



SPAN

Span Diagnostics Ltd.

**35th Annual Report
2014-15**

**BOARD OF DIRECTORS**

Mr. N.Gopaldaswami	Chairman
Mr. Veeral P.Desai	Managing Director
Dr. Pradip K. Desai	Director
Dr. Sushil K. Shah	Director
Mr. Shyamal Ghosh	Director
Mr. Kamlesh Patel	Director
Dr. Pranav S. Desai	Director
Mr. Sanjay N. Mehta	Director
Ms. Lataben P Desai	Additional 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. Haribhakti & Co., LLP
Chartered Accountant,
703, Venus Atlantis, 100 ft. Road,
Besides Reliance Petrol Pump,
Prahlad Nagar, Ahmedabad – 380 015

**HEAD OFFICE &
REGISTERED OFFICE**

Rajhans Bonista, Behind Ram Chowk Temple,
Ghod Dod Road, Surat - 395007

CONTENTS	<u>PAGE NO.</u>
Notice of Annual General Meeting	2
Director's Report	8
Auditors' Report on Corporate Governance	29
Corporate Governance Report	30
Secretarial Audit Report	42
Auditors' Report	45
Balance Sheet	48
Profit & Loss Account	49
Cash Flow Statement	50
Notes on Financial Statements	51
Auditors' Report on Consolidated Financial Statements	74
Consolidated Balance Sheet	78
Consolidated Statements of Profit & Loss	79
Consolidated Cash Flow Statement	80
Notes on Consolidated Financial Statements	81
Attendance Slip & Proxy Form	107/108
Green Initiative	109

NOTICE

To,

THE MEMBERS OF SPAN DIAGNOSTICS LIMITED

Notice is hereby given that the 35th Annual General Meeting of Shareholders of Span Diagnostics Limited will be held at DTA-2, G 02 to G 05 Plot, Gujarat Hira Bourse, Gem & Jewellery Park, Icchapore-2, Surat – 394 510 on Sunday, September 20, 2015 at 10:30 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 2015, 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, 2015.
2. To appoint a Director in place of Dr. Pranav S Desai (DIN: 00026541) 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 appointment of M/s. Haribhakti & Co., LLP, Chartered Accountants as Statutory Auditor

“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, Haribhakti & Co LLP (Firm Registration Number 103523W) Chartered Accountants, the retiring Auditors of the Company, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and rule 4 of the rules, be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remunerations as may be agreed upon Board of Directors in consultation with the said Auditors.

SPECIAL BUSINESS

4. **To consider and if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution for Regularization of Additional Director, Ms. Lataben P Desai**

“RESOLVED THAT Ms. Lataben P Desai, who was appointed as an Additional Director with effect from August 08, 2014 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who hold office up to the date of this Annual General Meeting and in respect whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to Section 181 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made there under as amended from time to time, 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 of the Board constituted to exercise its power, including the power conferred by this resolution) to make / contribute to bona fide charitable and other funds in excess of the limit prescribed under the Companies Act, 2013 and rules made there under but not exceeding Rs. 2 Crore (Rupees Two Crore Only) in aggregate per annum over and above limit prescribed under the Companies Act, 2013 and the rules made there under.

RESOLVED FURTHER THAT contribution made by the Company during the year 2014 – 15 in excess of the limit prescribed under the Companies Act, 2013 and rules made there under be and is hereby approved and ratified by the shareholders of the Company.

RESOLVED FURTHER that the Board be and is hereby authorized to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned limit and also to take all other decisions and any other action as may be required, either in part or in full, in its absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transaction including ratification of the earlier transaction.”

For and on behalf of the Board of Directors

Date: May 30, 2015

Place: Mumbai

Pankaj Ajmera
Company Secretary

**Registered Office: 9th Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple,
Ghod Dod Road, Surat – 395 007
CIN: L24299GJ1980PLC003710**

Notes:

- (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) The relative Statement pursuant to Section 102 of the Companies Act, 2013 (the “Act”), with respect to the Special Business set out in Item Nos. 4 to 6 above is annexed hereto.
- (c) The relevant details as required under Clause 49 of the Listing Agreement with the Stock Exchange of person seeking appointment/reappointment relating to item No. 2 and 4 of the Notice are also annexed.
- (d) 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.
- (e) The Register of Members and the Share Transfer Books of the Company will remain closed on September 12, 2015 to September 20, 2015 (both days inclusive).
- (f) 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 Diagnostics Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West)
MUMBAI – 400 078
Phone # 022-25963838, Fax # 022-25946969
Email: rnt.helpdesk@linkintime.co.in
- (e) 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.
- (f) 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.
- (g) 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.
- (h) 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.
- (i) **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
 C-13, Pannalal Silk Mills Compound, L.B.S. Marg,
 Bhandup (West), Mumbai – 400 078

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.span.co.in.

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.

(j) 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 clause 35B of the Listing Agreement entered into with the Stock Exchange, the Company is pleased to provide members facility to exercise their right to vote at the 35th 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:**

- i. Log on to the e-voting website www.evotingindia.com during the voting period.
- ii. Click on “Shareholders” tab
- iii. Now enter your user ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number Registered with the Company
- iv. Next Enter the Image Verification Code as displayed and click on Login
- v. If you are holding shares in Demat Form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company then your existing password is to be used.
- vi. 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"> • 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.
DOB#	Enter the Date of Birth in dd/mm/yyyy format as recorded in your demat account or in the Company records for the said demat account or folio
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. #Please enter the DOB or 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 no. iii

- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. 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.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in the Notice.
- x. Click on the relevant EVSN of Span Diagnostics Limited on which you choose to vote.

- xi. 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.
- xii. Click on the RESOLUTIONS FILE LINK if you wish to view the entire Resolution.
- xiii. 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.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on click here to print" option on the Voting Page.
- xvi. 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.
- xvii. 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 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.
 - 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 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.
- xviii. 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 under help section or write an email to helpdesk.evoting@cdslindia.com

- I. **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 20, 2015 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

- II. The e-voting period commences on September 17, 2015 (9:00 a.m.) and ends on September 19, 2015 (6:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialization form, as on the cut-off date of September 14, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholders, the shareholder shall not be allowed to change it subsequently.
- III. Mr. Mitesh Rana, Company Secretary (Membership No. 28113) has been appointed as the scrutinizer to scrutinize voting process (electronically or otherwise) in fair and transparent manner.
- IV. 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.
- V. 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 30, 2015
Place: Mumbai

For and on behalf of the Board of Directors

Pankaj Ajmera
Company Secretary

ANNEXURE TO THE NOTICE:**I. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to Item No. 4 to 6 of the accompanying Notice dated May 30, 2015.

Resolution at Item No. 4

Ms. Lataben P Desai was appointed as an Additional Director w.e.f August 08, 2014 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013, Ms. Lataben P Desai, Director of the Company hold office up to the date of the ensuing Annual General Meeting.

As required under Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company was required to have atleast one woman director on the Board of Directors of the Company.

Keeping in view of the above legal requirements, the Board of Directors had appointed Ms. Lataben P. Desai (DIN 00026472) as Additional Director of the Company under Section 161(1) of the Companies Act, 2013, who holds office up to the date of this Annual General Meeting of the Company and is eligible for appointment.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. Lataben P Desai for the office of Director of the Company. Ms. Lataben P Desai is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. She holds 7,17,060 equity shares in the Company.

Ms. Lataben P Desai was born on September 25, 1941. She is Bachelor of Arts by qualification. She is director in Desai Agri Biotech Private Limited.

The terms and conditions for appointing her as Director of the Company shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday.

Save and except Ms. Lataben P Desai, being an appointee, and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends resolutions under Item No. 4 to be passed as ordinary resolution.

Resolution at Item No. 5

The Board at its meeting held on April 25, 2015, on the recommendation of the Audit Committee, has approved the appointment of **M/s. V. M. Patel & Associates, Cost Accountants, Surat** to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 at a remuneration of Rs. 20,000 (Rupees Twenty Thousands) plus out of pocket Expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Resolution at Item No. 6

Pursuant to provisions of the Companies Act, 2013 and rules made there under, Board of Directors of the Company may contribute to bona fide charitable and other funds. The Proviso to said Section provide that permission of the Company in general meeting shall be required for making contribution in aggregate in any financial year, in excess of the five percent of its average net profits for the three immediately preceding financial year. Taking into account, a resolution is proposed providing that the Directors to make /contribute to bona fide charitable and other funds in excess of the limit prescribed under the Companies Act, 2013 and rules made there under but not exceeding Rs. 2 Crore (Rupees Two Crore Only) in aggregate per annum over and above limit prescribed under the Companies Act, 2013 and the rules made there under. Further during the year 2014 -15, Company had contributed an amount of Rs. 25,20,000 to bona fide charitable and other funds which is in excess of the limit prescribed under the Companies Act, 2013 and the rules made

there under. It is proposed to approve and ratify by passing this resolution.

The Board commends the Special Resolution as set out at Item No. 6 of the Notice for approval by the Shareholders.

II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE

Name of the Director	Dr. Pranav S Desai	Ms. Lataben P Desai
Age	43 Years	73 years
Qualification	M. D. Pathology	Arts Graduate
Experience in Specific functional area	He has rich experience of more than 14 years in R & D in Diagnostics and consulting pathology.	She has experience in the field of Business Management and Administration.
Director Since	June 26, 2006	August 08, 2014
List of Companies in which outside directorship held	Desai Metropolis Health Services Private Limited	Desi Agri Biotech Private Limited
Membership of Committee of the Board of Director of the Company	Stakeholder Relationship Committee	Nil
Membership in Committee in other Companies	Nil	Nil
No. of Shares held	28040	717060

Date : May 30, 2015

Place : Mumbai

For and on behalf of the Board of Directors

Pankaj Ajmera
Company Secretary

Registered Office:
9th Floor, 902 – 904, Rajhans Bonista,
Behind Ram Chowk Temple,
Ghod Dod Road,
Surat – 395 007
CIN: L24299GJ1980PLC003710

DIRECTORS' REPORT

To,

The Shareholders,

Your Directors have pleasure in presenting the 35th Annual Report of Span Diagnostics Limited (the Company) on the business and operations of the Company together with the audited financial statements for the year ended on March 31, 2015.

1. FINANCIAL SUMMARY/PERFORMANCE OF THE COMPANY

The financial performance of the Company for the financial year ended March 31, 2015 along with figures of previous financial year is summarized below:

Particulars	Amount (Rs. In Lacs)	
	2014 – 15	2013 – 14
Total Income	7500.16	7966.78
Profit before tax, Depreciation and interest (Excluding extraordinary income and Foreign exchange Gain/(Loss))	259.33	555.88
Interest	436.33	(441.32)
Foreign exchange Gain/(Loss)	101.43	(60.44)
Profit before Depreciation	(75.60)	54.12
Depreciation	(583.28)	(476.73)
Profit before tax	(658.88)	(422.61)
Exceptional Item	4726.75	0.00
Profit/(Loss) before tax from continuing operation	106.14	(51.10)
Income Tax Expense for continuing operation	0.73	0.00
Profit/(Loss) after tax from continuing operation	106.87	(51.10)
Profit/(Loss) before tax from discontinuing operation	4174.01	(371.51)
Tax Adjustment of earlier year	0.00	2.58
Provision of tax – Current	899.65	Nil
– MAT Credit Entitlement/(Utilisation)	75.35	0
– Deferred Tax (Liabilities)/Asset	(423.16)	(93.96)
Profit/(Loss) after tax from discontinuing operation	3622.17	(462.89)
Profit/(Loss) after tax for the year	3515.30	(513.98)
Balance brought forward	768.49	1282.47
Amount available for appropriation	4283.79	768.49
APPROPRIATIONS		
Proposed Dividend	Nil	Nil
Dividend Distribution tax	Nil	Nil
Dividend for earlier year (including distribution tax)	Nil	Nil
Transfer to General Reserve	(25.00)	Nil
Adjustments carrying value of assets where useful life is Nil as per schedule II	(10.11)	Nil
Balance carried forward	4248.67	768.49

2. DIVIDEND

Board after detailed deliberation and considering the substantial operational loss during the year under review decided not to recommend any dividend for the financial year 2014-15.

3. TRANSFER TO RESERVES:

The Company proposes to transfer an amount of Rs. 25,00,000 to the General Reserve and the balance amount is proposed to be retained in the statement of profit and loss.

4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The reason for increase in loss from discontinuing operation is because of rise in raw material cost and aggressive competition, which compelled company not to reflect the cost escalation in sales price, in some of the fast moving products and the revenue figures taken up to March 4, 2015, the effective date of slump sale.

During FY 2014-15, one of the major activity was of slump sale of business undertaking and integration. The Company has obtained the World Health Organisation (WHO) approval for its major products i.e. Rapid Test for Malaria and HIV Test, which is very rewarding as capital expenditure made during last couple of years, has finally fructified.

There is an ever increasing competition in the in-vitro diagnostics market and regulatory landscape also is becoming challenging, which will put constant pressure for investment in new technology and facility.

Since the Company has exited and transferred the business in March 2015, it is no longer relevant to elaborate it further.

It is indeed encouraging that we could successfully complete the Business transfer and unlock the true value of the business.

The Company has initiated exploring new investment avenues for the potential use of the amount received pursuant to the completion of the transaction and also to distribute a reasonable portion of the proceeds to the shareholders.

Industry Structure, Development & outlook

The Company has by slump sale transferred its In Vitro Diagnostics Business undertaking to M/S. Arkray Healthcare Private Limited. Consequently Span is evaluating alternative structures for future lines of business. At an appropriate stage these business plans will be shared.

Research & Development

The Company was working on R&D with diverse approach such as R&D with in-house team, with special purpose subsidiary ventures, outsourcing by contract research, tie-ups with various institutions of repute in India and abroad by forming Public Private Partnership and technology acquisition. As company has transferred its In Vitro Diagnostic Business undertaking to M/S. Arkray Healthcare Private Limited., currently there is neither any research nor manufacturing activity and Company will evaluate alternative structure for the future line of business.

Human resources and industrial relations

The Company had highly motivated employees, totaling 524 persons, comprising of trained technical, managerial and research personnel till March 04, 2015. Company had transferred its In-vitro Business Undertaking to M/s. Arkray Healthcare Private Limited on completion requisite formalities with effect from March 05, 2015. Company has 3 employees as on March 31, 2015. The focus of the Company is to enrich its employees by promoting learning & development and providing opportunities for enhancing their knowledge base continuously.

The Company continues to have cordial and harmonious relations with its employees and the union.

5. BUY BACK OF SHARES

Pursuant to the sale of In-vitro Diagnostic Business Undertaking (BU) of a Company, Company successfully unlocked the true value of business. However, this also means that Company has to venture into new businesses going forward. After due deliberations and considering the need to conserve funds for deployment in new businesses identified by the Board and considering the interest of shareholders and particularly small shareholders, Board has opted for buy back of equity shares to distribute a significant portion of exceptional income arising out of Slump Sale of IVD business.

The Board of Directors has approved and recommended buy back of shares up to maximum of 18,19,000 Equity Shares of Rs. 10/- each, constituting 25% of the paid up equity capital, at a buy back price not exceeding Rs. 65 per share through the tender route through the Stock Exchange, Mumbai pursuant to the provisions of Section 68 of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 as amended.

6. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

7. 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 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.

8. 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 Biotronics Private Limited (SBPL)

Span Biotronics Pvt Ltd (SBPL) was 95.24% Subsidiary of Span Diagnostics Limited (SPAN) working on analysis, design, development, prototyping, testing and validation of lab automation need of SPAN and is also engaged in new product development independently. A multidisciplinary team of engineers and scientists are jointly making efforts to launch indigenous technologies, which will be used as modules and commercialized in many products.

During the year under review, Company has transferred its 95.24% stake held in subsidiary Span Biotronics Private Limited to M/s. Arkray Helathcare Private Limited and ceased to be a subsidiary Company with effect from March 05, 2015.

Span Diagnostics South Africa (PTY) Limited

To accelerate its future growth, the company has formed a joint venture Company during year 2011-12 with Reindus Health (Pty) Limited for focusing on market developments of Span's product in SADC region, covering 14 countries of Southern African continent and for enhancing presence in SADC region. During the year under review, Company has acquired 540 Equity Shares of Rand 1 Each from its existing shareholders of the Company. Upon acquisition of 540 Equity Shares of, Span Diagnostics South Africa (Pty) Limited, it has become wholly owned overseas subsidiary Company.

Pursuant to sale of IVD business of Span Diagnostics Ltd. (SDL) to Arkray 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 location 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.

Span Nihon Kohden Diagnostics Private Limited (SNKD)

A joint venture Company between Nihon Kohden Corporation, Japan and Span Diagnostics Limited, India, started its operation from December 2008 and since then continues to manufacture high quality reagents for Hematology Analysers for distribution and sale in India.

9. FIXED DEPOSITS

At the close of the year, there were no fixed deposits due for payment that remained either unclaimed or unpaid. There were no claims as against the deposits outstanding as at the close of the year. The Company has accepted deposit of Rs. 96,43,000/ (including renewal and interest on renewal). There has been no default in repayment of deposits or payment of interest thereon during the year and the Company has complied with all the requirements of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

10. PARTICULARS OF EMPLOYEES

The particulars of employees as required to be given under Rule 5(2) of Companies (Appointment of Managerial Personnel) Rules, 2014 is as under:

Name	Designation & Nature of Duties	Remuneration Received Rs.	Qualification & Experience (in years)	Date of Employment	Age (Years)	Previous Employment Held
Employed throughout the period ended 31-03-2015 and in receipt of remuneration aggregating to Rs. 60,00,000/-						
1. Dr. Pradip K Desai	³ Director	60,39,104	MD (Path)	Founder Director	75	None

Notes:

- The above appointments are contractual.
- Remuneration received includes salary, commission, allowance, medical expenses; leave travel assistance, taxable value of perquisites etc. and Company's contribution to Provident fund, Group gratuity and Superannuation funds.
- Dr. Pradip K Desai ceased to be whole time director of the Company with effect from March 05, 2015.

11. STATUTORY AUDITORS & THEIR REPORT

At the Annual General Meeting held on August 08, 2014, M/s. Haribhakti & Co LLP., Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2015. Accordingly, the 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 and are eligible for their reappointment. The directors recommend their reappointment for the current year.

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.

12. SHARE CAPITAL

The paid up equity capital of the Company as on March 31, 2015 was Rs. 7,27,60,000/- divided into 72,76,000 Equity Shares of Rs. 10/- each. The Company has neither issued any shares nor granted stock option nor sweat equity.

13. 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 C" to the Board's Report.

14. 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 enclosed as per "Annexure 'A'" to the Board's Report.

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

The particulars are attached in "Annexure 'B'" of this report.

16. 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 has contributed funds for medical aid. The contribution in this regard has been made to the Registered Trust managing leading hospital.

The Annual Report on CSR Activities is annexed as "Annexure D" to the Board's Report.

17. 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 Gopaldaswami	Independent Director
Mr. Pakaj Ajmera	Company Secretary

18. 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 and revised clause 49 of the Listing Agreement. Further there has been no change in the circumstances which may affect their status as Independent Director during the year.

19. BOARD MEETINGS

An agenda of the meetings is prepared and circulated in advance to the Directors. During the year seven 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.

20. BOARD EVALUATION

Clause 49 of the Listing Agreement 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.

21. 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. Gopaldaswami, 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,

Pursuant to the provisions of the Section 161(1) read with provision of Section 149 of the Companies Act and in compliance with the provision of the Listing Agreement, Ms. Lataben P Desai was appointed as an additional Director and Woman Director of the Company with effect from August 08, 2014 and shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Ms. Lataben P Desai for appointment as a Director on the Board of the Company.

22. RETIREMENTS, RESIGNATIONS AND CHANGE IN THE DESIGNATION :

- I. Dr. Pranav Desai, 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. Dr. Pradip K Desai was ceased to be a Whole Time Director of the Company with effect from March 05, 2015 and redesignated as Non Executive Director of the Company.
- III. Mr. Paras Desai redesignated as Vice President Corporate Strategy and Finance and CFO of the Company with effect from May 23, 2014.
- IV. Mr. Paras Desai has resigned from the Company with effect from March 05, 2015 subsequent to transfer of In-vitro Business undertaking of the Company.

The Board places on record their appreciation of the valuable services rendered by all directors/KMP ceasing their office during their tenure on the Board.

23. 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. Gopaldaswami, 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 Clause 49 of the Listing Agreement.

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. Gopaldaswami	4	3
Mr. Sanjay N. Mehta	4	4
Mr. Kamlesh M. Patel	4	1

24. 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.

25. 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 one nomination and remuneration committee meeting held during the year.

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. N. Gopalswami	1	0	Independent Non-Executive Director
Mr. Sanjay N. Mehta	1	1	Non Executive Director
Mr. Shyamal Ghosh	1	1	Independent & Non-Executive Director
Mr. Veeral P. Desai	1	1	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 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.

26. LOANS, GUARANTEES AND INVESTMENTS

The Company has following Loans, Guarantee given and Investments made under Section 186 of the Companies Act, 2013 for the financial year ended on March 31, 2015.

Date of Transaction	Particular/Purpose/Nature of Transaction	Amount of Transaction
13/08/2014	Investment in Joint Span Diagnostics South Africa (Pty) Ltd	2878
13/08/2014	Investment in Joint Span Diagnostics South Africa (Pty) Ltd	294

27. 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 thereunder and Listing Agreement. 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.

28. MANAGERIAL REMUNERATION :

Name of the Director	Designation	Remuneration in the year 2015 in Rs.	Remuneration in the year 2014 in Rs.	Sitting fees in the F.Y. 2015
Sanjay Natwarlal Mehta	Director	NIL	NIL	50,000
Pradipkumar Keshavlal Desai	Director	60,39,104	41,64,600	Nil
Lataben Pradipkumar Desai	Woman Director	NIL	NIL	10,000
Pranav Sureshbhai Desai	Director	NIL	NIL	10,000
Viral Pradipkumar Desai	Managing Director	57,18,955	42,78,800	Nil
Sushil Kanubhai Shah	Independent Director	NIL	NIL	15,000
Shyamal Ghosh	Independent Director	NIL	NIL	50,000
Kamlesh Maganlal Patel	Independent Director	NIL	NIL	25,000
Needamangalam Gopalswami	Independent Director	NIL	NIL	40,000
Paras Desai	Chief Financial Officer	28,53,323	NA	NA
Pankaj Ajmera	Company Secretary	2,08,832	NA	NA

The median remuneration of the employee of the Company for the year 2014 – 15 is Rs. 2,18,900 as compared to Rs. 1,81,950 for the year 2013 – 14. During the year median remuneration is increased by 16.88%. There were 524 employees on rolls of the Company upto March 04, 2015. Company has transferred its In-Vitro Diagnostics Business undertaking to M/s. Arkray Healthcare Private Limited along with employees of the Company. There were 3 employees on rolls of the Company as at March 31, 2015. 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.	Dr. Pradip K Desai	60,39,105	27:1
02.	Mr. Veeral P Desai	57,61,050	26:1

During the year under review, there was no increase in remuneration of the Directors and Company Secretary of the Company. Remuneration of Mr. Paras Desai, CFO of the Company was increased by 12.72%.

