00,000 (Previous Year 1,00,000)
(d) Company has sold it's shares of Span Nihon kohden (A Joint Venture) during the year amounting to Rs. NIL (Previous Year - Rs. 802,00,000)

**Additional Information, as required under schedule III to the Companies Act, 2013 of enterprises consolidated as subsidiary**

Name of Enterprise	Share in Profit & Loss		Share in Net Assets	
	% of Consolidated Profit & Loss	Amount	% of Consolidated Net Assets	Amount
<b>Parent</b>				
Span Divergent Limited	55.54%	(21,234,313)	68.84%	327,846,459
<b>Subsidiaries</b>				
Span Diagnostics SA (Pty) Limited	0.89%	(341,562)	-0.61%	(2,928,692)
Aranya Agri Bitotech LLP	12.65%	(4,837,672)	7.49%	35,664,193
Biospan Scientific LLP	13.62%	(5,208,689)	-0.15%	(725,047)
Dryfruit Factory LLP	17.27%	(6,603,403)	24.42%	116,315,888
Span Diagnostics Products LLP	0.03%	(9,625)	0.02%	74,330

**Salient features of financial statements of Subsidiary as per Companies Act, 2013****Subsidiary**

Sr. No	Name of Subsidiary	Reporting Currency
1	Span Diagnostics SA (Pty) Limited	ZAR
2	Aranya Agri Biotech LLP	INR
3	Biospan Scientific LLP	INR
4	Dryfruit Factory LLP	INR
5	Span Diagnostics Products LLP	INR

Details of Subsidiary are as under;

Sr. No	Share capital / Partners Capital (Includes Fixed & Fluctuating Capital)	Reserves & Surplus	Total Assets	Total Liabilities	Turnover	Profit before tax
1	6,177	(2,934,869)	1,618,392	4,547,084	-	(341,562)
2	40,512,359	(4,848,166)	36,423,153	758,960	279,512	(4,837,672)
3	4,496,117	(5,221,164)	84,245	809,292	-	(5,237,055)
4	124,232,492	(7,916,604)	176,094,228	59,778,340	6,661,667	(6,864,100)
5	100,000	(25,670)	74,330	-	-	(9,625)

33 Unhedge foreign currency exposure : NIL

34 Exceptional Items

Followings are the details of exceptional Items

Particulars	FY 2016 - 17	FY 2015 - 16
	(Amount in Rs.)	
Profit on sale of shares of Span Nihon Kohden Diagnostics Private Limited	-	74,800,000
Arkray Healthcare Private Limited full and final settlement written off	-	(595,754)
<b>Total</b>	<b>-</b>	<b>74,204,246</b>

35 During the year the company had no specified bank notes, but had other denomination note. As defined in the MCA notification G.S.R. 308(E), dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes is given below;

Particulars	SBN	Other Denomination Notes	Total
Closing Balance on 8th November, 2016	-	18,584	18,584
(+) Withdrawl from Bank Account	-	50,000	50,000
(+) Receipts from permitted Transactions	-	-	-
(-) Payment of Permitted Transaction	-	39,016	39,016
(-) Deposits in Bank Account	-	-	-
<b>Closing Balance on 30th December, 2016</b>	<b>-</b>	<b>29,568</b>	<b>29,568</b>

36 The figures for the previous year have been regrouped/recast wherever necessary in conformity with those of current year.

As per our Report of even date :  
**For Haribhakti & Co. LLP,**  
Chartered Accountants  
ICAI FRN No.: 103523W/W100048

For and on behalf of Board of Directors

**Viral P. Desai**  
**Managing Director**  
DIN : 00029219

**Dr. Prdeep K. Desai**  
**Director**  
DIN : 00026451

Atul Gala  
Partner  
Membership No. 048650

**Samkit Mehta**  
**CFO**

**Pankaj Ajmera**  
**Company Secretary**

Place : Mumbai  
Date : May 11, 2017

Place : Mumbai  
Date : May 11, 2017

**SPAN DIVERGENT LIMITED**  
**(Formerly Span Diagnostics Limited)**  
**CIN: L74999GJ1980PLC003710**

Regd. Office: 9<sup>th</sup> Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007