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.

29. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT :

Mitesh Rana of Mitesh Rana & Co., Practising Company Secretaries, Vadodara, was appointed to conduct the Secretarial Audit the Company for the Financial Year 2014-15, as required under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration) Rules, 2014. The Secretarial Audit Report for FY 2014-15 forms part of the Annual Report as Annexed to the Board's Report.

A Secretarial Audit Report given by Mitesh Rana, a company secretary in practice shall be annexed with the report. Auditor's Report, are self explanatory and therefore do not call for any further comments.

30. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE :

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement 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.

31. COST AUDITORS

Your directors have on recommendation of the Audit Committee have appointed Mr. V. M. Patel & Associates, Cost Accountants to carry out cost audit for the financial year 2015 – 16. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly a resolution seeking Member's ratification for the remuneration payable to M/s V. M. Patel & Associates, Cost Accountants is included in Notice convening Annual General Meeting.

The Company has submitted Cost Compliance Certificate as well as Cost Audit Report to Ministry of Corporate affairs on 30/09/2014 for the year 2013 – 14. The Company had appointed M/s V. M. Patel & Associates, Cost Accountants to conduct cost audit for the year 2014 – 15.

32. 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.

33. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed.
- (b) 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 profit of the Company for the year under review
- (c) 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
- (d) the directors have prepared the annual accounts on a going concern basis
- (e) 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
- (f) 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.

34. 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 materially from those either expressed or implied in the statement depending on the circumstances.

35. 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 State Bank of India & IDBI Bank and Government Authorities for their co-operation and assistance rendered to the Company.

For and on behalf of the Board

Place: Mumbai
Dated: May 30, 2015

Mr. Veeral P Desai
Managing Director

Dr. Pradip K Desai
Non Executive Director

ANNEXURE 'A'

PARTICULARS PERTAINING TO CONSERVATION OF ENERGY

	Particulars	2014 – 15	2013 – 14
1	Power and fuel consumption		
A.	Electricity		
a)	Purchased		
	Unit (in Kwh)	26,99737	28,87,541
	Total amount (Rs.)	1,97,47,828	2,12,85,471
	Rate/unit (Rs.)	7.31	7.37
b)	Own generation		
(i)	Through diesel generator		
	Unit (in Kwh)	6928	14,432
	Unit per liter of diesel Oil	2.99	2.93
	Cost/Unit (in Rs.)	18.44	20.98
(ii)	Through steam turbine/generator	N.A.	N.A.
	Unit (in 'Kwh		
	Unit per liter of fuel		
	Cost/Unit (in Rs.)		
B.	Coal (Specify quality and where used)	N.A	N.A
	Quantity (tones)		
	Total cost		
	Average Rate		
C.	Light Diesel Oil		
	Quantity (K. Liter)	25386	21,530
	Total Amount (Rs.)	15,56,016	12,22,984
	Average Rate (Rs./K. Liter)	61.29	56.8
D.	Other/Internal generation		
	Total Cost	Nil	Nil
	Rate / Unit	Nil	Nil
2	Consumption per unit of production	Standards if any	
	Products Units Electricity Furnace Oil Coal Others	Considering the number of products being manufactured by the company and production activity not being energy sensitive, the Company is not in a position to give the information required as per this format for the current year as well as the previous year. Regular steps are being taken to improve the energy conservation.	

ANNEXURE 'B'**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:**

The Company has In-house R&D unit which is recognized by the Department of Scientific and Industrial Research. The said R&D Unit provides significant support to the business through continuous innovation of products, processes, packaging modes and services. Full fledged R & D work is carried out for development of diagnostics products, reagent chemicals, packaging and analytical process. Currently, the Company is focusing on:

- Development and Improvement of HCV Tests
- Development of 4th Generation HIV ELISA Test kit
- Improvement of Malaria tests
- Development of RT-PCR for tuberculosis
- Development of RT-PCR for HIV, HCV and HBV (Monoplex and multiplex)
- Development of rapid LAMP assays for tuberculosis and typhoid.
- Pilot scale production of recombinant antigens for Treponema, Leishmania and filaria
- Process development for HBsAg Purification

2. Benefits derived as a result of the above R & D:

- Continual improvement and upgradation in existing technology for quality improvement
- Cost reduction
- Import substitution of critical raw materials and Diagnostic reagents

3. Future plans:

The R & D activity will continue to emphasize the main areas set out above and especially on the development of new technologies, new products and processes.

Expenditure on R & D

Sr. No	Description	2014 - 2015	2013 - 14
1	Capital	4538	Nil
2	Recurring	14206482	16,363,177
3	Total	14211020	16,363,177
4	Total R & D expenditure as percentage of total Turnover	1.95%	2.08%
5	Total R & D expenditure as percentage of total expenses	1.74%	1.95%

4. Technology absorption, adaptation and innovation**Efforts in brief, made towards technology absorption, adaptation and innovation:**

The processes for new formulations were adopted by modifying them to suit local equipments and raw materials specification. Innovations were made to improve the yield.

Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

Cost reduction was achieved due to replacement of imported raw materials with indigenous raw materials developed by in house R & D. The status of absorption of technology imported for last five years are given below:

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	Modified Flow through test for infectious disease	2010	Yes	Not applicable
B	Manufacture of HRP-II Antigen – 1C1B3-1D9; 5H5G12-10D4	2013	Yes	Not applicable

5. FOREIGN EXCHANGE EARNING AND OUTGO

Sr. No.	Particulars	2014 – 15 Rs.	2013 – 14 Rs.
1.	Total Foreign Exchange Earned	15,05,96,030	11,24,88,520
2.	Total Foreign Exchange Outgo	16,94,15,187	9,36,86,578

For and on behalf of the BoardPlace: Mumbai
Dated: May 30, 2015**Mr. Veeral P Desai**
Managing Director**Dr. Pradip K Desai**
Non Executive Director

ANNEXURE C
EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31, 2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

I	CIN	L24299GJ1980PLC003710
ii	Registration Date	March 31, 1980
iii	Name of the Company	Span Diagnostics Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	9th Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007
vi	Whether listed Company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C – 13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (W) Mumbai -400 078

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
1	Immunology Tests	20299	44
2	Reagents & Kits	20299	40
3	Antigens/Antisera	20299	14

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Span Diagnostics South Africa (Pty) Limited Address: 18, Tennyson Drive, Tulisa Park, South Africa	2005/000692/07	Subsidiary	100	2(87)
2	Span Nihon Kohden Diagnostics Private Limited Address: Plot No. 5531, Road No. 55, GIDC, Sachin, Surat – 394 230	U33100GJ2008PTC053641	Joint Venture	45%	

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 (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3054468	53920	3108388	42.72	3100156	8200	3108356	42.72	-0.001
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corporates	76040	0	76040	1.05	76040	0	76040	1.05	0
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0
e) Any other	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL:(A) (1)	3130508	53920	3184428	43.77	3176196	8200	3184396	43.77	-0.001
(2) Foreign									
a) NRI- Individuals	10000	20000	30000	0.41	10000	0	30000	0.41	0
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
e) Any other...	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (A) (2)	10000	20000	30000	0.41	10000	0	30000	0.41	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	3140508	73920	3214428	44.18	3186196	8200	3214396	44.18	-0.001
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
C) Central govt	0	0	0	0.00	0	0	0	0.00	0
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
g) FIIS	0	0	0	0.00	0	0	0	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (B)(1):	0	0	0	0.00	0	0	0	0.00	
(2) Non Institutions									
a) Bodies corporate	230173	4900	235073	3.23	351004	4900	355904	4.89	51.401
i) Indian	0	0	0	0.00	0	0	0	0.00	0
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	968008	277164	1245172	17.11	849375	272464	1121839	15.42	-9.905

Qualified Investor-Portfolio (Corporate)	Foreign Investor								
		0	0	0	0.00	0	0	0	0.00
c) Others (specify)		0	0	0	0.00	0	0	0	0.00
Office Bearers		0	0	0	0.00	0	0	0	0.00
Foreign Companies		0	0	0	0.00	0	0	0	0.00
Non Resident Indians (REPAT)		1114241	157000	1271241	17.47	540919	157000	697919	9.59
Non Resident Indians (NON Repat)		38225	9818	48043	0.66	599760	9818	609578	8.38
Hindu Undivided Family		136299	0	136299	1.87	119568	0	119568	1.64
Relatives Of Directors		0	0	0	0.00	0	0	0	0.00
Trusts		0	0	0	0.00	0	0	0	0.00
Clearing Member		29908	0	29908	0.41	23749	0	23749	0.33
SUB TOTAL:(B) (2)		3523570	538002	4061572	55.82	3528302	533302	4061604	55.82
Total Public Shareholding									
(B) = (B) (1) + (B) (2)		3523570	538002	4061572	55.82	3528302	533302	4061604	55.82
C. Shares held by Custodian for GDRs & ADRs		0	0	0	0.00	0	0	0	0.00
Grand Total (A+B+C)		6664078	611922	7276000	100.00	6714498	541502	7276000	100.00

(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	785300	10.79	NIL	785300	10.79	Nil	0.00
2	PRADIPKUMAR K DESAI	521580	7.17	NIL	521580	7.17	NIL	0.00
3	LATABEN P DESAI	717060	9.86	NIL	717060	9.86	NIL	0.00
4	VIRAL PRADIPKUMAR DESAI	334352	4.60	NIL	334352	4.60	NIL	0.00
5	VIRAL P DESAI	190280	2.62	NIL	190280	2.62	NIL	0.00
6	GITA SURESH DESAI	114540	1.57	NIL	114540	1.57	NIL	0.00
7	SUJATA V DESAI	101576	1.40	NIL	101576	1.40	NIL	0.00
8	DR. SURESH DINKERRAI DESAI	33720	0.46	NIL	33720	0.46	NIL	0.00
9	PRAGATI KISHOR SHAH	32680	0.45	NIL	32680	0.45	NIL	0.00
10	SHITAL SARVAJNA KAZI	31300	0.43	NIL	31300	0.43	NIL	0.00
11	PRANAV S DESAI	28040	0.39	NIL	28040	0.39	NIL	0.00
12	PRAKASHCHANDRA KESHAVLAL DESAI	27000	0.37	NIL	26982	0.37	NIL	(0.37)
13	PRASHANT SURESH DESAI	26040	0.36	NIL	26040	0.36	NIL	0.00
14	PRAKASH DHIRUBHAI DESAI	0.00	0.00	NIL	19000	0.26	NIL	0.26
15	MANJULABEN PRAKASHCHANDRA DESAI	18720	0.26	NIL	18706	0.26	NIL	(0.26)

16	SHITAL SARVAGNA KAZI	8000	0.11	NIL	8000	0.11	NIL	0.00
17	SHITAL SARVAGNA KAZI	200	0.00	NIL	200	0.00	NIL	0.00
18	SPAN FINSTOCK PVT LTD	76040	1.05	NIL	76040	1.05	NIL	0.00
19	VIVEK S DESAI	20000	0.27	NIL	20000	0.27	NIL	0.00
20	TEJAL VIVEK DESAI	10000	0.14	NIL	10000	0.14	NIL	0.00
21	DR UDAYBHAI DHIRUBHAI DESAI	108000	1.48	NIL	89000	1.22	NIL	(0.26)
22	UDAYBHAI DHIRUBHAI DESAI	30000	0.41	NIL	30000	0.41	NIL	0.00
	Total	3214428			3214396			

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

Sl. 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	3214428	44.18	3214428	44.18
	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)	(32)*	0.01	3214396	44.17
	At the end of the year	3214396	44.18	3214396	44.18

*The shares were transferred by the Depository Participant where Demat Account is maintained to recover cost annual charges on November 28, 2014.

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

Sl. No	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
1	PATEL BHARTI	34020	0.47	588940	8.09
2	ARJUN MANIBHAI DESAI	248500	3.41	248500	3.41
3	SAGUNA JAYANTILAL NAIK	134000	1.84	134000	1.84
4	SANJAY N MEHTA	118568	1.63	118568	1.63
5	PATEL KOKILABEN B	114200	1.57	114200	1.57
6	DINERO WEALTH ADVISORS PRIVATE LIMITED	0.00	0.00	113659	1.56
7	SHIRISHCHANDRA RAMBHAI MEHTA	105440	1.44	105440	1.44
8	BALVANTRAI MAGANLAL SHAH	91580	1.25	91580	1.25
9	LEENA SANJAY MEHTA	86359	1.18	86359	1.18
10	ARUN PREMCHAND MEHRA	77270	1.06	77270	1.06

The above details are given as on March 31, 2015. 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 is 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 & KMP					
Sl. 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
01	Dr. Pradip K Desai - Director				
	At the beginning of the year	1306880	17.96	1306880	17.96
	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	1306880	17.96	1306880	17.96
02	Mr. Viral P Desai - Managing Director				
	At the beginning of the year	524632	7.21	524632	7.21
	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	524632	7.21	524632	7.21
03.	Ms. Lataben P Desai – Director				
	At the beginning of the year	717060	9.86	717060	9.86
	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	9.86	717060	9.86
4	Dr. Pranav S Desai – Director				
	At the beginning of the year	28040	0.39	28040	0.39
	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	0.39	28040	0.93
5	Mr. Sanjay Mehta – Director				
	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	0.41	30000	0.41
6	Mr. N. Gopaldaswami – Director				
	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
7	Mr. Shyamal Ghosh – Director				
	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
8	Mr. Kamlesh Patel – Director				
	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
9	Dr. Sushil Shah – Director				
	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
10	Mr. Paras Desai – CFO				
	At the beginning of the year	2000.00	0.27	2000	2.27
	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	2000.00	0.27	2000.00	0.27
11	Mr. Pankaj Ajmera – Company Secretary				
	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

(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	31195272	3431686	58543000	373929958
ii) Interest due but not paid	457398	-	-	457398
iii) Interest accrued but not due	3368071	-	2952540	6320611
Total (i+ii+iii)	315780741	3431686	61495540	380707967
Change in Indebtedness during the financial year				
Additions	33096561	329568675	10870670	373535906
Reduction	348877302	333000361	72366210	754243873
Net Change	(315780741)	(3431686)	(61495540)	(380707967)
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
A.	Remuneration to Managing Director, Whole time director and/or Manager:			
SI.No	Particulars of Remuneration			Total Amount
1	Gross salary	Dr. Pradip K Desai	Mr. Veeral P Desai	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	3668710	4455000	8123710
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	339695	43800	383495
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify			
	Retrial Benefits	2030700	1262250	3292950
	Total (A)	6039105	5761050	11800155
	Ceiling as per the Act			1316650

B. Remuneration to other directors:

SI.No	Particulars of Remuneration	Name of the Directors				Total Amount
		Dr. Sushil Shah	Mr. Shyamal Ghosh	Mr. N. Gopaldaswami	Mr. Kamlesh Patel	
1	Independent Directors					
	(a) Fee for attending board committee meetings	15000	65000	55000	30000	165000
	(b) Commission	0	0	0	0	0
	(c) Others, please specify					0
	Total (1)	15000	65000	55000	30000	165000
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings	70000	10000	10000		90000
	(b) Commission	0	0	0		0
	(c) Others, please specify.	0	0	0		0
	Total (2)	70000	10000	10000	0	90000
	Total (B)=(1+2)	85000	75000	65000	30000	255000
	Total Managerial Remuneration					255000
	Overall Ceiling as per the Act.					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL		
		Company Secretary	CFO	Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	89786	2026510	831035
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	14630	741249	2041140
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit			
	others, specify			
5	Others, please specify			
	Retrial Benefits	104416	85564	189980
	Total	208832	2853323	3062155

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

“ANNEXURE D”

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 Diagnostics Limited. The Policy is formulated in compliance with the requirements of the Companies Act, 2013 and rules made there under.

Philosophy of Span Diagnostics 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.span.co.in

2. The Composition of the CSR Committee

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

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

Average Net Profit: Rs. (97,21,669)

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. Veeral P Desai
Managing Director

Sd/-
Mr. Kamlesh Patel
Chairman

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of Span Diagnostics Limited

We have examined the compliance of conditions of Corporate Governance by Span Diagnostics limited, for the year ended on March 31, 2015, as stipulated in clause 49 of the Equity Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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.

For and on behalf of
Haribhakti & Co.LLP
Chartered Accountants
FRN 103523W

Prashant Mahirishi
Partner
M No.41452
Date: May 30, 2015
Place: Mumbai

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Business objective of Span Diagnostics 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 2014-15 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, 2015

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	5	Yes	1	1	4	Independent Non-Executive Director
Ms. Lataben P. Desai ¹	2	No	1	Nil	Nil	Promoter Non-Executive Woman Director
Dr. Pradip K. Desai ²	5	Yes	7	Nil	1	Promoter & Non Executive Director
Mr. Veeral P. Desai	7	Yes	3	1	4	Promoter & Executive Director
Mr. Sanjay N. Mehta	6	Yes	3	Nil	5	Non-Executive Director
Dr. Pranav S. Desai	2	No	1	Nil	1	Promoter & Non-Executive Director
Dr. Sushil K. Shah	3	No	13	5	6	Independent Non-Executive Director
Mr. Shyamal Ghosh	6	Yes	2	2	5	Independent Non-Executive Director
Mr. Kamlesh M Patel	4	No	1	1	2	Independent Non-Executive Director

¹Ms. Lataben P Desai was appointed as an additional director on the Board of the Company with effect from August 08, 2014.

²Dr. Pradip K Desai had resigned as a Whole Time Director of the Company and appointed as Non Executive Director of the Company with effect from March 05, 2015.

Note: 1. This excludes directorship in overseas companies.

Details of Board Meetings

Date	Board Strength	No. of Directors present
May 23, 2014	8	4
August 08, 2014	9	5
October 18, 2014	9	7
November 11, 2014	9	5
February 10, 2015	9	7
February 14, 2015	9	5
March 14, 2015	9	7

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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.

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. Gopaldaswami, 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 Clause 49 of the Listing Agreement.

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. Gopaldaswami	4	3
Mr. Sanjay N. Mehta	4	4
Mr. Kamlesh M. Patel	4	1

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

Powers of Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. 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 one nomination and remuneration committee meeting held during the year.

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. N. Gopalswami	1	0	Independent Non-Executive Director
Mr. Sanjay N. Mehta	1	1	Non Executive Director
Mr. Shyamal Ghosh	1	1	Independent & Non-Executive Director
Mr. Veeral P. Desai	1	1	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;
3. Devising a policy on Board diversity;
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.

Details of remuneration paid to all directors 2014 - 15

Name of the Director	Sitting Fee	Salary, Allowances & Perquisites	Contribution to Provident Fund and other funds & Retrial Benefits	Commission	Total
Dr. Pradip. K. Desai	-	40,08,405	20,30,700	Nil	60,39,105
Mr. Veeral. P. Desai	-	44,98,800	12,62,250	Nil	57,61,050
Ms. Lataben. P. Desai ¹	10000	Nil	Nil	Nil	10000
Mr. Sanjay N. Mehta	50000	Nil	Nil	Nil	50000
Dr. Pranav S. Desai	10000	Nil	Nil	Nil	10000
Dr. Sushil K. Shah	15000	Nil	Nil	Nil	15000
Mr. Shyamal Ghosh	50000	Nil	Nil	Nil	50000
Mr. Kamlesh M. Patel	25000	Nil	Nil	Nil	25000
Mr. N. Gopalaswami	40000	Nil	Nil	Nil	40000

¹Ms. Lataben P Desai was appointed as an additional director on the Board of the Company with effect from August 08, 2014.

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 them during the year.

Mr. Shyamal Ghosh, an Independent Non-executive Director was paid Rs. 4,00,000 (plus applicable service-tax) towards professional fees.

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:

- i. 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.
- ii. Formulation of criteria for evaluation of Independent Director and the Board
- iii. Devising a policy on Board diversity.
- iv. 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.
- v. 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 Diagnostics 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:
 - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - b. (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;

- c. 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;
- d. 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;
- e. who, neither himself nor any of his relatives —
 - i. 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;
 - ii. 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 —
 - iii. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - iv. 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;
 - v. holds together with his relatives two per cent or more of the total voting power of the company; or
 - vi. 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;
 - vii. is a material supplier, service provider or customer or a lessor or lessee of the company;
- f. 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. Gopaldaswami, (Independent Director)
- iii. Mr. Sanjay Mehta, (Non Executive Director)
- iv. Mr. Veeral 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 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 three 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.

There were 5 complaints received from shareholders / investors during the year 2014-15 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. Veeral P Desai, Executive Director.

There were one meeting of the committee held during the year.

Attendance of each member at the Corporate Social Responsibility Committee Meetings held during the year.

Name of Members	No. of Meetings held	No. of Meetings attended	Designation
Mr. Sanjay N. Mehta	1	1	Non Executive Director
Mr. Kamlesh Patel	1	1	Independent & Non-Executive Director
Mr. Veeral P. Desai	1	1	Managing Director

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. The Committee comprises of two Non Executive Directors namely Mr. N Gopaldaswami (Chairman), Mr. Shyamal Ghosh and one executive directors namely Mr. Veeral P Desai, Managing Director of the Company.

There were no HR Committee meeting held during the year.

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. The Committee comprise of Mr. Veeral P. Desai, Chairman, Mr. N. Gopaldaswami, Independent Director, Mr. Sanjay N. Mehta, Independent Director, Mr. Shyamal Ghosh, Independent Director, Mr. Paras B. Desai, Vice President Corporate Finance & Strategy and Ms. Sujata V. Desai, Chief Operating Officer of the Company.

There was no Managing Committee meeting held during the year.

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
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"> • Appointment of Mr. Kamlesh Patel as an Independent Director for a period of 5 years • Appointment of Mr. N. Gopaldaswami as an Independent Director for a period of 5 years • Appointment of Mr. Shyamal Ghosh as an Independent Director for a period of 5 years • Appointment of Mr. Sushil Shah as an Independent Director for a period of 5 years • To authorize Board of Directors to borrow money from time to time not exceeding Rs. 75 Crore • To authorize Board of Directors to mortgage/hypothecate or otherwise charge the properties of the Company • To approve remuneration to Cost Auditor • To authorize to invite, accept or renew deposits
2012 – 13	Registered Office at Plot No. 173 – B, New Industrial Estate, Road No. 6G, Udhna, Surat – 394 210	July 27, 2013	10:30 a.m.	<ul style="list-style-type: none"> • Re-Appointment of Mr. Veeral P Desai as Managing Director of the Company for a further period of 3 years
2011–12	Registered Office at Plot No. 173 - B, New Industrial Estate Road No. 6G, Udhna, Surat – 394 210	August 08, 2012	10:30 a.m.	<ul style="list-style-type: none"> • Appointment of Mr. N. Gopaldaswami as Director of the Company • Re-appointment of Dr. Madhukanta T Patel as Whole Time Director of the Company for a further period of 1 year • Increase in borrowing power of Board of Directors to Rs. 75 Crores • Re-appointment of Mr. Shyamal Ghosh as Management Consultant for a further period of 3 years • Revision in the terms of Remuneration of Ms. Sujata V. Desai – Chief Operating Officer of the Company

- II) **Whether any special resolution passed last year through postal ballot – details of voting pattern:**
- III) **There was no special resolution passed through postal ballot last year:**
- IV) **Person who conducted the postal ballot exercise: Not Applicable**
- V) **There was no resolution proposed to be conducted through postal ballot.**
- VI) **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. 33 to the Accounts for details of transactions with the related parties. During the year 2014 - 15, 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 any other statutory authority, 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.span.co.in. 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 2014 – 15.

Veeral P. Desai
Managing Director

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 clause 49 of the listing agreement providing for corporate governance. In view of elaborate disclosure requirement under listing agreement, 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 Satyam Times, 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., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is attached to the Directors' Report forming part of the Annual Report.

CEO/CFO CERTIFICATION

The Managing Director of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of Listing Agreement.

GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting

Day, Date & Time	Sunday, September 20, 2015 at 10.30 a.m.
Venue	DTA – 2, G 02 to G 05 Plot, Gujarat Hira Bourse, Gem & Jewellery Park, Icchapore-2, Surat – 394 510

b) Financial Calender

Financial Year: April 1 to March 31

For the financial year 2014 – 15, the results were announced as per the following details:

1 st Quarter ended on June 30, 2014	On August 08, 2014
2 nd Quarter ended on September 30, 2014	On November 11, 2014
3 rd Quarter ended on December 31, 2014	On February 10, 2015
Audited Financial Result for the year ended on March 31, 2015	On May 30, 2015

For the financial year 2014 – 15, financial results will be announced as per the following tentative schedule:

1 st Quarter ended on June 30, 2015	First week of August, 2015
2 nd Quarter ended on September 30, 2015	First week of November, 2015
3 rd Quarter ended on December 31, 2015	First week of February, 2016
Audited Financial Result for the year ended on March 31, 2016	Last week of May, 2016

(c) Date of Book Closure

The Company's Register of Member's & Share Transfer Book will remain closed on September 20, 2015.

(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 2014-15 on the Bombay Stock Exchange Limited, Mumbai.

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April	40.00	36.10	October	52.00	39.50
May	39.40	34.50	November	60.80	44.00
June	38.95	34.25	December	58.50	44.50
July	43.90	35.40	January	64.50	48.00
August	43.40	38.10	February	54.00	42.55
September	46.60	38.30	March	58.65	47.55

(f) Performance in Comparison to BSE Sensex

Month & Year	Closing Sensex	% Change	Closing Price of Company's share	% change
April 2014	22417.80	0.14	36.50	-3.95
May 2014	24217.34	8.03	35.10	-3.84
June 2014	25413.78	4.94	38.95	10.97
July 2014	25894.97	1.89	38.60	-0.90
August 2014	26638.11	2.87	38.50	-0.26
September 2014	26630.51	-0.03	42.00	9.09
October 2014	27865.83	4.64	45.00	7.14
November 2014	28693.99	2.97	53.30	18.44
December 2014	27499.42	-4.16	52.60	-1.31
January 2015	29182.95	6.12	49.70	-5.51
February 2015	29361.50	0.61	49.25	-0.91
March 2015	27957.49	-4.78	53.65	8.93

(g) Registrar & Transfer Agents & Share Transfer System

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078

The requests for share transfer involving 5,400 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 under clause 47(c) of the listing agreement.

(h) Categories of Shareholding and Dematerialisation of Shares as on March 31, 2015

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	28200	3186196	3214396	44.18%
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	166818	1140679	1307497	17.98%
Others (includes holding of Corporate Bodies)	366484	2387623	2754107	37.84%
TOTAL	561502	6714498	7276000	100.00%
Percentage	7.72	92.28		

(i) Distribution of Share Holding as on March 31, 2015

No. of Shares	Number of shareholders	Percentage of Total	Number of shares	Percentage of total shares
1 to 500	2772	83.42	501743	6.90
501 to 1000	235	7.07	191387	2.63
1001 to 2000	125	3.76	197857	2.72
2001 to 3000	42	1.26	106215	1.45
3001 to 4000	26	0.78	96145	1.32
4001 to 5000	10	0.30	47444	0.65
5001 to 10000	44	1.32	353288	4.86
10001 and above	69	2.08	5781921	79.47
Total	3323	100.00	7276000	100.00

(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, 2015.

(k) Plant Location: Not Applicable

(l) Registered Office & Address for correspondence:

9th Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007

Email: secretarial@span.co.in

Website: www.span.co.in

For and on behalf of the Board

Place: Mumbai
Dated: May 30, 2015

Veeral P Desai Dr. Pradip K Desai
Managing Director Non Executive Director

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED ON **MARCH 31, 2015**

[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 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 Diagnostics 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, 2015 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 Diagnostic Limited ("**Company**") for the financial year ended on March 31, 2015, according to the provisions of:

- i. The Companies Act, 2013 (**the Act**), The Companies Act, 1956 to the extent applicable and the Rules made thereunder;
- 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 and External Commercial Borrowings;
- 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, 1992;
 - 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

We have observed that during the period under review, Company had, without obtaining prior approval of shareholders, made contribution for charitable purpose to bonafide charitable institution in excess of the limit prescribed under the Companies Act, 2013. The Company proposes to obtain post approval of the shareholders and go for compounding of offence.

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

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 at least seven days 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

- i. Pursuant to Special Resolution passed by members of the Company through postal ballot on March 21, 2014, Company has transferred its In-vitro Diagnostics Business undertaking to M/s. Arkray Healthcare Private Limited with effect from March 05, 2015 and as informed to us necessary compliance for contemplated transaction have been complied with.

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

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

**DATE: MAY 30, 2015
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. Drugs and Cosmetics Act, 1940
2. The Medicinal & Toilet Preparations (Excise Duties) Act, 1955
3. Poisons Act, 1919
4. The Indi an Copyright Act, 1957
5. The Patents Act, 1970
6. 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 Diagnostics 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 Diagnostics 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**

**DATE: MAY 30, 2015
PLACE: MUMBAI**

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Span Diagnostics Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Span Diagnostics Limited, which comprise the Balance Sheet as at March 31, 2015, 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 with respect to the preparation of these 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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, 2015, its profit 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, 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, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. 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 30 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.

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

Prashant Maharishi
Partner
Membership No. 41452

Place: Mumbai
Date: May 30, 2015

ANNEXURE TO 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 Diagnostics Limited on the standalone financial statements for the year ended March 31, 2015]

- (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.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. However, the Company does not have any inventory as on March 31, 2015.
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. As informed no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act.

(a) The repayment of principal amounts is based on the revised repayment schedule. However, the company has not received any interest during the year.

(b) In respect of the aforesaid loans, there is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under with regard to the acceptance of deposits. Further, as informed, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (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, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.
- (b) According to the information and explanation given to us, the dues with respect to income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which have not been deposited on account of any dispute, are as follows:

Sr. No.	Name of the statute	Nature of dues	Amount in Rs.	Period to which the amount relates	Forum where dispute is pending
1.	The Bombay Sales Tax Act, 1959	Sales Tax	4,89,142	1998-99	Tribunal
2.	The Bombay Sales Tax Act, 1959	Sales Tax	1,11,245	1997-98	Commissioner Appeals
3.	The Bombay Sales Tax Act, 1959	Sales Tax	2,37,451	1996-97	Tribunal
4.	The income tax Act, 1961	Income tax	2,16,07,889	A.Y.2003-04	ITAT

(c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (viii) The Company does not have accumulated losses at the end of the financial year nor has incurred cash losses in the current and immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution(s), bank(s) or debenture holder(s).
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (xii) 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 on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the management.

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

Prashant Maharishi
Partner
Membership No. 41452

Place: Mumbai
Date: May 30, 2015

BALANCE SHEET AS AT MARCH 31, 2015

	Note	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	72,760,000	72,760,000
Reserves & Surplus	4	515,142,253	164,623,536
		587,902,253	237,383,536
Non Current Liabilities			
Deferred Tax Liabilities (Net)	5	73,292	42,801,370
Long Term Borrowings	6	-	86,276,964
Long Term Provisions	7	1,352,224	6,349,937
		1,425,516	135,428,271
Current Liabilities			
Short Term Borrowings	8	-	193,563,765
Trade Payable	9	648,563	104,808,429
Other Current Liabilities	10	33,229,406	222,071,959
Short Term Provisions	11	67,601	8,572,174
		33,945,570	529,016,327
TOTAL		623,273,339	901,828,134
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	12	3,909,486	300,952,045
Intangible Assets	12	51,995	124,689,884
Tangible Capital Work-in-Progress	12	-	7,736,130
Intangible Assets under Development	12	-	36,315,357
Non Current Investments	13	39,506,177	6,405,005
Long term Loans and Advances	14	47,309,200	32,402,000
Other Non Current Assets	15	-	3,096,031
		90,776,858	511,596,452
Current Assets			
Current Investments	16	424,048,250	-
Inventories	17	-	170,449,058
Trade Receivables	18	-	175,244,069
Cash and Cash Equivalents	19	95,355,076	15,014,955
Short term Loans and Advances	20	11,394,398	29,523,600
Other Current Assets	21	1,698,757	-
		532,496,481	390,231,682
TOTAL		623,273,339	901,828,134
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 to 39		

As per our Report of even date :
For Haribhakti & Co. LLP,
 Chartered Accountants
 Firm Registration No. 103523W

For and on behalf of the Board of Directors
Veeral .P. Desai
 DIN:00029219

Managing Director

Dr. Pradip K. Desai
 DIN:00026451

Director

Prashant Maharishi
 Partner
 Membership No. 41452

Pankaj Ajmera

Company Secretary

Place : Mumbai
 Date : May 30, 2015

Place : Mumbai
 Date : May 30, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

	Note	2014-15 Rs.	2013-14 Rs.
INCOME			
Sale of Products	22	728,998,227	790,529,264
Less : Excise Duty recovered on Sales		<u>8,012,238</u>	<u>8,848,857</u>
		720,985,989	781,680,407
Sale of Service and Other Operating Income		7,751,636	4,931,576
Other Income	23	21,278,039	10,066,686
Total Revenue		750,015,664	796,678,669
EXPENSES			
Cost of Materials Consumed	24	255,619,812	311,138,993
Purchase of Stock-in-Trade		25,315,711	33,320,756
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	25,184,988	(18,215,230)
Employee Benefits Expense	26	165,621,339	164,029,777
Finance Costs	27	43,632,580	44,132,429
Depreciation and Amortisation Expense	12	58,328,095	47,672,768
Other Expenses	28	242,201,145	256,860,374
Total Expenses		815,903,670	838,939,867
PROFIT BEFORE EXCEPTIONAL ITEMS & TAX		(65,888,006)	(42,261,198)
Add : Exceptional Items	37	472,675,240	-
PROFIT BEFORE TAX		406,787,234	(42,261,198)
Profit/(Loss) before tax from continuing operation	36	(10,614,205)	(5,109,765)
Tax Expenses		-	-
MAT Credit Entitlement/(Utilisation)		-	-
Tax Adjustment of earlier year		-	-
Deferred Tax		<u>73,292</u>	-
Income tax expense for continuing operation		73,292	-
Profit/(Loss) after tax from continuing operation		(10,687,497)	(5,109,765)
Profit/(Loss) before tax from discontinuing operation	36	417,401,439	(37,151,435)
Tax Expenses		89,965,000	-
MAT Credit (Entitlement)/Utilisation		7,535,000	-
Tax Adjustment of earlier year		-	-258,675
Deferred Tax		<u>(42,315,800)</u>	<u>9,395,856</u>
Income tax expense for discontinuing operation		55,184,200	9,137,181
Profit/(Loss) after tax from discontinuing operation		362,217,239	(46,288,616)
Profit/(Loss) after tax for the year		351,529,742	(51,398,379)
Earning per equity share – Basic & Diluted (Rs.)	29	48.31	(7.06)
(Nominal Value per share of Rs.10/- each (Previous year -Rs.10/- each))			

Summary of Significant Accounting Policies
see notes accompanying financial statements

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
Firm Registration No. 103523W

Prashant Maharishi
Partner
Membership No. 41452

Place : Mumbai
Date : May 30, 2015

For and on behalf of the Board of Directors

Veeral .P. Desai
DIN:00029219

Dr. Pradip K. Desai
DIN:00026451

Pankaj Ajmera

Place : Mumbai
Date : May 30, 2015

Managing Director

Director

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	2014-15 Rs.	2013-14 Rs.
A. CASH FLOW FROM THE OPERATING ACTIVITIES		
PROFIT BEFORE TAX	(65,888,006)	(42,002,523)
Depreciation and Amortization	58,328,095	47,672,768
Dividend Income	(94,243)	(3,940,411)
Interest Income	(4,972,610)	-
Loss/(Profit) on sales of fixed assets (Net)	-	-
profit on sale of Investment	(101,698)	-
Interest Expense	43,632,580	44,132,429
Loss on sale of fixed Assets	271,085	84,742
Operating Profit before working capital changes	31,175,203	45,947,005
Adjusted for Change in		
(Increase)/ Decrease in Short term loans and Advance	18,129,202	(1,063,529)
(Increase)/ Decrease in Trade receivable	175,244,069	16,751,336
(Increase)/ Decrease in Other Non Current assets	1,148,932	2,733,013
(Increase)/ Decrease in Long term loans and Advance	(26,418,368)	5,158,098
(Increase)/ Decrease in Inventories	170,449,058	(29,171,523)
Increase/(Decrease) in long term provision	(4,997,713)	(499,300)
Increase/(Decrease) in Trade payable	(104,159,866)	54,249,465
Increase/(Decrease) in Other current Liabilities	(188,842,552)	9,550,574
Increase/(Decrease) in Short term provision	(8,504,573)	(10,544,749)
Cash generated from operations	63,223,392	93,110,389
Less: Direct taxes paid during the year	(85,988,833)	3,230,359
Cash flow before Exceptional items	(22,765,441)	89,880,030
Cash flow from Exceptional Item	472,675,240	-
Net Cash Flow From Operating Activities	449,909,799	89,880,030
Net Cash Flow From Operating Activities for continuing operation	(33,355,457)	(5,420,779)
Net Cash Flow From Operating Activities for discontinuing operation	483,265,256	95,300,809
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition in Fixed Assets and Capital Work in Process	(21,335,070)	(59,655,313)
Proceeds from Sales of Fixed Assets	426,971,228	42,674
Sale of assets	(457,149,422)	599,900
Proceeds from Sales of Investments	1,947,099	-
Profit on sale of Investment	101,698	-
Proceeds/(Investment)in Fixed Deposit having original maturity more than 90 days	(12,195,753)	(965,869)
Dividend Income	94,243	3,940,411
Interest Income	3,273,853	-
Net Cash Flow From Investing Activities	(58,292,124)	(56,038,197)
Net Cash Flow From Investing Activities for continuing operation	(473,207,737)	3,600,000
Net Cash Flow From Investing Activities for discontinuing operation	414,915,613	(59,638,197)
C CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment)/Proceeds(of)/ from Long term Borrowings	(86,276,964)	9,041,469
(Repayment)/Proceeds(of)/ from Short term Borrowings	(193,563,765)	-
Interest paid	(43,632,580)	(44,132,429)
Dividend & Corporate Dividend Tax paid	-	(4,124,559)
Net Cash Flow From Financing Activities	(323,473,309)	(39,215,519)
Net Cash Flow From Financing Activities for continuing Operation	(223,992)	-
Net Cash Flow From Financing Activities for discontinuing Operation	(323,249,317)	(39,215,519)
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	68,144,368	(5,373,686)
Net changes in cash and cash equivalents for continuing operations	(506,787,186)	(1,820,779)
Net changes in cash and cash equivalents for discontinuing operations	574,931,553	(3,552,907)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	7,929,397	13,303,083
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	76,073,765	7,929,398
Components of Cash and Cash Equivalents		
Cash in hand	2,850	196,133
With Banks		
- In Current Account	76,070,915	7,733,264
- In Fixed Deposit		
Cash and cash equivalent as per Cashflow statement	76,073,765	7,929,397
Add: FDs with original maturity of more than 90 days but part of cash and cash equivalent	19,281,311	7,085,558
Cash and cash equivalent as per Financial Statement	95,355,076	15,014,955

As per our Report of even date
For Haribhakti & Co. LLP,
 Chartered Accountants
 Firm Registration No. 103523W

Prashant Maharishi
 Partner
 Membership No. 41452

Place : Mumbai
 Date : May 30, 2015

For and on behalf of the Board of Directors
Veeral .P. Desai Managing Director
 DIN:00029219

Dr. Pradip K. Desai Director
 DIN:00026451

Pankaj Ajmera Company Secretary

Place : Mumbai
 Date : May 30, 2015

Notes on Financial Statements for the Year ended on March 31, 2015

1. Corporate Information

Span Diagnostics 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 in India. The Company was engaged in the business of manufacturing, marketing and trading of diagnostics reagents, diagnostics instruments and allied products till March 04, 2015. The Company has sold its In-Vitro Diagnostics business on March 05, 2015. The Company is evaluating various business options for developing of new business line.

2. Summary of Significant Accounting Policies

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

The Financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India, Accounting Standards notified by the Companies (Accounting Standards) Rules 2006 which continues to be applicable in respect of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and relevant provisions of the Companies Act, 2013.

The Company adopts the accrual concept in preparation of the accounts. The preparation of accounts require the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the accounts and the reported income and expenses during the period. Actual results could differ from these estimates. The accounting year of the Company is a period of 12 months commencing from April 1 to March 31.

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) **Revenue Recognition & other Accounting Policies**

- a. 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.
- b. Sales returns are accounted on actual receipt of return goods / settlement of claims.
- c. Services are accounted for pro-rata over the period of contract.
- d. Interest income is recognised on pro-rate basis.
- e. Dividend income is recognised when right to receive the dividend is established.

iv) **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 except Buildings at Sachin is provided on written down value method and Depreciation on Buildings at Sachin is provided on Straight line Method as per useful life specified in schedule II of the Companies Act, 2013.

v) **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. SAP Software expenses are amortised over the period of five 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

- (a) Transactions other than those covered by forward contracts are accounted at exchange rates prevailing on the date of transaction.
- (b) Forward premium in respect of forward exchange contract is recognised over the life of contract.
- (c) 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.
- (d) Non-monetary foreign currency items are carried at historical cost determined on the date of transaction.

viii) 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 Super-annuation fund created by the company has taken Super-annuation cum life insurance policy from Life Insurance Corporation of India. 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 for which Company has taken Group Gratuity cum Life Insurance Policy from Life Insurance Corporation of India. 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. From March 05, 2015, on account of transfer of In-Invitro Division, fund balance with LIC is also transferred to transferee Company. Hence, subsequent to March 05, 2015, the gratuity is unfunded.
 - 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

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes the MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay the normal income tax during the specified period i.e., period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes the MAT credit as an asset in accordance with the guidance note on accounting for credit available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

x) Valuation of stock

The mode of valuing closing stock is as under:

Inventory Type	Mode of Valuation
Raw-Materials, Packing Materials & Other Materials	At lower of cost or net realizable value
Work-in-Process	At lower of cost or net realizable value
Finished Goods/ Traded Goods for resale	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.

x) 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.

xi) 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.

xii) 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 recognised.

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

- 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.

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.

xvii) 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 31, 2015

3 SHARE CAPITAL	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Authorised 15,000,000 Equity Shares of Rs. 10/- each (Previous year 15,000,000)	150,000,000	150,000,000
Issued, Subscribed and paid-up 7,276,000 (Previous Year 7,276,000) Equity Shares of Rs.10/- each fully paid up	72,760,000	72,760,000
	<u>72,760,000</u>	<u>72,760,000</u>

3.1 Of the above 3,638,000 Equity shares of Rs.10/- each have been allotted as fully paid-up bonus shares in year 2010-11 by capitalizing Rs. 3,63,80,000 out of Securities premium.

3.2 The details of shareholders holding more than 5% shares

Name of Shareholder	As at 31-03-2015		As at 31-03-2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Pradipkumar Keshavlal Desai	1,306,880	17.96	1,306,880	17.96
Lataben P Desai	717,060	9.86	717,060	9.86
Bharti Patel	588,940	8.09	-	-
Natwerlal Shivabhai Patel	-	-	554,920	7.63
Viral Pradipkumar Desai	524,632	7.21	524,632	7.21

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

Particulars	As at 31-03-2015	As at 31-03-2015	As at 31-03-2014	As at 31-03-2014
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Equity Shares outstanding at the beginning of the year	7,276,000	72,760,000	7,276,000	72,760,000
Add : Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	<u>7,276,000</u>	<u>72,760,000</u>	<u>7,276,000</u>	<u>72,760,000</u>

3.4 There was no increase in Capital during the current year. However, during the year 2010-11, 165,250 equity shares each of Rs. 10 were issued on a preferential basis by the company at a premium of Rs. 29.97 each aggregating to Rs. 6,605,042. Further 3,638,000 equity shares of Rs 10 each were issued in the year 2010-11 as bonus shares in ratio of 1:1 by capitalizing securities premium which in aggregate amounts to Rs 36,380,000.