Tel No.: 0261 – 266 32 32 / Fax No.: 0261 – 266 57 57

Email Id: mail@span.co.in / Website: www.spandivergent.com

**Attendance Slip for 37<sup>th</sup> Annual General Meeting**

<b>Registered Folio / DP ID &amp; Client ID</b>		
<b>No. of Shares</b>		
<b>Name and Address of the Shareholder(s):</b>		
<b>Joint Holder(s):</b>		
I/We hereby record my / our presence at the 37 <sup>th</sup> Annual General Meeting of the Company being held on Friday, September 22, 2017 at 11:00 a.m. at Science Center Auditorium, City Light Road, Surat – 395 007.		
<b>If Shareholder(s), please sign here</b>	<b>If Proxy, please mention name and sign here</b>	
	<b>Name of the Proxy</b>	<b>Signature</b>
<b>Note: Please sign this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL.</b>		

**ELECTRONIC VOTING PARTICULARS**

<b>Electronic Voting Sequence Number (EVSN)</b>	<b>User ID</b>	<b>*Default PAN</b>
	-	-

\*Only Members who have not updated their PAN with the Company / Depository Participants shall use default PAN in the PAN Field.

**Note: Please read the instructions for e-voting given along with Notice of the 37<sup>th</sup> Annual General Meeting. The Voting Period starts from Tuesday, September 19, 2017 (9:00 a.m.) and ends on Thursday, September 21, 2017 (5:00 p.m.)**

**SPAN DIVERGENT LIMITED**  
**(Formerly Span Diagnostics Limited)**  
**CIN: L74999GJ1980PLC003710**

**Regd. Office: 9<sup>th</sup> Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007**  
**Tel No.: 0261 – 266 32 32 / Fax No.: 0261 – 266 57 57**  
**Email Id: [mail@span.co.in](mailto:mail@span.co.in) / Website: [www.spandivergent.com](http://www.spandivergent.com)**

**Form MGT 11**

**Proxy Form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rule, 2014]

**Venue of Meeting:** Science Center Auditorium, City Light Road, Surat – 395 007

**Day, Date & Time:** Friday, September 22, 2017 at 11:00 a.m.

<b>Name of Members</b>	
<b>Registered Address</b>	
<b>No. of Shares held</b>	
<b>Folio No./DP Id &amp; Client ID</b>	
<b>Joint Holder(s)</b>	
<b>Email Id</b>	

I/We \_\_\_\_\_ of \_\_\_\_\_ being member / members of Span Divergent Limited (Formerly Span Diagnostics Limited) hereby appoint the following as my / our proxy to attend and vote on a poll (for me/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company to be held on Friday, September 22, 2016 at 11:00 a.m. and at any adjournment thereof) in respect of such resolutions as are indicated below:

Name: \_\_\_\_\_ Registered Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him / her

Name: \_\_\_\_\_ Registered Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him / her

Name: \_\_\_\_\_ Registered Address: \_\_\_\_\_  
Email Id: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him / her

Resolution No.	Resolution	No. of Shares held	Optional*	
	Ordinary Business		For	Against
1.	Adoption of Financial Statements for the year ended on March 31, 2017			
2.	Re-appointment of Mr. Sanjay N Mehta as Director of the Company who retires by rotation			
3.	Ratification of Appointment of M/s. Haribhakti & Co. LLP as Statutory Auditors and fix their remuneration			

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

Affix one Rupee  
Revenue Stamp

**Signature of Shareholder**

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting
2. Proxy need not be a member of the Company
3. In case of Joint Holders, the vote of the senior who tenders a vote, whether in person or by proxy shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. \*It is optional to put "X" in the appropriate column against the resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any resolutions or all resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.





## **Span Divergent Ltd.**

*(Formerly Span Diagnostics Ltd.)*

CORPORATE OFFICE : 9th Floor, Rajhans Bonista,  
B/h, Ram Chowk, Ghod-Dod Road, Surat - 395 007, INDIA  
PHONE : +91 261 266 32 32

E-MAIL : [secretarial@span.co.in](mailto:secretarial@span.co.in) WEBSITE : <http://spandivergent.com>