4 RESERVES AND SURPLUS	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Capital Reserve As per last Balance Sheet	4,205,775	4,205,775
	<u>4,205,775</u>	<u>4,205,775</u>
Securities Premium Reserve: Balance as per last Balance Sheet	9,824,798	9,824,798
	<u>9,824,798</u>	<u>9,824,798</u>
General Reserve: Balance as per last Balance Sheet	73,744,200	73,744,200
Add: Transfer from Statement of Profit & Loss	2,500,000	-
	<u>76,244,200</u>	<u>73,744,200</u>
Statement of Profit & Loss As per last Balance Sheet	76,848,763	128,247,142
Add: Profit/(Loss) for the year	351,529,742	(51,398,379)
	<u>428,378,505</u>	<u>76,848,763</u>
Less: Transfer to General Reserve	2,500,000	-
Less: Carrying value of assets where useful life is nil as on 01.04.2014 (after considering residual value) (Net of deffered tax of Rs. 485,571)	1,011,025	-
	<u>424,867,480</u>	<u>76,848,763</u>
	<u>515,142,253</u>	<u>164,623,536</u>

Notes on Financial Statements for the Year ended on March 31, 2015

5 DEFERRED TAX LIABILITIES (Net)	31-03-2015 Rs.	31-03-2014 Rs.
Deferred Tax Liability		
Difference between Depreciable Assets as per books of accounts and written down value for tax purpose	587,128	41,945,213
Deferred Revenue Exp. (CWIP-R&D)	-	3,563,587
Others (Gratuity)	-	372,771
SUB TOTAL (A)	587,128	45,881,571
Deferred Tax Assets		
Disallowance U/S 43B		
a) Provision for leave encashment	189,680	1,865,182
b) Provision for bad/doubtful debts	-	34,858
c) Provision for Gratuity	321,301	-
d) Provision for bonus	2,855	1,180,161
SUB TOTAL (B)	513,836	3,080,201
Net Deferred tax Liability (TOTAL A - B)	73,292	42,801,370

- 6.1 Term Loan from banks other than Vehicle Loans were secured by hypothecation of plant and machineries, some of moveable properties of the company, equitable mortgage of some of the immovable properties of the company. Vehicle loans of Rs. NIL (Previous Year: Rs. 164,929) were secured by hypothecation of respective vehicles.
- 6.2 Term Loan from other parties and deferred payment liabilities were secured by hypothecation of moveable assets including Plant and Machinery and equipments which has been procured through utilization of earmarked funds and intangibles to be generated from projects.
- 6.3 Secured Loans were guaranteed by some of the Directors of the company & Mrs. Lata P Desai.
- 6.4 Deposits includes deposits from Related Parties of Rs. NIL (Previous year Rs. 4,040,000) (Refer Note 31) carrying rate of interest as per standard norms of deposits.

6.5 Particulars	As at 31-03-2015		As at 31-03-2014	
	Rate of Interest (p.a)	Amount (Rs.)	Rate of Interest (p.a)	Amount (Rs.)
Term Loan From Banks	-	-	14.85%	36,723,362
			6.82%	-
			13.50%	54,000,000
			11.04%	164,929
Term Loan From Other Parties	-	-	1.00%	4,690,300
			2.00%	7,699,000
Deferred Payment Liabilities	-	-	5.00%	19,003,000
Public Deposits	-	-	10.00%	303,000
			10.50%	5,268,000
			11.00%	4,565,000
			11.50%	18,522,000
			12.00%	29,885,000
				180,823,591

7 LONG TERM PROVISIONS:	As at 31-03-2015 Rs.		As at 31-03-2014 Rs.	
	Non Current	Current	Non Current	Current
Leave Encashment (Unfunded)	430,415	35,728	3,461,899	2,286,850
Gratuity (Unfunded)	921,809	23,473	-	-
Interest accrued but not due on borrowings	-	-	2,888,038	3,432,573
	1,352,224	59,201	6,349,937	5,719,423

Notes on Financial Statements for the Year ended on March 31, 2015

8 SHORT TERM BORROWINGS	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
SECURED		
Working Capital Loans from Banks	-	190,132,079
UNSECURED		
Loans and Advances from Related Parties (Refer Note No. 33)	-	2,800,000
Loans and Advances from Company	-	631,686
Loans and Advances from Directors (Refer Note No. 33)	-	-
	-	193,563,765

9 TRADE PAYABLES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Micro, Small and Medium Enterprises	-	-
Others	648,563	104,808,429
	648,563	104,808,429

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 OTHER CURRENT LIABILITIES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Current maturities of long term debt (Refer Note No. 6)	-	94,546,627
Interest accrued but not due on borrowings (Refer Note No. 7)	-	3,432,573
Creditors for Capital Expenditure (Refer Note No. 33)	-	16,409,025
Income received in advance	-	1,920,737
Unclaimed Dividend #	473,047	579,215
Statutory Dues	6,917,585	11,875,280
Security Deposits* (Refer Note No. 33)	-	22,621,513
Advance from Customers	-	19,447,014
Payable related to IVD Business Transfer	25,007,378	-
Other Payables (Refer Note No. 33)	831,396	51,239,975
	33,229,406	222,071,959

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

* Security Deposit includes security deposit received from related party of Rs. NIL (Previous Year Rs. 5,00,000) and Security Deposit from stockiest carrying interest rates varying from 10-12% p.a.

11 SHORT TERM PROVISIONS :	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Provision for Employees Benefits (Bonus)	8,400	3,637,421
Provision for Current Obligation of Leave Encashment (Refer note 7)	35,728	2,286,850
Provision for Gratuity (Refer note 7)	23,473	-
Other Provisions	-	2,647,903
	67,601	8,572,174

SPAN DIAGNOSTICS LIMITED.

Notes on Financial Statements for the Year ended on March 31, 2015

12 FIXED ASSETS

Sr. No.	Name of Assets	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK				
		As at 01-04-2014 Rs.	Additions Rs.	Deductions/ Adjustments Rs.	As at 31-03-2015 Rs.	Balance as at 01-04-2014 Rs.	For the Year Rs.	Retained Earning due to Schedule II Rs.	Deductions/ Adjustments Rs.	Balance as at 31-03-2015 Rs.	As at 31-03-2015 Rs.	As at 31/03/2014 Rs.
Tangible Fixed Assets - Owned (except leasehold land)												
1	Leasehold Land	11,538,900	-	11,538,900	-	-	-	-	-	-	-	11,538,900
2	Free hold Land	798,300	-	798,300	-	-	-	-	-	-	-	798,300
3	Buildings & Roads	166,113,000	4,612,313	164,442,746	6,282,566	4,521,308	81,801	54,680,833	2,461,196	3,821,370	113,574,080	
4	Plant & Machineries	181,899,583	5,784,750	187,684,334	-	19,785,555	132,131	94,444,119	-	-	107,373,150	
5	Electrical Installations	24,304,432	824,845	25,129,276	-	3,572,678	160,735	15,238,924	-	-	12,798,921	
6	Cold Rooms/Storages	14,085,974	823,766	14,909,740	-	1,333,245	15,588	8,405,635	-	-	7,029,172	
7	Equipments	25,378,099	2,104,083	27,482,182	-	1,684,420	19,297	19,357,404	-	-	7,724,412	
8	Laboratory Equipments	18,508,449	676,611	19,185,060	-	7,758,237	242,823	10,945,773	-	-	10,750,212	
9	R & D Equipments	12,518,259	4,538	12,522,796	-	6,320,870	187,150	8,440,132	-	-	6,197,389	
10	Furniture & Fixtures	35,081,277	812,833	35,894,110	-	16,846,971	4,989,767	21,965,757	-	-	18,234,306	
11	Computers & Softwares	10,723,407	156,550	10,787,857	92,100	9,433,570	103,710	10,139,786	3,984	88,116	1,289,837	
12	Office Equipments	4,315,507	-	4,315,507	-	3,195,514	424,342	3,948,524	-	-	1,119,993	
13	Vehicles	9,417,642	-	9,417,642	-	6,894,269	676,159	7,570,428	-	-	2,523,373	
Total (A)		514,682,828	15,900,288	524,108,449	6,374,666	42,375,115	1,496,596	255,137,315	2,465,180	3,909,486	300,952,045	
Intangible Assets												
1	Goodwill	322,120	-	322,120	-	-	-	322,120	-	-	-	-
2	Technical Know how	153,725,012	-	153,725,012	-	32,487,423	14,246,218	46,733,641	-	-	121,237,589	
3	Software	12,753,423	5,534,782	18,224,205	64,000	9,301,128	1,706,762	10,995,885	12,005	51,995	3,452,295	
Total (B)		166,800,555	5,534,782	172,271,337	64,000	42,110,671	15,952,980	58,051,646	12,005	51,995	124,689,884	
Total (A+B)		681,483,382	21,335,070	696,379,787	6,438,666	255,841,455	1,496,596	313,186,961	2,477,185	3,961,481	425,641,929	
Previous Year		587,563,476	94,152,689	232,781	681,483,384	208,274,052	47,672,768	-	105,365	255,841,455	379,289,424	
Capital Work-in-Progress												7,736,130
Intangible Assets under Development												36,315,357

12.1 Land Cost includes Rs.950/- being the cost of 19 shares fully paid up of Rs.50/- each of Udhna Udyog Nagar Sahakari Sangh Ltd., Udhna.

12.2 Leasehold land cost includes cost of land allotted by G.I.D.C. on lease. This lease is for 99 years and same is treated as perpetual lease hence no amortisation is done

12.3 In accordance with AS-16 related to Borrowing costs which amounts to Rs.1,71,142 has been capitalized during the year (Previous year Rs. 11,75,812).

12.4 The management of the Company has identified tangible fixed assets and their major components and has reviewed/determined their remaining useful lives. Accordingly, the depreciation on tangible fixed assets is provided for in accordance with the provisions of Schedule II to the Companies Act, 2013. In respect of assets where the remaining useful life is 'Nil', their carrying amount (net of tax effect) after retaining the residual value as on 1st April, 2014 as determined by the management has been adjusted against the opening balance of retained earnings Rs. 10,11,025 (Net of Tax) as on that date. Because of change in useful life as

Notes on Financial Statements for the Year ended on March 31, 2015**13 NON CURRENT INVESTMENTS****Trade Investments (Unquoted fully Paid Up)****Investment in Equity Shares****Investment in Joint Ventures**

Span Nihon Kohden Diagnostics Pvt. Ltd. (Refer Foot Note)
(Previous Year 54,000 Equity shares) of Rs.100 each

Investment in Subsidiary

Span Biotronics Pvt. Ltd.
(NIL Equity Shares (Previous Year 10,000 Equity Shares) of Rs. 100

Span Diagnostics south Africa (Pty) Ltd. (100% Holding - PY 46%)
(1,000 Equity Shares (Previous Year – 460 Shares) of Rand 1 each)

Investment in Other

Sachin Infra Management Ltd.
(NIL Shares (Previous Year - 200 shares) of Rs.10 each)

Investment in Preference Shares**Investment in Subsidiary**

Span Biotronics Pvt. Ltd. (NIL Holding - PY 95.24%)
(Nil 10% Cumulative Preference Shares (Previous Year - 5000

Non Traded Investments**Investment in Non Convertible Debentures**

Reliance Capital NCD Seris XIX- JM
(100 Units (Previous Year - NIL) of Rs. 100,000 each)

Aggregate Amount of Unquoted Investments (At Cost)

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Span Nihon Kohden Diagnostics Pvt. Ltd. (Refer Foot Note) (Previous Year 54,000 Equity shares) of Rs.100 each	-	5,400,000
Span Biotronics Pvt. Ltd. (NIL Equity Shares (Previous Year 10,000 Equity Shares) of Rs. 100	-	500,000
Span Diagnostics south Africa (Pty) Ltd. (100% Holding - PY 46%) (1,000 Equity Shares (Previous Year – 460 Shares) of Rand 1 each)	6,177	3,005
Sachin Infra Management Ltd. (NIL Shares (Previous Year - 200 shares) of Rs.10 each)	-	2,000
Span Biotronics Pvt. Ltd. (NIL Holding - PY 95.24%) (Nil 10% Cumulative Preference Shares (Previous Year - 5000	-	500,000
Reliance Capital NCD Seris XIX- JM (100 Units (Previous Year - NIL) of Rs. 100,000 each)	39,500,000	-
Aggregate Amount of Unquoted Investments (At Cost)	39,506,177	6,405,005

Board of Director's in their meeting dated March 14, 2015 has decided for disinvestment of 45% stake in the Span Nihon Kohden Diagnostics Pvt. Ltd. subject to FIPB approval. The management is expecting to complete the disinvestment within operating cycle, hence considered as current investment as on March 31, 2015.

14 LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

Capital Advances

Loans and Advances to Related Parties (Refer Note No. 33)

Advance Income Tax (Net of Provision)

MAT Credit Entitlement

Security Deposits (Refer Note No. 33)

Receivable on account of sale of IVD Business - Escrow 1

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Capital Advances	-	1,597,081
Loans and Advances to Related Parties (Refer Note No. 33)	1,455,588	7,144,893
Advance Income Tax (Net of Provision)	5,653,612	9,629,779
MAT Credit Entitlement	-	7,535,000
Security Deposits (Refer Note No. 33)	200,000	6,495,247
Receivable on account of sale of IVD Business - Escrow 1	40,000,000	-
	47,309,200	32,402,000

14.1 Loans and Advances in nature of Loans given to Subsidiaries and joint Ventures :**Loans and Advances in the nature of Loans****Name of the Company****Type of Relation**

Span Biotronics Private Limited

Subsidiary

Span Diagnostics SA (PTY.LTD.)

Subsidiary

As at 31-03-2015 Rs.		As at 31-03-2014 Rs.	
Non Current	Current	Non Current	Current
-	-	6,066,332	4,107,712
1,455,588	-	1,078,561	408,124
1,455,588	-	7,144,893	4,515,836

15 OTHER NON CURRENT ASSETS

Advance to Gratuity Trust (Refer Note No 26.1)

Term Deposit Maturing after one year *

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Advance to Gratuity Trust (Refer Note No 26.1)	-	1,148,932
Term Deposit Maturing after one year *	-	1,947,099
	-	3,096,031

* Includes deposits of Rs. NIL (Previous Year Rs. 1,947,099) held as margin money deposits against guarantees.

Notes on Financial Statements for the Year ended on March 31, 2015

16 CURRENT INVESTMENTS	31-03-2015 No. Shares	31-03-2014 No. Shares	31-03-2015 Rs.	31/03/2014 Rs.
Investment in Equity shares (Quoted)				
Alstom T&D India Ltd.	360	-	205,782	-
Atul Auto Ltd.	370	-	204,384	-
Axis Bank Ltd.	550	-	300,589	-
Bharat Electricals Ltd.	129	-	412,761	-
Colgate Palmolive(I) Ltd.	150	-	301,336	-
HDFC Bank Ltd.	295	-	301,697	-
P I Industries Ltd.	475	-	287,946	-
Synphony Ltd.	80	-	202,971	-
Tech Mahindra Ltd.	925	-	582,473	-
Ultratech Cement Ltd.	143	-	403,780	-
Va Tech Wabag Ltd.	500	-	409,824	-
Wabco (India) Ltd.	36	-	201,498	-
Total Investment in Equity shares			3,815,041	-
Investment in Joint Ventures				
Span Nihon Kohden Diagnostics Pvt. Ltd. (Holding 45% - PY 45%)	54,000	-	5,400,000	-
Investment in Bonds (Unquoted)				
	No. Bonds	No. Bonds		
11 % Bank of India Perpetual Bonds (Face value of Rs. 10,00,000)	22	-	23,870,000	-
11.85 % Bank of India Perpetual Bond (Face value of Rs. 1,000)	32,200	-	34,058,262	-
Total Investment in Bonds			57,928,262	-
Investment in Mutual Fund (Unquoted)				
	No. Units	No. Units		
Edelweiss Arbitrage Fund	7,652,077.56	-	80,000,000	-
FAIT Forefront Alternative Equity fund	1,343,248.32	-	20,021,922	-
Franklin India Ultra Short Term Bond Fund	660,623.50	-	12,116,472	-
ICICI Prudential Flexible Income Fund	57,172.02	-	15,000,000	-
JP Morgan India Government Securities Fund	3,410,728.45	-	40,000,000	-
Kotak Treasury Advantage Fund	675,639.16	-	15,000,000	-
132 G-Birla Sunlife Savings Fund	44,726.90	-	12,000,000	-
92 Birla Sunlife Frontline Equity Fund	3,106.17	-	500,000	-
BNP Paribas Equity Fund	7,388.80	-	500,000	-
BNP Paribas Money Plus Fund	95,099.07	-	2,000,000	-
Frankline India Low Duration Fund	689,512.66	-	10,559,000	-
Franklin India Prima Plus Fund	1,149.49	-	500,000	-
ICICI Prudential Equity Arbitrage Fund	729,159.81	-	10,038,270	-
JM Money Manager Super Plus Plan	615,493.36	-	6,169,283	-
Kotak Equity Arbitrage Fund	931,419.58	-	10,000,000	-
Motilal Oswal Most Focus Multicap 35 Fund	29,786.37	-	500,000	-
Motilal Oswal Most Ultra Short Term Bond	178,310.33	-	2,000,000	-
153 G Birla Sunlife Cash Plus Fund	446,591.46	-	100,000,000	-
HDFC Corporate Debt Opportunities Fund	891,686.80	-	10,000,000	-
Kotak FMP Series 172	1,000,000.00	-	10,000,000	-
Total Investment in Mutual fund			356,904,947	-
			424,048,250	-
Aggregate value of provision in the value of investment	4,87,511	-		

Notes on Financial Statements for the Year ended on March 31, 2015

Particulars	Book Value	Market Value
	As at March 31, 2015 2014	As at March 31, 2015 2014
Quoted	38,41,122 -	38,65,502 -
Unquoted	4206,90,237 -	4211,07,252 -
Total	4245,31,359 -	4249,72,754 -
17 INVENTORIES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Raw Materials	-	40,805,776
Packing Materials	-	23,395,033
Consumable Stores	-	17,491,628
Work-in-Process	-	10,718,737
Semi-Finished	-	17,247,208
Finished Goods	-	51,411,086
Stock in Trade	-	9,379,590
	-	170,449,058
For Mode of valuation refer Note No. 2 (x) of Notes on Financial Statements		
18 TRADE RECEIVABLES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Unsecured		
Exceeding six months		
Considered Good	-	16,385,525
Considered Doubtful	-	107,438
Less : Provision for Doubtful Debts	-	107,438
	-	16,385,525
Others - Considered Good	-	158,858,544
	-	175,244,069
19 CASH AND CASH EQUIVALENTS	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Bank Balances with Banks :		
In Current Accounts*	76,070,915	7,733,264
In Fixed Deposit Accounts #	19,281,311	7,085,558
Cash on Hand	2,850	196,133
	95,355,076	15,014,955

* Includes Earmarked Balances of Rs. 473,047 (Previous Year Rs. 579,215) in respect of Unpaid Dividend .

Includes deposits of Rs. 19,281,311 (Previous Year Rs. 3,122,561) held as margin money deposits against guarantees.

Notes on Financial Statements for the Year ended on March 31, 2015

20 SHORT TERM LOANS AND ADVANCES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.		
Unsecured and considered good				
Loans and Advances to Related Parties (Refer Note No 33)	596,679	663,087		
advance to Related Parties (Ref Note no. 14.1 & 33)	-	4,515,836		
Balance with Statutory Authorities	5,697,541	7,241,362		
Security Deposits	-	721,926		
Advance to Sundry Creditors	13,032	3,374,903		
Prepaid Expenses	210,000	10,696,103		
Others	4,877,146	2,310,383		
	11,394,398	29,523,600		
21 OTHER CURRENT ASSETS	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.		
Interest Accrued but not due	1,698,757	-		
	1,698,757	-		
22 REVENUE FROM OPERATIONS	2014-15 Rs.	2013-14 Rs.		
Sales of Products	728,998,227	790,529,264		
Less : Excise Duty recovered on Sales	8,012,238	8,848,857		
	720,985,989	781,680,407		
Sales of Services (net of service tax)	3,321,656	3,293,281		
Other Operating Income	4,429,980	1,638,295		
	728,737,625	786,611,983		
23 OTHER INCOME	2014-15 Rs.	2013-14 Rs.		
Interest Income	4,972,610	3,037,945		
Dividend Income	94,243	3,940,411		
Exchange Gain	10,143,377	-		
Profit on sale on Investment	101,698	-		
Leave and License Fees Income (Refer Note No. 33)	1,777,903	2,190,000		
Other Non Operating Income	4,188,208	898,330		
	21,278,039	10,066,686		
24 COST OF MATERIALS CONSUMED	2014-15 Rs.	2013-14 Rs.		
Raw Materials consumed	147,125,296	171,946,091		
Packing Materials consumed	108,494,516	139,192,902		
	255,619,812	311,138,993		
24.1 VALUE OF MATERIALS CONSUMED	2014-15 Value in Rs.	% of Consumption	2013-14 Value in Rs.	% of Consumption
Raw Materials				
Imported	119,495,412	81.22%	139,244,944	80.98%
Indigenous	27,629,884	18.78%	32,701,147	19.02%
	147,125,296	100.00%	171,946,091	100.00%
Packing Materials				
Imported	8,621,438	7.95%	6,913,591	4.97%
Indigenous	99,873,078	92.05%	132,279,311	95.03%
	108,494,516	100.00%	139,192,902	100.00%

Notes on Financial Statements for the Year ended on March 31, 2015

25 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROCESS AND STOCK-IN-TRADE	2014-15 Rs.	2013-14 Rs.
Closing Stock as on date of business transfer		
Work-in-process	-	10,718,737
Semi-Finished	14,697,518	17,247,208
Finished Goods	37,903,172	51,411,086
Stock-In-Trade	11,446,105	9,379,590
	<u>64,046,795</u>	<u>88,756,621</u>
Less : Excise Duty	2,010,777	1,535,615
	<u>62,036,018</u>	<u>87,221,006</u>
Opening Stock		
Work-in-process	10,718,737	9,447,940
Semi-Finished	17,247,208	11,458,618
Finished Goods	51,411,086	36,818,865
Stock-In-Trade	9,379,590	14,333,494
	<u>88,756,621</u>	<u>72,058,917</u>
Less : Excise Duty	1,535,615	3,053,141
	<u>87,221,006</u>	<u>69,005,776</u>
	<u>25,184,988</u>	<u>(18,215,230)</u>

As on March 31, 2015, the Company does not have any inventory. All the inventory was transferred as per Business Purchase Agreement dated January 24, 2014 to Arkray Healthcare Pvt. Ltd. on March 5, 2015. Changes in inventories of Finished Goods, Work-in-progress and Stock-in-Trade is calculated till the date of transfer.

26 EMPLOYEE BENEFITS EXPENSES	2014-15 Rs.	2013-14 Rs.
Salaries, Wages, Benefits and other allowances (including Directors' Remuneration)	150,896,883	147,300,508
Contribution to Provident and other funds	10,684,563	12,426,962
Staff Welfare Expenses	4,039,893	4,302,307
	<u>165,621,339</u>	<u>164,029,777</u>

26.1 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

	2014-15 Rs.	2013-14 Rs.
Employer's Contribution to Provident Fund and Family Pension Fund	6,165,066	6,275,977
Employer's Contribution to Employee State Insurance Fund	1,001,106	1,821,509
Employer's Contribution to Super Annuation Fund	1,222,339	1,298,250

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.

Notes on Financial Statements for the Year ended on March 31, 2015

	Gratuity (Non Funded)	Gratuity (Funded)
	2014-15	2013-14
	Rs.	Rs.
i) Reconciliation of opening and closing balances of Defined Benefit Obligation:		
Defined Benefit obligation at beginning of	26,886,018	25,537,130
Current Service Cost	1,429,063	1,506,155
Interest Cost	2,508,465	2,106,813
Actuarial (gain) / loss	1,312,115	1,286,380
Benefit Paid	(3,966,356)	(3,550,460)
Liability Transferred Out/ Divestments	(27,224,023)	-
Defined Benefit obligation at year end	945,282	26,886,018
ii) Reconciliation of opening and closing balances of Fair value of plan assets:		
Fair value of plan assets at beginning of year		29,419,075
Expected return on plan assets	28,034,950	
Actuarial (gain) / loss	2,439,041	2,559,460
Employer's contribution	1,242,986	(393,125)
Benefit Paid	916,587	-
Fund Balance Transferred Out - Business Transfer	(3,966,356)	(3,550,460)
Fair value of plan assets at year end	(28,667,208)	-
Actual return on plan assets	-	2,166,335
iii) Reconciliation of Fair value of assets and obligation:		
Fair value of plan assets	-	28,034,950
Present value of obligation	945,282	26,886,018
Amount recognized in Balance Sheet as liability/(asset)	945,282	(1,148,932)
iv) Expense recognized during the year :		
Current Service Cost	1,429,063	1,506,155
Interest Cost	69,424	2,106,813
Expected return on plan assets	-	(2,559,460)
Actuarial (gain) / loss recognized in the year		1,679,505
Net Cost recognized in Statement of Profit & Loss	69,129	
	1,567,616	2,733,013
v) Investment Details:		
Till March 4, 2015 the Company the gratuity fund of the Company was managed by Life Insurance Corporation of India (LIC). From March 5, 2015 the fund balance along with corresponding liability is transferred to Arkrav Healthcare Pvt. Ltd. Hence the same is considered as unfunded on March 31, 2015."		
vi) Actuarial assumptions:		
Indian Assured Lives Mortality (2006-08)	Gratuity (Non Funded)	Gratuity (Funded)
Ultimate	2014-15	2013-14
	Rs.	Rs.
Discount rate (per annum)	7.92%	9.33%
Expected rate of return on plan assets (per	7.92%	8.70%
Rate of escalation in salary (per annum)	7.00%	7.00%

Notes on Financial Statements for the Year ended on March 31, 2015
vii) Disclosure as required under para 120(n) of Accounting Standard 15:

	Gratuity (Non Funded)	Gratuity (Funded)	Gratuity (Funded)	Gratuity (Funded)	Gratuity (Funded)
	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Fair value of plan assets	-	28,034,950	29,419,075	28,201,375	24,891,994
Present value of obligation	945,282	26,886,018	25,537,130	23,402,421	21,903,981
Surplus/(Deficit) in Plan	(945,282)	1,148,932	3,881,945	4,798,954	2,988,013
Experience Adjustments					
Actuarial (Gain)/Losses on Obligations	1,228,367	2,814,421	(124,969)	(7,747,796)	(2,648,033)
Actuarial (Gain)/Losses on Plan Assets	(2,439,041)	(393,125)	133,737	333,413	-

viii) Expected contribution for next twelve months is Rs. 305,010.

27 FINANCE COSTS	2014-15	2013-14
	Rs.	Rs.
Interest Expenses	41,898,619	41,366,010
Other Borrowing Costs	1,733,961	2,766,419
	43,632,580	44,132,429
28 OTHER EXPENSES		
	2014-15	2013-14
	Rs.	Rs.
Manufacturing Expenses		
Processing charges	22,676,765	29,549,863
Laboratory Expenses	1,225,310	2,182,615
Power and Fuel	21,303,844	22,508,455
Stores Consumed	18,299,787	21,370,867
Excise duty paid	6,331,069	8,268,727
Repairs to Building	2,406,857	727,675
Repairs to Plant & Machineries	1,027,955	1,454,975
Research & Development Expenses	14,206,482	16,363,177
Other Manufacturing Expenses	580	-
	87,478,649	102,426,354
Selling & Distribution Expenses		
Liquidated Damage	3,056,423	3,901,005
Royalty (Refer Note No. 33)	8,364,627	6,641,553
Target Discount	1,628,228	3,027,166
Freight Outward Expenses.	31,013,565	33,135,168
Sales Commission	14,567,889	23,118,329
Travelling and Conveyance (Marketing)	18,377,791	20,162,126
Sales Promotion Expense (Refer Note No. 33)	16,957,210	7,624,943
Provision for Doubtful Debts	81,001	(31,246)
Other Selling & Distribution Expenses	1,148,055	1,608,560
	95,194,789	99,187,604

Administration and Other Expenses

Communication Expenses	4,550,599	4,570,690
Printing and Stationery	813,400	700,102
Travelling and Conveyance (Others)	4,429,262	7,463,714
Directors' Sitting Fees & Allowances	200,000	255,000
Rates & Taxes	7,999,446	1,350,076
Insurance Charges	1,348,941	1,411,347
Rent (Refer Note No. 33)	2,194,836	1,651,796
Payment to Auditors (Refer Note 28.2)	923,572	813,893
Legal & Professional Charges	6,079,926	6,881,693
Electricity Charges	1,675,005	1,709,029
House Keeping Expenses	3,084,130	2,782,496
Security Charges	2,706,245	2,449,850
Exchange loss (Net)	-	6,044,905
Donation	2,520,000	25,000
Loss on sale of investment	271,085	-
Other Expenses	20,731,260	17,136,825
	59,527,707	55,246,416
	242,201,145	256,860,374

28.1 VALUE OF STORES & SPARES

	2014-15		2013-14	
	Value in Rs.	% of Consumption	Value in Rs.	% of Consumption
Stores and Spares				
Imported	2,847,185	15.56%	1,884,109	8.82%
Indigenous	15,452,602	84.44%	19,486,758	91.18%
	18,299,787	100.00%	21,370,867	100.00%

28.2 AUDITOR'S REMUNERATIONS

Particulars	2014-15	2013-14
	Rs.	Rs.
Audit Fees	260,000	260,000
Tax Audit Fees	75,000	75,000
Other Services	415,000	287,328
Service tax on above fees	97,827	74,467
Reimbursement of Expenses	75,745	117,098
	923,572	813,893

28.3 EXPENDITURE AND EARNINGS IN FOREIGN EXCHANGE

	2014-15	2013-14
	Rs.	Rs.
a) Earnings in Foreign Exchange		
Export of Goods calculated on F.O.B. basis	150,596,030	112,488,520
b) Expenditure in foreign currency		
1. Royalty	4,709,315	2,836,038
2. Bank Interest	-	106,391
3. Dividend	-	46,500
4. Technical Know-how	6,789,204	11,441,371
5. Salary and Other cost	831,505	2,048,876
6. Marketing expenses	12,187,135	2,102,451
7. Sales Promotion	843,483	1,751,067
8. Foreign Travelling expenditure	1,756,711	2,648,004
9. Other expenses	615,371	1,396,057

c) Value of imports calculated on CIF basis

Raw Materials & Packing Materials	120,448,902	130,879,741
Traded Goods	18,823,965	27,648,073
Capital Goods	-	3,036,225
Consumable Stores	2,409,595	7,745,785

29 EARNING PER SHARE

	2014-15	2013-14
Profit/(Loss) after taxation as per Statement of Profit and Loss (Amt. in Rs.)	351,529,742	(51,398,379)
Weighted average number of equity shares outstanding	7,276,000	7,276,000
Basic and Diluted Earning per shares (face value – Rs. 10 per share) (Amount in Rs.)	48.31	(7.06)

30 CONTINGENT LIABILITIES AND COMMITMENTS**A Contingent Liabilities**

Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
a) Taxes		
(1) Sales tax		
Demands under contest	837,838	837,838
C-Form Pending	3,940,707	3,091,000
(2) Income tax		
Demands under dispute	21,607,889	21,607,889
b) Claims against the Company not acknowledged as Debts	2,542,704	2,542,704
c) On account of guarantees given by the bank on behalf of the company in favor of customs and others.	19,281,311	53,878,577
d) The Company has imported material under the Advance Authorization Scheme of the Government of India, at concessional rates of customs duty by undertaking obligations to export certain quantity of specified products, For the future outstanding export obligations quantity under the Scheme as at 31-03-2014, which if not fulfilled may result in custom duty liability of	-	77,392

B Capital Commitments :

Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Estimated amount of contracts (Net of advances) remaining to be executed on Capital Account and not provided for	-	25,858,513

31 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	(Amount in Rs.)	
	2014-15	2013-14
Rent paid under this agreement	2,202,512	1,651,796

- iii) The Company has given premises under operating lease arrangements. This asset has been capitalized and consequently depreciation has also been provided on the asset.

Particulars	2014-15	2013-14
Rent received during the year under this agreement	1,777,903	2,190,000

Future minimum lease rental in respect of assets given on non-cancelable operating lease for premises is as under.

Particulars	2014-15	2013-14
Receivable within one year	-	937,500
Receivable between one year and five year	-	Nil
Receivable after five year	-	Nil

32 SEGMENT REPORTING

The Company operates in a single segment – Diagnostic Products, which is considered as primary business segment.

In respect of geographical segment:

	2014-15		2013-14	
	In India	Outside India	In India	Outside India
Revenue	578,402,197	150,596,030	678,040,744	112,488,520
Assets (Debtors)	-	-	166,326,791	8,917,278
Capital Expenditure	21,335,070	-	91,116,464	3,036,225

33 RELATED PARTY DISCLOSURES

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

A: Relationship

(i) Related parties where control exists.

Span Biotronics Pvt. Ltd. (Subsidiary) (Upto March 04, 2015)
Span Diagnostics SA. (Pty.) Ltd. - (Subsidiary)
Span Nihon Kohden Diagnostics Pvt. Ltd. (Joint
Venture)

(ii) Key Management Personnel :

Dr. Pradip K. Desai (Upto March 04, 2015)
Mr. Veeral P. Desai
Ms. Sujata V. Desai (Upto March 04, 2015)

(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	Referred	Referred	Referred
	In A(i) Above	In A(ii) Above	In A(iii) Above	In A(iv) Above
Sales				
Goods and Material	-	-	-	-
	<i>344,400</i>	-	-	-
Purchase:				
Goods and Material	-	-	-	317,750
	<i>52,362</i>	-	-	<i>177,200</i>
Expenses :				
Remuneration/Appreciation	-	16,619,413	-	-
	-	<i>12,249,463</i>	-	-
Interest on F.D./Loan	-	155,582	319,533	309,764
	-	<i>249,739</i>	<i>395,076</i>	<i>234,312</i>
Rent paid	-	35,000	79,516	-
	-	-	<i>105,000</i>	-
Dividend Paid	-	-	-	-
	-	<i>992,624</i>	<i>406,780</i>	-
Garden Expense	-	-	-	619,300
	-	-	-	<i>720,000</i>
Evaluation & Testing Charges	-	-	-	30,000
	-	-	-	<i>262,000</i>
Selling & Marketing Expense	1,331,326	-	-	-
	<i>2,141,399</i>	-	-	-
Royalty	401,687	-	-	1,712,738
	<i>488,849</i>	-	-	<i>1,232,220</i>
Income :				
License Fees	1,777,903	-	-	-
	<i>2,190,000</i>	-	-	-
Interest Income on Loans	999,688	-	-	-
	<i>5,113,167</i>	-	-	-
Balance Sheet Items :				
Deposits Accepted	-	500,000	2,000,000	-
	-	<i>800,000</i>	<i>400,000</i>	-
Deposits Repaid	-	1,400,000	5,140,000	-
	-	-	-	-
Loans and advances in nature on reimbursement	212,622	-	-	-
	-	-	-	-
Loan & Advances received	-	952,000	-	-
	-	<i>5,000,000</i>	<i>400,000</i>	<i>3,400,000</i>
Loan & Advances Repaid	-	1,583,686	2,800,000	-
	-	-	-	-
Loan & Advances given	-	-	-	-
	<i>1,050,651</i>	-	-	-
Purchase of Technology	12,866,001	-	-	-
	<i>17,981,999</i>	-	-	<i>11,414,250</i>
Investment Made	3,172	-	-	-
	-	-	-	-
Prepaid expenses	-	105,000	105,000	-
	-	-	-	-

Balance as at March 31, 2015	-			
Investments	5,406,177	-	-	-
	<i>6,403,005</i>	-	-	-
Loans & Advances	2,042,666	-	-	-
	<i>12,323,816</i>	-	-	-
Rent Deposits given	-	100,000	100,000	-
	-	-	-	-
Deposits/Loans accepted	-	-	-	-
	<i>500,000</i>	<i>1,531,686</i>	<i>3,140,000</i>	<i>2,800,000</i>
Trade and Other Payables	829,075	-	-	-
	<i>1,890,695</i>	-	-	<i>7,727,722</i>
Prepaid expense	-	105,000	105,000	-
	-	-	-	-

Figures of Previous Year are represented in *Italic form*

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

- a) Sales of goods and material includes sales to Span Biotronics Pvt. Ltd. Rs. NIL (Previous Year Rs. 344,400)
- b) Purchase/ materials consumed from Span Nihon Kohden Diagnostics Pvt. Ltd.- NIL (Previous year-Rs.52,362) Span Diagnostics SARL Rs.317,750 (Previous year-Rs.177,200)
- c) Payment to Key Management Personnel include to Dr.Pradeep K. Desai Rs. 6,039,104 (Previous Year Rs.4,164,600), Shri Veeral P. Desai Rs.5,761,050 (Previous Year Rs.4,278,800), Dr. Madhukanta T. Patel -NIL(Previous Year Rs.572,463), Ms. Sujata V. Desai Rs.4,119,259 (Precious Year Rs.3,233,600), Payment of appreciation to Sujata V. Desai Rs.700,000(Previous Year- Rs.NIL)
(Note : Amount mentioned here includes expesne related to Gratuity & Leave encashment. However, amount attributable to each Key Management Personnel is not available as provision for Gratuity & Leave Encashment is made based on Acturial Valuation.)
- d) Interest on F.D./Loan includes Dr. M. T. Patel Rs.- NIL (Previous Year Rs.117,165), Mr.Veeral P. Desai Rs.34,116 (Previous Year Rs.19,130), Dr.Pradeep K. Desai Rs. 89,228 (Previous Year Rs.97,315), Ms.Sujata V. Desai Rs.33,184 (Previous Year Rs.16,129), Mrs. Shital S. Kazi Rs.22,199 (Previous Year Rs.23,000), Mrs. Tejal V.Desai Rs.57,735 (Previous Year Rs.117,233), Dr.Harshad R.Gandhi Rs.101,515(Previous Year Rs. 103,024), Mrs.Kokila H. Gandhi Rs.129,659 (Previous Year Rs.143,202), Shri Sunil T. Patel Rs.NIL(Previous Year Rs.8,617), Desai Agri Bio-Tech Pvt.Ltd. Rs. 309,764(Previous Year Rs.234,312) Dr. Uday D Desai Rs.7479(Previous year- Rs.-NIL)
- e) Rent paid to Mrs.Shital S.Kazi Rs. 44,516(Previous Year Rs.48,000), Mr. Veeral Desai- Rs.35,000(Previous year Rs.-NIL), Ms. Sujata Desai- Rs.35,000(Previous year Rs.- NIL)
- f) Dividend Paid to Dr.Pradeep K. Desai Rs.NIL(Previous Year Rs.653,440), Shri Veeral P. Desai Rs.NIL(Previous Year Rs.262,316), Dr.Madhuben T. Patel Rs.NIL(Previous Year Rs.26,080), Ms. Sujata V. Desai Rs.NIL(Previous Year Rs.50,788), Mrs. Lataben P. Desai Rs.NIL(Previous Year Rs.358,530), Mrs.Shital S. Kazi Rs.NIL(Previous Year Rs.19,750), Mrs.Tejal V. Desai Rs.NIL(Previous Year Rs.5,000), Shri Prakash K. Desai Rs.NIL(Previous Year Rs.13,500), Shri Sunil T. Patel Rs.NIL(Previous Year Rs.5,000), Mrs.Sudhaben I. Patel Rs.NIL(Previous Year Rs.5,000)
- g) Gardening Expense paid to Desai Agri Bio-Tech Pvt. Ltd. Rs. 619,300 (Previous Year Rs.720,000).
- h) Evaluation & Testing Charges paid to Quest Biochemicals Pvt. Ltd. Rs.30,000 (Previous Year Rs.262,000).
- i) Sales and Distribution Expenses include amount Paid to Span Diagnostics SA. (Pty.) Ltd .Rs.1,331,326 (Previous Year Rs.2,141,399).
- j) Royalty paid to Span Diagnostics SARL Rs.1,712,738 (Previous Year Rs..1,232,220), Span Biotronics Pvt.Ltd Rs.401,687 (Previous Year Rs..488,849)
- k) License Fees from Span Nihon-Kohden Pvt. Ltd. Rs.1,777,903 (Previous Year Rs.2,190,000)
- l) Other Income from Span Biotronics Pvt Ltd Rs.873,826 (Previous Year Rs.1,034,793),Span Diagnostics SA. (Pty.) Ltd. Rs.125,862(Previous Year Rs.137,963), Dividend from Span Nihon Kohden Diagnostics Pvt. Ltd. Rs. NIL (Previous Year Rs 3,600,000), Dividend from Span Biotronics Pvt. Ltd. Rs.NIL (Previous Year Rs.340,411)
- m) Deposits received includes from Shri Veeral P. Desai Rs.500,000 (Previous year-NIL) and Uday D. Desai Rs.2,000,000 (Previous year Rs. NIL)
- n) Deposits repaid includes Mr. Veeral P. Desai Rs.1,000,000 (Previous Year Rs.NIL), Sujata V. Desai Rs.400,000 (Previous year Rs.NIL), Shital S. Kazi Rs.200,000 (Previous year Rs.NIL), Tejal V. Desai Rs.790,000 (Previous year Rs.NIL), Harshad .R. Gandhi Rs.900,000 (Previous year Rs.NIL) Kokila .H. Gandhi Rs.1,250,000 (Previous year Rs.NIL) Uday D. Desai Rs.2,000,000 (Previous Year Rs.NIL)
- o) Loan & Advances in nature of expense reimbursement received during the year from Desai Agri Bio-Tech Pvt. Ltd. Rs.NIL (Previous Year Rs.3,400,000)
- p) Loan & Advances in nature of expense reimbursement given during the year include Span Nihon-Kohden Pvt. Ltd. Rs. 167,287(Previous Year Rs.120,447), Span Biotronics Pvt. Ltd. Rs.36,854(Previous Year Rs.930,204) Span Diagnostics SA Pty Rs.8481(Previous year Rs.-NIL)
- q) Loan received in the nature of fixed deposit from Dr.Pradeep K. Desai Rs.NIL (Previous Year Rs.4,200,000), Shri Veeral P. Desai Rs.NIL(Previous Year Rs.500,000),Ms. Sujata V. Desai Rs.NIL(Previous Year Rs.300,000), Mrs. Tejal V. Desai Rs.NIL(Previous Year Rs.Nil), Dr. Harsad R. Gandhi Rs.NIL(Previous Year Rs.200,000), Mrs. Kokila H. Gandhi Rs.NIL(Previous Year Rs. 200,000)
- r) Loans received included from Pradeep K. Desai Rs.702,000 (Previous Year Rs.-NIL) and Veeral P. Desai Rs.250,000(Previous year Rs.-NIL)
- s) Loans and Advance repaid includes Pradeep K.Desai Rs.1,333,686 (Previous year Rs.NIL) and Veeral P. Desai Rs.250,000 (Previous Year Rs.NIL), Desai Agri Bio-tech Pvt. Ltd Rs.2,800,000 (Previous Year Rs.NIL)
- t) Purchase of Technology include Span Biotronics Pvt Ltd Rs.12,866,001(Previous Year Rs.17,981,999), Span Diagnostics SARL Rs. NIL (Previous Year Rs. .11,414,250)
- u) Purchase of Investment includes Span SA (Pty,) Ltd.Rs.3172.18 (Previous year Rs.NIL)
- v) Prepaid expense includes rent paid to Shri Veeral P. Desai Rs. 105,000 (Previous Year Rs.NIL), Sujata Desai Rs.105,000(Previous Year Rs.NIL)

Notes on Financial Statements for the Year ended on March 31, 2015

34 INTEREST IN JOINT VENTURES**Jointly controlled Entities**

Name of Joint Venture	Country of Incorporation	Proportion of Ownership (%) as on	
		As at 31-03-2015	As at 31-03-2014
Joint Venture Span Nihon Kohden Diagnostics Pvt. Ltd	India	45%	45%

Financial interest in Jointly Controlled Entities

Particulars	As at 31.03.15 (Unaudited)	As at 31.03.14 (Unaudited)
	Span Nihon Kohden Diagnostics Private Ltd	Span Nihon Kohden Diagnostics Private Ltd
Assets	40,631,616	361,555,550
Liabilities	3,035,464	3,464,404
Contingent Liabilities	Nil	3,012,055
Capital Commitments	Nil	Nil
Income	28,983,659	28,459,803
Expenses	21,684,393	16,722,397
Tax	2,589,684	3,493,838

35 Unhedge foreign currency exposure

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

Particulars	31-03-2015		31-03-2014	
	Amount	Amount	Amount	Amount
	(In Original Currency)	(In Indian Rs.)	(In Original Currency)	(In Indian Rs.)
Foreign Currency Receivables				
USD	-	-	74,308	6,365,151
EURO	-	-	47,833	2,552,128
ZAR	397,801	2,042,666	375,001	2,138,752
Foreign Currency Payables				
EUR	-	-	568,995	47,677,110
GBP	-	-	22,502	2,276,752
USD	-	-	260,732	15,704,121
ZAR	161,460	829,081	85,440	508,368

Notes on Financial Statements for the Year ended on March 31, 2015
36. Disclosure as per Accounting Standard 24 - Discontinuing Operation

The company has entered into Business Purchase Agreement (BPA) for transfer of IVD business with the Arkray Healthcare Pvt Ltd (Purchaser) on January 24, 2014. The company had obtained shareholders' approval for the said agreement in Extra Ordinary general meeting through postal ballot on 21st March 2014. Pursuant to BPA, the transfer of IVD business was completed on March 5, 2015. In view of the same, information required under Accounting Standard - 24 "Discontinuing Operations" are as follows;

Particulars	2014-2015	2014-2015	2014-2015	2013-2014	2013-2014	2013-2014
	Continuing operation	Discontinuing operation	Total	Continuing operation	Discontinuing operation	Total
Total Revenue	2,349,659	747,666,005	750,015,664	4,150,263	792,528,406	796,678,669
Cost of materials	26,275	306,094,236	306,120,511	82,124	326,162,396	326,244,520
Employee benefit expense	7,701,149	157,920,190	165,621,339	4,428,974	159,600,803	164,029,777
Finance Cost	257,715	43,374,865	43,632,580	-	44,132,429	44,132,429
Depreciation and amortisation expense	200,344	58,127,751	58,328,095	2,607,531	45,065,237	47,672,768
Other expense	4,778,381	237,422,764	242,201,145	2,141,399	254,718,975	256,860,374
Total Cost	12,963,864	802,939,806	815,903,670	9,260,028	829,679,840	838,939,868
Profit Before Exceptional Items & Tax	(10,614,205)	(55,273,801)	(65,888,006)	(5,109,765)	(37,151,434)	(42,261,199)
Exceptional Items	-	472,675,240	472,675,240	-	-	-
Profit After Exceptional Items before Tax	(10,614,205)	417,401,439	406,787,234	(5,109,765)	(37,151,434)	(42,261,199)
Income tax expense	73,292	55,184,200	55,257,492	-	9,137,181	9,137,181
Profit After tax	(10,687,497)	362,217,239	351,529,742	(5,109,765)	(46,288,616)	(51,398,380)

Particulars	31-03-2015	31-03-2015	31-03-2015	31-03-2014	31-03-2014	31-03-2014
	Continuing operation	Discontinuing operation	Total	Continuing operation	Discontinuing operation	Total
Total Assets	623,273,339	-	623,273,339	40,507,630	861,320,503	901,828,134
Total Liabilities	35,371,086	-	35,371,086	44,087,980	620,356,618	664,444,598
Net Assets	587,902,254	-	587,902,254	(3,580,350)	240,963,885	237,383,536

Cash Flow

Particulars	2014-15	2014-15	2014-15	2013-14	2013-14	2013-14
	Continuing operation	Discontinuing operation	Total	Continuing operation	Discontinuing operation	Total
Net Cash inflow/(outflow) from operating activities	(33,355,457)	483,265,256	449,909,798	(5,420,779)	95,300,809	89,880,030
Net Cash inflow/(outflow) from investing activities	(473,207,737)	414,915,613	(58,292,124)	3,600,000	(59,638,197)	(56,038,197)
Net Cash inflow/(outflow) from financing activities	(223,992)	(323,249,317)	(323,473,309)	-	(39,215,519)	(39,215,519)
Net cash inflow/(outflow) for the year attributable	(506,787,186)	574,931,551	68,144,366	(1,820,779)	(3,552,907)	(5,373,686)

Notes on Financial Statements for the Year ended on March 31, 2015**Information of Discontinued Operations****FY 14-15****(Amount in Rs.)**

Net Sales Price	655,631,094
Value of net assets transferred	(187,422,721)
Gain on sale of IVD Business (pre tax)	468,208,373
Income Tax expense on sale of IVD Business	97,500,000

37 Exceptional Items**FY 14-15****FY 13-14**

Following are details of exceptional items;

(Amount in Rs.) (Amount in Rs.)

Gain on sale of IVD business	468,208,373	-
Non Compete Fees	50,000,000	-
Professional fees for execution of sale of IVD business	(45,533,133)	-
Exceptional Items	472,675,240	-

38. The Company has given Rs. 2,520,000 as contribution to bonafide charitable institution. The Company has not obtained prior permission in the general meeting. The Company will obtain approval in the forth coming general meeting and will apply for the compounding of offence to appropriate authorities.

39. 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
Firm Registration No. 103523W

For and on behalf of the Board of Directors

Veeral .P. Desai
Managing Director
DIN:00029219

Dr. Pradip K. Desai
Director
DIN:00026451

Prashant Maharishi
Partner
Membership No. 41452

Pankaj Ajmera
Company Secretary

Place : Mumbai
Date : May 30, 2015

Place : Mumbai
Date : May 30, 2015

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF
SPAN DIAGNOSTICS LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of SPAN DIAGNOSTICS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, 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 including jointly controlled entities 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 included in the Group and its jointly controlled entities 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.

Auditor's 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 the 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 but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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 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 March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of 1 subsidiary and 1 jointly controlled entity, whose financial statements reflect total assets of Rs. 36,667,005 as at March 31, 2015, total revenues of Rs. 2,89,83,659 and net cash flows amounting to Rs. (22,19,048) for the year ended on that date, as considered in the consolidated financial statements. These unaudited financial statements have been certified by their management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary and jointly controlled entity, are based solely on the unaudited financials certified by management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent possible.

2. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books .

(c) 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.

(d) 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.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015, taken on record by the Board of Directors of the Holding Company and as certified by management of its subsidiary company incorporated in India and jointly controlled entity, none of the directors of the Group companies is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 31 to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company and joint venture incorporated in India.

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

Prashant Maharishi
Partner
Membership No. 41452

Place: Mumbai
Date: May 30, 2015

ANNEXURE TO 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 Diagnostics Limited on the standalone financial statements for the year ended March 31, 2015]

- (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.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. However, the Company does not have any inventory as on March 31, 2015.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. As informed no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act.
- (a) The repayment of principal amounts is based on the revised repayment schedule. However, the company has not received any interest during the year.
- (b) In respect of the aforesaid loans, there is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under with regard to the acceptance of deposits. Further, as informed, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (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, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.
- (b) According to the information and explanation given to us, the dues with respect to income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which have not been deposited on account of any dispute, are as follows:

Sr. No.	Name of the statute	Nature of dues	Amount in Rs.	Period to which the amount relates	Forum where dispute is pending
1.	The Bombay Sales Tax Act, 1959	Sales Tax	4,89,142	1998-99	Tribunal
2.	The Bombay Sales Tax Act, 1959	Sales Tax	1,11,245	1997-98	Commissioner Appeals
3.	The Bombay Sales Tax Act, 1959	Sales Tax	2,37,451	1996-97	Tribunal
4.	The income tax Act, 1961	Income tax	2,16,07,889	A.Y.2003-04	ITAT

- (c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

The Company does not have accumulated losses at the end of the financial year nor has incurred cash losses in the current and immediately preceding financial year.

- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution(s), bank(s) or debenture holder(s).
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (xii) 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 on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the management.

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

Prashant Maharishi
Partner
Membership No. 41452

Place: Mumbai
Date: May 30, 2015

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

	Note	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	72,760,000	72,760,000
Reserves & Surplus	4	544,086,273	153,539,387
		616,846,273	226,299,387
Minority Interest		-	582,674
Non Current Liabilities			
Deferred Tax Liabilities (Net)	5	81,216	42,801,370
Long Term Borrowings	6	1,723,005	86,276,964
Long Term Provisions	7	1,352,224	6,349,937
		3,156,445	135,428,271
Current Liabilities			
Short Term Borrowings	8	-	193,563,765
Trade Payable	9	1,040,690	106,113,823
Other Current Liabilities	10	36,596,114	224,165,333
Short Term Provisions	11	769,306	9,613,598
		38,406,110	533,456,519
TOTAL		658,408,828	895,766,851
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	12	20,537,722	304,445,358
Intangible Assets	12	1,469,718	108,164,576
Tangible Capital Work-in-Progress	12	946,641	7,736,130
Intangible Assets under Development	12	-	9,813,259
Non Current Investments	13	39,500,000	2,000
Deferred Tax Assets (Net)	14	551,812	396,944
Long term Loans and Advances	15	47,594,637	42,443,773
Other Non Current Assets	16	7,347,541	3,212,040
		117,948,071	476,214,080
Current Assets			
Current Investments	17	418,648,250	-
Inventories	18	2,278,321	172,613,056
Trade Receivables	19	7,730,978	182,152,351
Cash and Cash Equivalents	20	97,911,539	38,526,105
Short term Loans and Advances	21	12,192,912	26,261,259
Other Current Assets	22	1,698,757	-
		540,460,757	419,552,771
TOTAL		658,408,828	895,766,851
Summary of significant Accounting Policies	1		
Notes on Financial Statements	1 to 42		

Accounting policies and notes on Financial Statements form an integral part of the financial statements

As per our Report of even date :
For Haribhakti & Co. LLP,
Chartered Accountants
Firm Registration No. 103523W

Prashant Maharishi
Partner
Membership No. 41452

Place : Mumbai
Date : May 30, 2015

For and on behalf of the Board of Directors
Veeral .P. Desai
DIN:00029219
Managing Director

Dr. Pradip K. Desai
DIN:00026451
Director

Pankaj Ajmera
Company Secretary

Place : Mumbai
Date : May 30, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

	Note	2014-15 Rs.	2013-14 Rs.
INCOME			
Sale of Products	23	759,977,984	817,169,434
Less : Excise Duty recovered on Sales		<u>11,420,122</u>	<u>8,848,857</u>
		748,557,862	808,320,577
Sale of Service and Other Operating Income		7,751,636	4,931,576
Other Income	24	21,192,906	5,592,507
Total Revenue		<u>777,502,404</u>	<u>818,844,660</u>
EXPENSES			
Cost of Materials Consumed	25	262,315,188	317,583,006
Purchase of Stock-in-Trade		25,315,711	33,320,756
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	25,087,818	(18,295,518)
Employee Benefits Expense	27	180,004,804	177,174,582
Finance Costs	28	43,947,081	44,132,428
Depreciation and Amortisation Expense	12	59,618,559	48,477,837
Other Expenses	29	251,937,927	264,620,627
Total Expenses		<u>848,227,088</u>	<u>867,013,718</u>
PROFIT BEFORE EXCEPTIONAL ITEMS & TAX		(70,724,684)	(48,169,059)
Add : Exceptional Items	37	518,492,124	-
PROFIT BEFORE TAX		<u>447,767,440</u>	<u>(48,169,059)</u>
Profit/(Loss) before tax from continuing operation	36	(2,345,892)	2,243,755
Tax Expenses		2,415,645	(3,577,451)
MAT Credit Entitlement/(Utilisation)		-	-
Tax Adjustment of earlier year		(25,685)	-
Deferred Tax		341,396	40,072
Income tax expense for continuing operation		2,731,356	(3,537,379)
Profit/(Loss) after tax from continuing operation		(5,077,247)	(1,293,624)
Profit/(Loss) before tax from discontinuing operation	36	450,113,332	(50,412,814)
Tax Expenses		89,965,000	(2,025,000)
MAT Credit Entitlement/(Utilisation)		7,535,000	-
Tax Adjustment of earlier year		-	297,191
Deferred Tax		(42,315,800)	(9,340,086)
Income tax expense for discontinuing operation		55,184,200	(11,067,895)
Profit/(Loss) after tax from discontinuing operation		394,929,132	(61,480,709)
Profit after tax before Minority Interest		389,851,884	(62,774,333)
Less : Minority Interest		(20,747)	194,023
Profit/(Loss) after tax & minority interest for the year		<u>389,872,631</u>	<u>(62,968,356)</u>
Earning per equity share – Basic & Diluted (Rs.)	30	53.58	(8.65)
(Nominal Value per share of Rs.10/- each (Previous year -Rs.10/- each))			
Summary of Significant Accounting Policies	1		
see notes accompanying financial statements	1 to 42		

Accounting policies and notes on financial statements form an integral part of the financial statements

As per our Report of even date :
For Haribhakti & Co. LLP,
Chartered Accountants
Firm Registration No. 103523W

Prashant Maharishi
Partner
Membership No. 41452

Place : Mumbai
Date : May 30, 2015

For and on behalf of the Board of Directors

Veeral .P. Desai Managing Director
DIN:00029219

Dr. Pradip K. Desai Director
DIN:00026451

Pankaj Ajmera Company Secretary

Place : Mumbai
Date : May 30, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	2014-15 Rs.	2013-14 Rs.
A. CASH FLOW FROM THE OPERATING ACTIVITIES		
PROFIT BEFORE TAX	(70,724,684)	(47,871,867)
Depreciation and Amortization	59,618,559	48,477,837
Dividend Income	(94,243)	-
Interest Income	(5,652,537)	-
Interest Expense	43,947,081	44,132,428
Loss/(Profit) on sales of fixed assets (Net)	271,085	84,742
profit on sale of Investment	(101,698)	-
Operating Profit before working capital changes	27,263,562	44,823,140
Adjusted for Change in		
(Increase)/ Decrease in Short term loans and Advance	14,068,347	(272,377)
(Increase)/ Decrease in Trade receivable	174,421,373	18,117,337
(Increase)/ Decrease in Other Non Current assets	1,216,674	3,031,870
(Increase)/ Decrease in Long term loans and Advance	(16,211,715)	1,783,999
(Increase)/ Decrease in Inventories	170,334,735	(30,025,845)
Increase/(Decrease) in long term provision	(2,109,675)	(499,300)
Increase/(Decrease) in Trade payable	(105,073,133)	54,948,240
Increase/(Decrease) in Other current Liabilities	(75,593,748)	9,568,091
Increase/(Decrease) in Short term provision	(8,829,365)	(11,185,621)
Cash generated from operations	179,487,053	90,289,536
Less Direct taxes paid during the year	(88,843,799)	8,194,787
Cash flow before Extra-ordinary items	90,643,255	82,094,748
Cash flow from Exceptional Item	518,492,124	-
Net Cash Flow From Operating Activities	609,135,379	82,094,747
Net Cash Flow From Operating Activities for continuing Operations	90,570,873	2,371,561
Net Cash Flow From Operating Activities for discontinuing Operations	518,564,507	79,723,187
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition in Fixed Assets and Capital Work in Process	(35,954,757)	(42,339,739)
Proceeds from Sales of Fixed Assets	365,756,374	122,470
Sale of Assets	(463,498,424)	-
Proceeds/(Investment)in Fixed Deposit having original maturity more than 90 days	6,641,581	(5,799,606)
Dividend Income	94,243	-
Interest Income	5,652,537	-
Net Cash Flow From Investing Activities	(121,308,445)	(48,016,875)
Net Cash Flow From Investing Activities for continuing operations	(534,276,959)	-
Net Cash Flow From Investing Activities for discontinuing operations	412,968,514	(48,016,875)
C CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment)/Proceeds(of)/ from Long term Borrowings	(178,197,439)	9,231,782
(Repayment)/Proceeds(of)/ from Short term Borrowings	(193,563,765)	-
Interest paid	(50,140,412)	(44,132,428)
Dividend & Corporate Dividend Tax paid	-	(4,124,559)
Net Cash Flow From Financing Activities	(421,901,616)	(39,025,205)
Net Cash Flow From Financing Activities for continuing operations	(98,652,299)	-
Net Cash Flow From Financing Activities for discontinuing operations	(323,249,317)	(39,025,205)
Net Changes In Cash And Cash Equivalents (A+B+C)	65,925,318	(4,947,332)
Net changes in cash and cash equivalents for continuing operations	(542,358,385)	2,371,561
Net changes in cash and cash equivalents for discontinuing operations	608,283,704	(7,318,893)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	12,704,911	17,652,242
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	78,630,228	12,704,911
Components of Cash and Cash Equivalents		
Cash in hand	16,579	213,220
With Banks		
- In Current Account	78,613,649	12,491,691
- In Fixed Deposit	-	-
Cash and cash equivalent as per Cashflow statement	78,630,228	12,704,911
Add: FDs with original maturity of more than 90 days but part of cash and cash equivalent	19,281,311	25,821,194
Cash and cash equivalent as per Financial Statement as per note no. 20	97,911,539	38,526,105

As per our Report of even date
For Haribhakti & Co. LLP,
 Chartered Accountants
 Firm Registration No. 103523W

Prashant M. Maharishi
 Partner
 Membership No. 41452
 Place : Mumbai
 Date : May 30, 2015

For and on behalf of the Board of Director:
Veeral .P. Desai Managing Director
 DIN:00029219

Dr. Pradip K. Desai Director
 DIN:00026451

Pankaj Ajmera Company Secretary

Place : Mumbai
 Date : May 30, 2015

Consolidated Notes on Financial Statements

1. 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.

- 1 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”.
- 2 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”
- 3 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.
- 4 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.
- 5 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.
- 6 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

- a. 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.
- b. Sales returns are accounted on actual receipt of return goods / settlement of claims.
- c. Services are accounted for pro-rata over the period of contract.
- d. Interest income is recognised on pro-rate basis.
- e. Dividend income is recognised when right to receive the dividend is established.

v) 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 except Buildings at Sachin is provided on written down value method and Depreciation on Buildings at Sachin is provided on Straight line Method at the rates and in the manner specified in schedule XIV of the Companies Act, 1956.

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. SAP Software expenses are amortised over the period of five 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

- (a) Transactions other than those covered by forward contracts are accounted at exchange rates prevailing on the date of transaction.
- (b) Forward premium in respect of forward exchange contract is recognised over the life of contract.
- (c) 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.
- (d) Non-monetary foreign currency items are carried at historical cost determined on the date of transaction.

viii) 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 Super-annuation fund created by the company has taken Super-annuation cum life insurance policy from Life Insurance Corporation of India. 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 for which Company has taken Group Gratuity cum Life Insurance Policy from Life Insurance Corporation of India. 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
- iv. In case of Joint Venture, leave encashment which are accrued for the period in which the employee renders the related services are determined on the basis of actual valuation carried out by the management as at balance sheet date

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

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes the MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay the normal income tax during the specified period i.e., period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes the MAT credit as an asset in accordance with the guidance note on accounting for credit available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

x) Valuation of stock

The mode of valuing closing stock is as under:

Inventory Type	Mode of Valuation
Raw-Materials, Packing Materials & Other Materials	At lower of cost or net realizable value
Work-in-Process	At lower of cost or net realizable value
Finished Goods/ Traded Goods for resale	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.

x) 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.

xi) 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.

xii) 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 recognised.

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

- 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.

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, 2015

3 SHARE CAPITAL	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Authorised 15,000,000 Equity Shares of Rs. 10/- each (Previous year 15,000,000)	150,000,000	150,000,000
Issued, Subscribed and paid-up 7,276,000 (Previous Year 7,276,000) Equity Shares of Rs.10/- each fully paid up	72,760,000	72,760,000
	<u>72,760,000</u>	<u>72,760,000</u>

3.1 The details of shareholders holding more than 5% shares

Name of Shareholder	As at 31-03-2015		As at 31-03-2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Pradipkumar Keshavlal Desai	1,306,880	17.96	1,306,880	17.96
Lataben P Desai	717,060	9.86	717,060	9.86
Bharti Patel	588,940	8.09	-	-
Natwerlal Shivabhai Patel	-	-	554,920	7.63
Viral Pradipkumar Desai	524,632	7.21	524,632	7.21

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

Particulars	As at 31-03-2015	As at 31-03-2015	As at 31-03-2014	As at 31-03-2014
	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Equity Shares outstanding at the beginning of the year	7,276,000	72,760,000	7,276,000	72,760,000
Add : Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	7,276,000	72,760,000	7,276,000	72,760,000

3.3 There was no increase in Capital during the current year. However, during the year 2010-11, 165,250 equity shares each of Rs. 10 were issued on a preferential basis by the company at a premium of Rs. 29.97 each aggregating to Rs. 6,605,042/-. Further 36,38,000 equity shares of Rs 10 each were issued in the year 2010-11 as bonus shares in ratio of 1:1 by capitalizing securities premium which in aggregate amounts to Rs 36,380,000/-

4 RESERVES AND SURPLUS	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Capital Reserve		
As per last Balance Sheet	4,205,775	4,205,775
	<u>4,205,775</u>	<u>4,205,775</u>
Capital Redemption Reserve		
As per last Balance Sheet	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
Securities Premium Reserve:		
Balance as per last Balance Sheet	9,824,798	9,824,798
	<u>9,824,798</u>	<u>9,824,798</u>

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

General Reserve:

Balance as per last Balance Sheet	75,307,508	75,307,508
Add: Transfer from Statement of Profit & Loss	2,500,000	-
	77,807,508	75,307,508

Statement of Profit & Loss:

As per last Balance Sheet	64,261,118	127,819,725
Add: Profit/(Loss) for the year	389,872,631	(62,968,356)
	454,133,749	64,851,369

Less: Appropriation

Transfer to General Reserve	2,500,000	
Dividend on Preference shares	-	340,411
Dividend Distribution tax	-	57,853
Adjustment due to Audited/Unaudited figure on JV	-	(308,013)
Transfer to Capital Redemption Reserve	-	500,000
Carrying value of assets where useful life is nil as on 01.04.2014 after considering residual value) (Net of deffered tax of Rs. 485,571)	1,084,787	-
	450,548,962	64,261,118
Foreign Currency translation reserve	(1,199,229)	(559,812)
	544,086,273	153,539,387

5 DEFERRED TAX LIABILITIES (Net)
Deferred Tax Liability

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Difference between Depreciable Assets as per books of accounts and written down value for tax purpose	694,063	41,945,213
Deferred Revenue Exp. (CWIP-R&D)	-	3,563,587
Others (Gratuity)	-	372,771

SUB TOTAL (A)

	694,063	45,881,571
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Deferred Tax Assets

Disallowance U/S 43B		
a) Provision for leave encashment	256,570	1,865,182
b) Provision for bad/doubtful debts	-	34,858
c) Provision for Gratuity	321,301	-
d) Provision for bonus	34,976	1,180,161

SUB TOTAL (B)

	612,847	3,080,201
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Net Deferred tax Liability (TOTAL A - B)

	81,216	42,801,370
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6 LONG TERM BORROWINGS

	As at 31-03-2015 Rs.		As at 31-03-2014 Rs.	
	Non Current	Current	Non Current	Current
SECURED				
Term loan from banks	-	-	58,765,964	32,122,327
Term loan from Other Parties	-	-	10,619,400	1,769,900
Deferred Payment Liabilities	-	-	16,891,600	2,111,400
UNSECURED				
Public Deposits	-	-	-	58,543,000
Other Parties	-	1,723,005	-	819,859
	-	1,723,005	86,276,964	95,366,486

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

- 6.1 Term Loan from banks other than Vehicle Loans were secured by hypothecation of plant and machineries, some of moveable properties of the company, equitable mortgage of some of the immovable properties of the company. Vehicle loans of Rs. NIL (Previous Year: Rs. 1,64,929) were secured by hypothecation of respective vehicles.
- 6.2 Term Loan from other parties and deferred payment liabilities were secured by hypothecation of moveable assets including Plant and Machinery and equipments which has been procured through utilization of earmarked funds and intangibles to be generated from projects.
- 6.3 Secured Loans were guaranteed by some of the Directors of the company & Mrs. Lata P Desai.
- 6.4 Deposits includes deposits from Related Parties of Rs. NIL (Previous year Rs. 40,40,000) (Refer Note 33) carrying rate of interest as per standard norms of deposits.

6.5 Interest Rate Profile of Term Loans & Deposits are as set out below :

Particulars	As at 31-03-2015		As at 31-03-2014	
	Rate of Interest (p.a)	Amount (Rs.)	Rate of Interest (p.a)	Amount (Rs.)
Term Loan From Banks	-	-	14.85%	36,723,362
		-	6.82%	-
		-	13.50%	54,000,000
		-	11.04%	164,929
Term Loan From Other Parties	-	-	1.00%	4,690,300
		-	2.00%	7,699,000
Deferred Payment Liabilities	-	-	5.00%	19,003,000
Public Deposits	-	-	10.00%	303,000
		-	10.50%	5,268,000
		-	11.00%	4,565,000
		-	11.50%	18,522,000
		-	12.00%	29,885,000
		-		180,823,591

7 LONG TERM PROVISIONS:

	As at 31-03-2015 Rs.		As at 31-03-2014 Rs.	
	Non Current	Current	Non Current	Current
Leave Encashment (Unfunded)	430,415	35,728	3,461,899	2,286,850
Gratuity (Unfunded)	921,809	23,473	-	-
Interest accrued but not due on borrowings	-	-	2,888,038	3,432,573
	1,352,224	59,201	6,349,937	5,719,423

8 SHORT TERM BORROWINGS

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
SECURED		
Working Capital Loans from Banks	-	190,132,079
UNSECURED		
Loans and Advances from Related Parties (Refer Note No. 34)	-	2,800,000
Loans and Advances from Company	-	-
Loans and Advances from Directors (Refer Note No. 34)	-	631,686
	-	193,563,765

9 TRADE PAYABLES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Micro, Small and Medium Enterprises	-	
Others	1,040,690	106,113,823
	1,040,690	106,113,823

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 OTHER CURRENT LIABILITIES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Current maturities of long term debt (Refer Note No. 6)	1,723,005	95,366,486
Interest accrued but not due on borrowings (Refer Note No. 7)	127,280	3,432,573
Creditors for Capital Expenditure	-	15,026,698
Income received in advance	-	1,920,737
Unclaimed Dividend #	473,047	579,215
Statutory Dues	7,349,149	12,540,968
Security Deposits*(Refer Note No. 34)	-	22,396,513
Advance from Customers	-	19,447,013
Payable related to IVD Business Transfer	25,007,378	-
Other Payables	1,916,254	53,455,130
	36,596,114	224,165,333

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

* Security Deposit includes security deposit received from related party of Rs. NIL (Previous Year Rs. 5,00,000) and Security Deposit from stockiest carrying interest rates varying from 10-12% p.a.

11 SHORT TERM PROVISIONS :	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Provision for Employees Benefits	102,964	3,720,671
Provision for Current Obligation of Leave Encashment (Refer note 7)	642,869	2,286,850
Provision for Tax (Net of Advance Tax & TDS)	-	14,927
Provision for Gratuity	23,473	260,674
Provision for Leave encashment	-	682,573
Other Provisions	-	2,647,903
	769,306	9,613,598

SPAN DIAGNOSTICS LIMITED.**Notes on Consolidated Financial Statements for the Year ended on March 31, 2015****12 FIXED ASSETS**

Sr. No.	Name of Assets	GROSS BLOCK		DEPRECIATION/AMORTISATION			NET BLOCK						
		As at 01-04-2014 Rs.	Additions Rs.	Deductions/ Adjustments Rs.	As at 31-03-2015 Rs.	Balance as at 01-04-2014 Rs.	For the Year Rs.	Retained Earning due to Secchule II Rs.	Deductions/ Adjustments Rs.	Balance as at 31-03-2015 Rs.	As at 31-03-2015 Rs.	As at 31/03/2014 Rs.	
Tangible Fixed Assets - Owned (except leasehold land)													
1	Leasehold Land	11,538,900	-	11,538,900	-	-	-	-	-	-	-	11,538,900	
2	Free hold Land	798,300	-	798,300	-	-	-	-	-	-	-	798,300	
3	Buildings & Roads	166,924,750	13,522,803	166,254,496	15,192,857	81,801	56,118,545	12,682,159	113,574,081	2,510,698	12,682,159	113,574,081	
4	Plant & Machineries	186,460,809	7,912,639	188,336,643	6,036,805	132,131	94,456,386	3,658,784	109,751,487	2,378,021	3,658,784	109,751,487	
5	Electrical Installations	24,454,000	3,132,496	25,278,845	2,307,651	160,735	15,319,700	2,269,190	12,879,179	38,461	2,269,190	12,879,179	
6	Cold Rooms/Storages	14,085,974	823,766	14,909,740	-	15,588	8,405,635	-	7,029,172	-	-	7,029,172	
7	Equipments	25,378,099	2,104,083	27,482,182	-	19,297	19,357,404	-	7,724,412	-	-	7,724,412	
8	Laboratory Equipments	18,508,449	676,611	19,185,060	-	242,823	10,945,773	-	10,750,212	-	-	10,750,212	
9	R & D Equipments	12,534,659	4,538	12,539,196	-	187,150	8,519,840	-	6,177,564	-	-	6,177,564	
10	Furniture & Fixtures	35,459,564	1,434,339	36,014,125	879,778	129,019	22,059,396	700,140	18,379,442	179,638	700,140	18,379,442	
11	Computers & Softwares	11,451,817	220,804	11,295,596	376,826	133,481	10,553,483	144,300	1,493,081	232,526	144,300	1,493,081	
12	Office Equipments	4,764,958	584,876	4,574,854	774,980	437,411	4,114,754	620,297	1,352,111	154,684	620,297	1,352,111	
13	Vehicles	9,939,075	-	9,298,554	640,521	771,556	7,535,545	462,852	2,997,417	177,669	462,852	2,997,417	
Total (A)		522,299,353	30,416,556	526,506,491	26,209,418	1,539,436	43,664,724	20,537,722	304,445,358	5,671,696	20,537,722	304,445,358	
Intangible Assets													
1	Goodwill	1,107,891	629,386	322,120	1,415,157	-	322,120	-	1,415,157	-	1,415,157	1,415,157	
2	Technical Know how	136,412,749	-	136,412,749	-	-	46,733,641	-	103,925,326	-	-	103,925,326	
3	Software	12,772,868	5,538,201	18,224,205	86,864	1,183	10,995,885	54,561	3,453,479	32,303	54,561	3,453,479	
Total (B)		150,293,508	6,167,587	154,959,074	1,502,021	1,183	58,051,646	1,469,718	108,793,962	32,303	1,469,718	108,793,962	
Total (A+B)		672,592,861	36,584,143	681,465,565	27,711,439	1,540,619	315,438,106	22,007,440	413,239,319	5,703,999	22,007,440	413,239,319	
Previous Year		578,141,321	94,757,868	306,327	672,592,861	412,609,934	183,857	259,982,928	366,452,373	412,609,934	412,609,934	366,452,373	
Capital Work-in-Progress													
Intangible Assets under Development													

12.1 Land Cost includes Rs.950/- being the cost of 19 shares fully paid up of Rs.50/- each of Udhna Udyog Nagar Sahakari Sangh Ltd., Udhna.

12.2 Leasehold land cost includes cost of land allotted by G.I.D.C. on lease. This lease is for 99 years and same is treated as perpetual lease hence no amortisation is done

12.3 In accordance with AS-16 related to Borrowing costs which amounts to Rs.1,71,142 has been capitalized during the year (Previous year Rs.11,75,812).

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

13 NON CURRENT INVESTMENTS	31-03-2015 Rs.	31-03-2014 Rs.
Non Traded Investments(Unquoted fully Paid Up)		
Investment in Equity Shares		
Investment in Others		
Sachin Infra Management Ltd. (NIL Shares(Previous Year - 200 shares) of Rs.10 each)	-	2,000
Investment in Non Convertible Debentures		
Reliance Capital NCD Seris XIX- JM (100 Units (Previous Year - NIL) of Rs. 100,000 each)	39,500,000	-
Aggregate Amount of Unquoted Investments (At Cost)	39,500,000	2,000
14 Deferred Tax Asset/ (Liability)	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Deferred Tax Assets		
Difference between Depreciable Assets as per books of accounts and written down value for tax purpose	551,812	135,754
Provision for Leave Salary	-	216,489
Provision for Gratuity	-	44,701
	551,812	396,944
15 LONG TERM LOANS AND ADVANCES (Unsecured and Considered Good)	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Capital Advances	-	17,828,617
Loans and Advances to Related Parties	-	582,421
Advance Income Tax (Net of Provision)	6,383,754	9,909,605
MAT Credit Entitlement	-	7,535,000
Security Deposits (Refer Note No. 34)	1,210,884	6,588,130
Receivable on account of sale of IVD Business - Escrow Account 1	40,000,000	-
	47,594,637	42,443,773
16 OTHER NON CURRENT ASSETS	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Advance to Gratuity Trust	48,267	1,264,941
Term Deposit Maturing after one year *	7,299,274	1,947,099
	7,347,541	3,212,040

* Includes deposits of Rs. NIL (Previous Year Rs. 1,947,099) held as margin money deposits against guarantees.

17 CURRENT INVESTMENTS	31-03-2015 No. Shares	31-03-2014 No. Shares	31-03-2015 Rs.	31/03/2014 Rs.
Investment in Equity shares (Quoted)				
Alstom T&D India Ltd.	360	-	205,782	-
Atul Auto Ltd.	370	-	204,384	-
Axis Bank Ltd.	550	-	300,589	-
Bharat Electricals Ltd.	129	-	412,761	-
Colgate Palmolive(I) Ltd.	150	-	301,336	-
HDFC Bank Ltd.	295	-	301,697	-
P I Industries Ltd.	475	-	287,946	-
Synphony Ltd.	80	-	202,971	-
Tech Mahindra Ltd.	925	-	582,473	-
Ultratech Cement Ltd.	143	-	403,780	-
Va Tech Wabag Ltd.	500	-	409,824	-
Wabco (India) Ltd.	36	-	201,498	-
Total Investment in Equity shares			3,815,041	
Investment in Bonds (Unquoted)				
	No. Bonds	No. Bonds		
11 % Bank of India Perpetual Bonds (Face value of Rs. 10,00,000)	22	-	23,870,000	-
11.85 % Bank of India Perpetual Bond (Face value of Rs. 1,000)	32,200	-	34,058,262	-
Total Investment in Bonds			57,928,262	-
Investment in Mutual Fund (Unquoted)				
	No. Units	No. Units		
Edelweiss Arbitrage Fund	7,652,077.56	-	80,000,000	-
FAIT Forefront Alternative Equity fund	1,343,248.32	-	20,021,922	-
Franklin India Ultra Short Term Bond Fund	660,623.50	-	12,116,472	-
ICICI Prudential Flexible Income Fund	57,172.02	-	15,000,000	-
JP Morgan India Government Securities Fund	3,410,728.45	-	40,000,000	-
Kotak Treasury Advantage Fund	675,639.16	-	15,000,000	-
132 G-Birla Sunlife Savings Fund	44,726.90	-	12,000,000	-
92 Birla Sunlife Frontline Equity Fund	3,106.17	-	500,000	-
BNP Paribas Equity Fund	7,388.80	-	500,000	-
BNP Paribas Money Plus Fund	95,099.07	-	2,000,000	-
Frankline India Low Duration Fund	689,512.66	-	10,559,000	-
Franklin India Prima Plus Fund	1,149.49	-	500,000	-
ICICI Prudential Equity Arbitrage Fund	729,159.81	-	10,038,270	-
JM Money Manager Super Plus Plan	615,493.36	-	6,169,283	-
Kotak Equity Arbitrage Fund	931,419.58	-	10,000,000	-
Motilal Oswal Most Focus Multicap 35 Fund	29,786.37	-	500,000	-
Motilal Oswal Most Ultra Short Term Bond	178,310.33	-	2,000,000	-
153 G Birla Sunlife Cash Plus Fund	446,591.46	-	100,000,000	-
HDFC Corporate Debt Opportunities Fund	891,686.80	-	10,000,000	-
Kotak FMP Series 172	1,000,000.00	-	10,000,000	-
Total Investment in Mutual fund			356,904,947	-
			418,648,250	-
Aggregate value of provision in the value of investment			487,511	-

Particulars	Book Value As at March 31,		Market Value As at March 31,	
	2015	2014	2015	2014
Quoted	3,841,122	-	3,865,502	-
Unquoted	420,690,237	-	421,107,252	-
Total	424,531,359	-	424,972,754	-

18 INVENTORIES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
	Raw Materials	804,304
Packing Materials	1,178,696	26,305,872
Consumable Stores	-	15,662,052
Work-in-Process	-	10,718,737
Semi-Finished	-	17,247,207
Finished Goods	295,321	51,573,804
Stock in Trade	-	9,379,590
	2,278,321	172,613,056

For Mode of valuation refer Note No. 2 (x) of Notes on Financial Statements

19 TRADE RECEIVABLES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
	Unsecured	
Exceeding six months		
Considered Good	-	16,385,525
Considered Doubtful	-	107,438
Less : Provision for Doubtful Debts	-	107,438
	-	16,385,525
Others - Considered Good	7,730,978	165,766,826
	7,730,978	182,152,351

20 CASH AND CASH EQUIVALENTS	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
	Bank Balances with Banks :	
In Current Accounts*	78,613,649	12,491,691
In Fixed Deposit Accounts #	19,281,311	25,821,194
Cash on Hand	16,579	213,220
	97,911,539	38,526,105

* Includes Earmarked Balances of Rs. 473,047 (Previous Year Rs. 579,215) in respect of Unpaid Dividend .

Includes deposits of Rs. 19,281,311 (Previous Year Rs. 3,122,561) held as margin money deposits against guarantees.

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

21 SHORT TERM LOANS AND ADVANCES	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Unsecured and considered good		
Loans and Advances to Related Parties (Refer Note No 34)	-	358,177
Current maturities of long term loan and advance to Related Parties (Ref Note no. 14.1 & 34)	-	220,387
Balance with Statutory Authorities	6,332,133	7,399,264
Security Deposits	-	1,123,926
Advance to Sundry Creditors	13,032	3,374,903
Prepaid Expenses	942,722	10,818,563
Others	4,905,025	2,966,039
	12,192,912	26,261,259
22 OTHER CURRENT ASSETS	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Interest Accrued but not due	1,698,757	-
	1,698,757	-
23 REVENUE FROM OPERATIONS	2014-15 Rs.	2013-14 Rs.
Sales of Products	759,977,984	817,169,434
Less : Excise Duty recovered on Sales	11,420,122	8,848,857
	748,557,863	808,320,577
Sales of Services (net of service tax)	3,321,656	3,293,281
Other Operating Income	4,429,980	1,638,295
	756,309,499	813,252,153
24 OTHER INCOME	2014-15 Rs.	2013-14 Rs.
Interest Income	5,652,537	3,489,676
Dividend Income	94,243	-
Exchange Gain	10,175,669	-
Profit on Sale of Fixed Assets	-	-
Profit on sale on Investment	101,698	-
Leave and License Fees Income	977,847	1,204,500
Other Non Operating Income	4,190,912	898,330
	21,192,906	5,592,506

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

25 COST OF MATERIALS CONSUMED	2014-15	2013-14
	Rs.	Rs.
Raw Materials consumed	150,246,491	175,087,140
Packing Materials consumed	112,068,697	142,495,866
	262,315,188	317,583,006
26 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROCESS AND STOCK-IN-TRADE	2014-15	2013-14
	Rs.	Rs.
Closing Stock as on date of business transfer		
Work-in-process	-	10,718,737
Semi-Finished	14,697,518	17,247,208
Finished Goods	38,198,493	51,573,804
Stock-In-Trade	11,446,104	9,379,590
	64,342,115	88,919,339
Less : Excise Duty	2,091,396	1,580,802
	62,250,719	87,338,537
Opening Stock		
Work-in-process	10,718,737	9,447,940
Semi-Finished	17,247,208	11,458,618
Finished Goods	51,573,804	36,960,000
Stock-In-Trade	9,379,590	14,333,494
	88,919,339	72,200,052
Less : Excise Duty	1,580,802	3,157,033
	87,338,537	69,043,019
	25,087,818	(18,295,518)

As on March 31, 2015, the Company does not have any inventory. All the inventory was transferred as per Business Purchase Agreement dated January 24, 2014 to Arkray Healthcare Pvt. Ltd. on March 5, 2015. Changes in inventories of Finished Goods, Work-in-progress and Stock-in-Trade is calculated till the date of transfer.

27 EMPLOYEE BENEFITS EXPENSES	2014-15	2013-14
	Rs.	Rs.
Salaries,Wages,Benefits and other allowances (including Directors' Remuneration)	164,722,851	160,063,190
Contribution to Provident and other funds	11,073,639	12,585,368
Staff Welfare Expenses	4,208,314	4,526,024
	180,004,804	177,174,582

27.1 EMPLOYEE BENEFITS

Disclosures pursuant to Accounting Standard – 15 (Revised) ' Employee Benefits' in relation to Holding company.

Defined Contribution Plan

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

	2014-15	2013-14
	Rs.	Rs.
Employer's Contribution to Provident Fund and Family Pension Fund	6,165,066	6,275,977
Employer's Contribution to Employee State Insurance Fund	1,001,106	1,821,509
Employer's Contribution to Super Annuation Fund	1,222,339	1,298,250

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

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:

	Gratuity (Non Funded) 2014-15 Rs.	Gratuity (Funded) 2013-14 Rs.
Defined Benefit obligation at beginning of	26,886,018	25,537,130
Current Service Cost	1,429,063	1,506,155
Interest Cost	2,508,465	2,106,813
Actuarial (gain) / loss	1,312,115	1,286,380
Benefit Paid	(3,966,356)	(3,550,460)
Liability Transferred Out/ Divestments	(27,224,023)	
Defined Benefit obligation at year end	<u>945,282</u>	<u>26,886,018</u>

ii) Reconciliation of opening and closing balances of Fair value of plan assets:

	Gratuity (Non Funded) 2014-15 Rs.	Gratuity (Funded) 2013-14 Rs.
Fair value of plan assets at beginning of year	28,034,950	29,419,075
Expected return on plan assets	2,439,041	2,559,460
Actuarial (gain) / loss	1,242,986	(393,125)
Employer's contribution	916,587	-
Benefit Paid	(3,966,356)	(3,550,460)
Fund Balance Transferred Out - Business Transfer	(28,667,208)	
Fair value of plan assets at year end	-	28,034,950
Actual return on plan assets	-	<u>2,166,335</u>

iii) Reconciliation of Fair value of assets and obligation:

	Gratuity (Non Funded) As at March 31, Rs.	Gratuity (Funded) As at March 31, 2014 Rs.
Fair value of plan assets	-	28,034,950
Present value of obligation	945,282	26,886,018
Amount recognized in Balance Sheet as liability/(asset)	<u>945,282</u>	<u>(1,148,932)</u>

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015
iv) Expense recognized during the year :

	Gratuity (Non Funded) 2014-15 Rs.	Gratuity (Funded) 2013-14 Rs.
Current Service Cost	1,429,063	1,506,155
Interest Cost	69,424	2,106,813
Expected return on plan assets	-	(2,559,460)
Actuarial (gain) / loss recognized in the year	69,129	1,679,505
Net Cost recognized in Statement of Profit & Loss	<u>1,567,616</u>	<u>2,733,013</u>

v) Investment Details :

Till March 4, 2015 the Company the gratuity fund of the Company was managed by Life Insurance Corporation of India (LIC). From March 5, 2015, the fund balance along with corresponding liability is transferred to Arkray Healthcare Pvt. Ltd., hence the same is

vi) Actuarial assumptions:
Indian Assured Lives Mortality (2006-08) Ultimate

	Gratuity (Non Funded) 2014-15	Gratuity (Funded) 2013-14
Discount rate (per annum)	7.92%	9.33%
Expected rate of return on plan assets (per annum)	7.92%	8.70%
Rate of escalation in salary (per annum)	7.00%	7.00%

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

	Gratuity (Non Funded) 31.03.2015	Gratuity (Funded) 31.03.2014	Gratuity (Funded) 31.03.2013	Gratuity (Funded) 31.03.2012	Gratuity (Funded) 31.03.2011
Fair value of plan assets	-	28,034,950	29,419,075	28,201,375	24,891,994
Present value of obligation	945,282	26,886,018	25,537,130	23,402,421	21,903,981
Surplus/(Deficit) in Plan	(945,282)	1,148,932	3,881,945	4,798,954	2,988,013
Experience Adjustments					
Actuarial (Gain)/Losses on Obligations	1,228,367	2,814,421	(124,969)	(7,747,796)	(2,648,033)
Actuarial (Gain)/Losses on Plan Assets	(2,439,041)	(393,125)	133,737	333,413	-

viii) Expected contribution for next twelve months is Rs. 305,010.
28. FINANCE COSTS

	2014-15 Rs.	2013-14 Rs.
Interest Expenses	42,213,120	41,366,010
Other Borrowing Costs	1,733,961	2,766,418
	<u><u>43,947,081</u></u>	<u><u>44,132,428</u></u>

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

29. OTHER EXPENSES

	2014-15	2013-14
	Rs.	Rs.
Manufacturing Expenses		
Processing charges	22,676,765	29,549,863
Laboratory Expenses	1,225,310	2,182,615
Power and Fuel	21,648,888	22,752,509
Stores Consumed	18,551,773	21,472,835
Excise duty paid	6,331,069	8,268,727
Repairs to Building	2,406,857	728,256
Repairs to Plant & Machineries	1,027,955	1,454,394
Research & Development Expenses	14,206,482	16,363,177
Other Manufacturing Expenses	999,545	629,958.00
	89,074,644	103,402,334
Selling & Distribution Expenses		
Liquidated Damage	3,056,423	3,901,005
Royalty (Refer Note No. 34)	9,353,340	7,551,776
Target Discount	1,628,228	3,027,166
Freight Outward Expenses.	31,013,565	33,135,168
Sales Commission	14,567,889	23,118,329
Travelling and Conveyance (Marketing)	18,377,791	20,162,126
Sales Promotion Expense (Refer Note No. 34)	15,724,805	6,800,988
Provision for Doubtful Debts	81,001	(31,246)
Other Selling & Distribution Expenses	1,148,055	1,608,560
	94,951,097	99,273,872
Administration and Other Expenses		
Communication Expenses	5,322,347	5,309,019
Printing and Stationery	37,119	755,867
Travelling and Conveyance (Others)	7,719,767	9,912,614
Directors' Sitting Fees & Allowances	200,000	255,000
Rates & Taxes	8,075,382	1,350,076
Insurance Charges	1,410,952	1,428,238
Rent (Refer Note No. 32)	4,444,180	2,619,187
Payment to Auditors (Refer Note 29.2)	1,115,637	1,028,339
Legal & Professional Charges	7,378,218	8,164,057
Electricity Charges	1,864,286	1,908,769
House Keeping Expenses	3,141,335	2,782,496
Security Charges	2,706,245	2,449,850
Exchange loss (Net)	-	6,143,111
Donation	2,520,000	25,000
Loss on sale of assets	271,085	84,472
Other Expenses	21,705,633	17,728,326
	67,912,186	61,944,421
	251,937,927	264,620,627

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

29.1 VALUE OF STORES & SPARES	2014-15 Value in Rs.	% of Consumption	2013-14 Value in Rs.	% of Consumption
Stores and Spares				
Imported	2,847,185	15.35%	1,884,109	8.77%
Indigenous	15,704,589	84.65%	19,588,726	91.23%
	18,551,773	100.00%	21,472,835	100.00%

29.2 AUDITOR'S REMUNERATIONS	2014-15 Rs.	2013-14 Rs.
Particulars		
Audit Fees	452,065	401,446
Tax Audit Fees	75,000	124,500
Other Services	415,000	297,328
Service tax on above fees	97,827	74,467
Reimbursement of Expenses	75,745	130,598
	1,115,637	1,028,339

29.3 EXPENDITURE AND EARNINGS IN FOREIGN EXCHANGE	2014-15 Hs.	2013-14 Hs.
a) Earnings in Foreign Exchange		
Export of Goods calculated on F.O.B. basis	150,596,030	112,895,500
Recovery of Expense		91,076
b) Expenditure in foreign currency		
1. Royalty	4,709,315	4,165,275
2. Bank Interest	-	106,391
3. Dividend	-	46,500
4. Technical Know-how	6,789,204	11,441,371
5. Salary and Other cost	831,505	2,048,876
6. Marketing expenses	12,187,135	2,102,451
7. Sales Promotion	843,483	1,751,067
8. Foreign Travelling expenditure	1,756,711	4,563,172
9. Other expenses	615,371	2,244,540
c) Value of imports calculated on CIF basis		
Raw Materials & Packing Materials	120,448,902	133,425,596
Traded Goods	18,823,965	27,648,073
Capital Goods	-	3,036,225
Consumable Stores	2,409,595	7,745,785

30 EARNING PER SHARE	2014-15	2013-14
Profit/(Loss) after taxation as per Statement of Profit and Loss (Amt. in Rs.)	389,872,631	(62,968,356)
Weighted average number of equity shares outstanding	7,276,000	7,276,000
Basic and Diluted Earning per shares (face value – Rs. 10 per share) (Amount in Rs.)	53.58	(8.65)

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

31 CONTINGENT LIABILITIES AND COMMITMENTS

A Contingent Liabilities

Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
a) Taxes		
(1) Sales tax		
Demands under contest (Net of Tax)	837,838	837,838
C-Form Pending (Net of Tax)	3,940,707	3,091,000
(2) Income tax		
Demands under dispute	21,607,889	21,607,889
b) Claims against the Company not acknowledged as Debts	2,542,704	2,542,704
c) On account of guarantees given by the bank on behalf of	-	53,878,577
d) The Company has imported material under the Advance Authorization Scheme of the Government of India, at concessional rates of customs duty by undertaking obligations to export certain quantity of specified products.	-	77,392

B Capital Commitments :

Particulars	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Estimated amount of contracts (Net of advances) remaining	-	25,858,513

32 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	(Amount in Rs.)	
	2014-15	2013-14
Rent paid under this agreement	4,444,180	2,619,187

- iii) The Company has given premises under operating lease arrangements. This asset has been capitalized and consequently depreciation has also been provided on the asset.

Particulars	2014-15	2013-14
Rent received during the year under this agreement	977,847	1,204,500

Future minimum lease rental in respect of assets given on non-cancelable operating lease for premises is as under.

Particulars	2014-15	2013-14
Receivable within one year	-	937,500
Receivable between one year and five year	-	-
Receivable after five year	-	-

33 SEGMENT REPORTING

The Company operates in a single segment – Diagnostic Products, which is considered as primary business segment.

In respect of geographical segment:

	2014-15		2013-14	
	In India	Outside India	In India	Outside India
Revenue	609,381,954	150,596,030	704,273,934	112,895,500
Assets (Debtors)	7,730,978	-	173,235,073	8,917,278
Capital Expenditure	36,584,143	-	91,721,643	3,036,225

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

34 RELATED PARTY DISCLOSURES

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

A: Relationship

(i) Key Management Personnel :

Dr. Pradip K. Desai (Upto March 04, 2015)
Mr. Veeral P. Desai
Ms. Sujata V. Desai (Upto March 04, 2015)

(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.

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

B: Transactions with related parties :

Particulars	Referred	Referred	Referred
	In A(i) Above	In A(ii) Above	In A(iii) Above
Purchase:			
Goods and Material	-	-	317,750
	-	-	177,200
Expenses :			
Remuneration/Appreciation	16,619,413	-	-
	12,249,463	-	-
Interest on F.D./Loan	155,582	319,515	309,764
	249,739	395,076	234,312
Rent paid	35,000	79,516	-
	-	105,000	-
Dividend Paid	-	-	-
	992,624	406,780	-
Garden Expense	-	-	619,300
	-	-	720,000
Evaluation & Testing Charges	-	-	30,000
	-	-	262,000
Royalty	-	-	1,712,738
	-	-	1,232,220
Balance Sheet Items :			
Deposits Accepted	500,000	2,000,000	-
	800,000	400,000	-
Deposits Repaid	1,400,000	5,140,000	-
	-	-	-
Loan & Advances received	952,000	-	-
	5,000,000	400,000	3,400,000
Loan & Advances Repaid	1,583,686	2,800,000	-
	-	-	-
Purchase of Technology	-	-	-
	-	-	11,414,250
Prepaid expenses	105,000	105,000	-
	-	-	-
Balance as at March 31, 2015			
Rent Deposits given	200,000	-	-
	-	-	-
Deposits/Loans accepted	-	-	-
	1,531,686	3,140,000	2,800,000
Trade and Other Payables	-	-	-
	-	-	7,727,722
Prepaid expense	210,000	-	-
	-	-	-

Figures of Previous Year are represented in *Italic form*

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

- Purchase / materials consumed from Span Nihon Kohden Diagnostics Pvt. Ltd.- NIL (Previous year-Rs.52,362) Span Diagnostics SARL Rs.317,750 (Previous year- Rs.177,200)
- Payment to Key Management Personnel include to Dr.Pradeep K. Desai Rs. 6,039,104 (Previous Year Rs.4,164,600), Shri Veeral P. Desai Rs.5,761,050 (Previous Year Rs.4,278,800), Dr. Madhukanta T. Patel -NIL(Previous Year Rs.572,463), Ms. Sujata V. Desai Rs.4,119,259 (Precious Year Rs.3,233,600), Payment of appreciation to Sujata V. Desai Rs.700,000(Previous Year- Rs.NIL) (Note : Amount mentioned here includes expesne related to Gratuity & Leave encashment. However, amount attributable to each Key Management Personnel is not available as provision for Gratuity & Leave Encashment is made based on Acturial Valuation.)
- Interest on F.D./Loan includes Dr. M. T. Patel Rs.- NIL (Previous Year Rs.117,165), Mr.Veeral P. Desai Rs.34,116 (Previous Year Rs.19,130), Dr.Pradeep K. Desai Rs. 89,228 (Previous Year Rs.97,315), Ms.Sujata V. Desai Rs.32,238 (Previous Year Rs.16,129), Mrs. Shital S. Kazi Rs. 21,541 (Previous Year Rs.23,000), Mrs. Tejal V.Desai Rs.56,091(Previous Year Rs.117,233), Dr.Harshad R.Gandhi Rs. 98,576(Previous Year Rs. 103,024), Mrs.Kokila H. Gandhi Rs. 126,084 (Previous Year Rs.143,202), Shri Sunil T. Patel Rs.NIL(Previous Year Rs.8,617), Desai Agri Bio-Tech Pvt.Ltd. Rs. 309,764(Previous Year Rs.234,312) Dr. Uday D Desai Rs.1,726 (Previous year- Rs.-NIL)
- Rent paid to Mrs.Shital S.Kazi Rs. 44,516(Previous Year Rs.48,000), Mr. Veeral Desai- Rs.35,000(Previous year Rs.-NIL), Ms. Sujata Desai- Rs.35,000(Previous year Rs. - NIL)
- Dividend Paid to Dr.Pradeep K. Desai Rs.NIL(Previous Year Rs.653,440), Shri Veeral P. Desai Rs.NIL(Previous Year Rs.262,316), Dr.Madhuben T. Patel Rs.NIL(Previous Year Rs.26,080), Ms. Sujata V. Desai Rs.NIL(Previous Year Rs.50,788), Mrs. Lataben P. Desai Rs.NIL(Previous Year Rs.358,530), Mrs.Shital S. Kazi Rs.NIL(Previous Year Rs.19,750), Mrs.Tejal V. Desai Rs.NIL(Previous Year Rs.5,000), Shri Prakash K. Desai Rs.NIL(Previous Year Rs.13,500), Shri Sunil T. Patel Rs.NIL(Previous Year Rs.5,000), Mrs.Sudhaben I. Patel Rs.NIL(Previous Year Rs.5,000)

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

- f) Gardening Expense paid to Desai Agri Bio-Tech Pvt. Ltd. Rs. 619,300 (Previous Year Rs.720,000).
 g) Evaluation & Testing Charges paid to Quest Biochemicals Pvt. Ltd. Rs.NIL (Previous Year Rs.262,000).
 h) Royalty paid to Span Diagnostics SARL Rs.1,712,738 (Previous Year Rs..1,232,220)
 i) Loan received in the nature of fixed deposit from Dr.Pradeep K. Desai Rs.NIL (Previous Year Rs.4,200,000), Shri Veeral P. Desai Rs.NIL(Previous Year Rs.500,000),Ms. Sujata V. Desai Rs.NIL(Previous Year Rs.300,000), Mrs. Tejal V. Desai Rs.NIL(Previous Year Rs.Nil , Dr. Harsad R. Gandhi Rs.NIL(Previous Year Rs.200,000), Mrs. Kokila H. Gandhi Rs.NIL(Previous Year Rs. 200,000)

35 Unhedge foreign currency exposure

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

Particulars	31-03-2015		31-03-2014	
	Amount (In Original Currency)	Amount (In Indian Rs.)	Amount (In Original Currency)	Amount (In Indian Rs.)
Foreign Currency Receivables				
USD	-	-	74,308	6,365,151
EURO	-	-	47,833	2,552,128
ZAR	397,801	2,042,666	375,001	2,138,752
Foreign Currency Payables				
EUR	-	-	568,995	47,677,110
GBP	-	-	22,502	2,276,752
USD	-	-	260,732	15,704,121
ZAR	161,460	829,081	85,440	508,368

36. Disclosure as per Accounting Standard 24 - Discontinuing Operation

The company has entered into Business Purchase Agreement (BPA) for transfer of IVD business with the Arkray Healthcare Pvt Ltd (Purchaser) on January 24, 2014. The company had obtained shareholders' approval for the said agreement.

Pursuant to BPA, the transfer of IVD business was completed on March 5, 2015. In view of the same, information required under Accounting Standard - 24 "Discontinuing Operations" are as follows;

Particulars	2014-15	2014-15	2014-15	2013-14	2013-14	2013-14
	Continuing operation	Discontinuing operation	Total	Continuing operation	Discontinuing operation	Total
Total Revenue	29,836,399	747,666,005	777,502,404	4,150,263	814,694,397	818,844,660
Cost of materials	6,562,350	306,156,367	312,718,717	82,124	332,526,121	332,608,245
Employee benefit expense	11,882,992	168,121,811	180,004,804	4,428,974	172,745,608	177,174,582
Finance Cost	394,351	43,552,730	43,947,081	-	44,132,428	44,132,428
Depreciation and amortisation expense	726,938	58,891,621	59,618,559	2,607,531	45,870,306	48,477,837
Other expense	12,615,659	239,322,268	251,937,927	2,141,399	262,479,228	264,620,627
Total Cost	32,182,290	816,044,798	848,227,088	9,260,028	857,753,693	867,013,720
Profit Before Exceptional Items & Tax	(2,345,891)	(68,378,793)	(70,724,684)	(5,109,765)	(43,059,296)	(48,169,061)
Exceptional Items	-	518,492,124	518,492,124	-	-	-
Profit After Exceptional Items before Tax	(2,345,891)	450,113,332	447,767,440	(5,109,765)	(43,059,296)	(48,169,061)
Income tax expense	2,731,356	55,184,200	57,915,556	(3,537,379)	(11,067,895)	(14,605,274)
Profit After tax	(5,077,247)	394,929,132	389,851,885	(1,572,386)	(31,991,401)	(33,563,787)

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

Particulars	2014-15		2013-14		2013-14	
	Continuing operation	Discontinuing operation	Total	Continuing operation	Discontinuing operation	Total
Total Assets	658,408,828	-	658,408,828	69,680,180	826,086,671	895,766,851
Total Liabilities	41,562,555	-	41,562,555	48,109,026	620,775,764	668,884,791
Net Assets	616,846,273	-	616,846,273	21,571,154	205,310,906	226,882,060

Cash Flow

Particulars	2014-15		2013-14		2013-14	
	Continuing operation	Discontinuing operation	Total	Continuing operation	Discontinuing operation	Total
Net Cash inflow/(outflow) from operating activities	90,570,873	518,564,507	609,135,379	2,371,561	79,723,187	82,094,748
Net Cash inflow/(outflow) from investing activities	(534,276,959)	412,968,514	(121,308,445)	-	(48,016,875)	(48,016,875)
Net Cash inflow/(outflow) from financing activities	(98,652,299)	(323,249,317)	(421,901,616)	-	(39,025,205)	(39,025,205)
Net cash inflow/(outflow) for the year attributable	(542,358,385)	608,283,704	65,925,318	2,371,561	(7,318,893)	(4,947,332)

Information of Discontinued Operations**FY 14-15**
(Amount in Rs.)

Net Selling Price	655,631,094
Net Assets transferred	141,605,837
Gain on sale of IVD Business (pre tax)	514,025,257
Income Tax expense on sale of IVD Business	97,500,000

Exceptional Items**FY 14-15** **FY 13-14**

Following are details of exceptional items;	(Amount in Rs.)	(Amount in Rs.)
Gain on sale of IVD business	514,025,257	-
Non Compete Fees	50,000,000	-
Professional fees for execution of sale of IVD business	(45,533,133)	-
Exceptional Items	518,492,124	-

38 Enterprise consolidated as subsidiary in accordance with accounting Standard 21- Consolidated Financial Statements

Name of Enterprise	Country of incorporation	Proportion of Ownership interest
Span Diagnostics south Africa (Pty) Ltd.	South Africa	100%

39. Significant Enterprise consolidated as Joint ventures in accordance with Accounting Standard 27- Financial Reporting of Interests in Joint ventures respectively

Name of Enterprise	Country of incorporation	Proportion of Ownership interest
Span Nihon Kohden Diagnostics Private Limited	India	45%

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

Additional Information, as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary/Joint Ventures

Name of the Enterprise	Net Assets i.e, total assets minus total		Share in Profit or Loss	
	As % of consolidated net assets	Amount	As % of consolidated profit & Loss	Amount
Parent Span Diagnostics Limited	93.92%	579,350,188	101.99%	397,613,130
Subsidiaries Span Biotronics Private Limited*	-	-	-3.16%	(12,315,436)
Span Diagnostics south Africa (Pty) Ltd.	-0.03%	(156,741)	-0.25%	(955,445)
Joint Venture Span Nihon Kohden Diagnostics Private Limited	6.10%	37,652,827	1.41%	5,509,638

*The results of operations of subsidiary with which parent subsidiary relationship ceases to exist are included in Consolidated Statements of Profit and Loss until the date of cessation (March 4, 2015) of relationship.

Salient Features of Financial Statements of Subsidiary / Joint Ventures as per Companies Act, 2013
PART A : Subsidiaries

Sr. No.	Name of Subsidiary	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before taxation
1	Span Diagnostics south Africa (Pty) Ltd.	ZAR	6,177	(419,284)	3,900,011	4,313,118	-	1,331,332	374,201

Names of Subsidiaries which have been sold during the year

Sr. No.	Name of Subsidiary Company	Country of incorporation	Proportion of Ownership
1	Span Biotronics Private Limited	India	95.24%

PART B:- Joint Ventures

Sr. No.	Name of Joint ver	Shares of Joint Venture held by the company on year end					Profit/Loss for the year		
		Latest Audited Balance Sheet Date	Number	Amount of Investment in Joint Venture	Extent of Holding %	Net worth attributable to shareholding as per latest audited balance sheet	Considered in consolidation	Not considered in consolidation	Description of how there is significant influence
1	SPAN NIHON KOHDEN DIAGNOSTICS PRIVATE LIMITED	31-03-14	54,000	5,400,000	45%	83,547,004	37,652,827	45,894,177	Significant Influence due to % of share capital

Notes on Consolidated Financial Statements for the Year ended on March 31, 2015

41. In respect of Jointly controlled entities, the company's assets, liabilities, income and expenditure of joint venture companies are as follow;

Particulars		As at 31.03.15	As at 31.03.14
Non-current assets			
(a)	Fixed Assets		
	Tangible Assets	17,897,798	2,974,697
	Intangible assets	2,564	1,183
(b)	Deferred Tax Assets	(7,925)	260,179
(c)	Long-Term Loans and Advances	1,010,884	317,884
(d)	Other non-current assets	7,299,274	13,950,000
Current assets			
(a)	Inventories	2,278,322	2,163,999
(b)	Trade Receivables	7,677,062	6,908,281
(c)	Cash and Cash Equivalents	2,490,174	8,908,523
(d)	Short-Term Loans and Advances	1,443,461	210,244
(e)	Other Current Assets	540,004	549,741
Current liabilities			
(a)	Trade Payables	392,127	954,852
(b)	Other Current Liabilities	2,123,572	1,895,958
(c)	Short-Term Provisions	519,766	463,325
Income		28,983,659	28,467,625
Expenses		21,684,393	17,672,288

42. 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
Firm Registration No. 103523W

For and on behalf of the Board of Directors

Veeral .P. Desai
Managing Director
DIN:00029219

Dr. Pradip K. Desai
Director
DIN:00026451

Prashant Maharishi
Partner
Membership No. 41452

Pankaj Ajmera
Company Secretary

Place : Mumbai
Date : May 30, 2015

Place : Mumbai
Date : May 30, 2015

Form AOC 1

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries
Part A

01.	Name of Subsidiary	Span Diagnostics South Africa (Pty) Limited Wholly owned Subsidiary	
02	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2014 to March 31, 2015	
03	Reporting currency and Exchange Rate as on last date of the relevant financial year in the case of foreign subsidiaries	ZAR = INR 5.1349	
		ZAR	INR
04	Share Capital	1000	5135
05	Reserve & Surplus	(366604)	(1882475)
06	Total Assets	516982	2654651
07	Total Liabilities	516982	2654651
08	Investments	Nil	Nil
09	Turnover	Nil	Nil
10	Profit/(Loss) before Taxation	60944	312941
11	Provision for Taxation	17064	87622
12	Profit/(Loss) after Taxation	43880	225319
13	Proposed Dividend	Nil	Nil
14	% of Shareholding	100%	100%

Note:

1. During the year under review, company has sold its stake in Span Biotronics Private Limited with effect from March 05, 2015

For and On behalf of the Board of Directors

Mr. Veeral P Desai Dr. Pradip K Desai

Managing Director Director

**Mr. Pankaj Ajmera
Company Secretary**

SPAN DIAGNOSTICS LIMITED

**Regd. Office: 9th Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007
CIN: L24299GJ1980PLC003710**

Attendance Slip

Name of member: _____
(in Block Letters)

Regd. Folio No. / DP / Client ID No.(s): _____

I/We certify that I/We am/are registered shareholder /proxy for the registered shareholder of the Company.

I/We hereby record my/our presence at the 35th ANNUAL GENERAL MEETING held at DTA – 2, G 02 to G 05 Plot, Gujarat Hira Bourse, Gem & Jewellery Park, Icchapore-2, Surat – 394 510 on Sunday, September 20, 2015 at 10:30 A.M.

SIGNATURE OF THE MEMBER / PROXY

Note:

1. A Shareholder / Proxy-holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same duly signed at the entrance.
2. A Shareholder / Proxy-holder wishing to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

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**Form No. MGT-11
Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]
CIN: L24299GJ1980PLC003710

Span Diagnostics Limited

Registered office: DTA – 2, G 02 to G 05 Plot, Gujarat Hira Bourse, Gem & Jewellery Park,
Icchapore-2, Surat – 394 510 on Sunday, September 20, 2015 at 10:30 A.M.

Name of the member(s):	
Registered address:	
No. of Shares held:	
Folio No/ DP Id & Client Id:	
Joint Holder (s):	
E-mail Id:	

I/We, being the member (s) of _____ shares of Sadhana Nitro Chem Limited, hereby appoint:

- Name: Address:
E-mail Id: Signature: or failing him / her
- Name: Address:
E-mail Id: Signature: or failing him / her
- Name: Address:
E-mail Id: Signature: or failing him / her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual general meeting of the Company, to be held on DTA – 2, G 02 to G 05 Plot, Gujarat Hira Bourse, Gem & Jewellery Park, Icchapore-2, Surat – 394 510 on Sunday, September 20, 2015 at 10:30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		For	Against
Ordinary Business:			
1.	Adoption of Financial Statements for the year ended 31 st March, 2015		
2	Re-appointment of Dr. Pranav Desai, as Director of the Company, who retires by rotation		
3	Appointment of M/s. Haribhakti & Co. Chartered Accountants, as Statutory Auditors and fix their remuneration		
Special Business			
4	Appointment of Ms. Lataben P Desai, as Director of the Company		
5	Approval of the Remuneration of the Cost Auditors		
6	Special Resolution for authorising Board of Directors of the Company for making Donation in excess of Limited prescribed along with ratification of donation already made		

Signed this..... day of..... 20....

Signature of shareholder

Note:

- 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.**
- Proxy need NOT be a member of the company.
- In the 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.
- This form of proxy confers authority to demand or join in demanding a poll.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.
- *6. It is optional to put a "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your proxy will be entitle to vote in the manner as he/she thinks appropriate.

Affix Rs.1 Revenue Stamp

GREEN INITIATIVE

May 30, 2015

Dear Shareholders,

We wish to inform you that in order to save trees and environment by reducing the consumption of paper, the Ministry of Corporate Affairs, New Delhi (MCA) has taken "Green Initiative" in the Corporate Governance by permitting paperless compliances by Companies and clarified that the service of documents by a Company can be made through electronic mode instead of physical copy of document(s). Henceforth, we propose to send all communications / documents including notices calling AGM, Audited financial statements, Director's Report, Auditors Report in electronic form to the E-mail ID provided / updated by you and made available to us by the Depositories.

In order to join the initiative and to receive the documents in electronic form, kindly comply with the following:

For shareholders holding shares in demat form

In case you desire to receive the aforesaid documents in electronic mode, kindly update your E-mail ID in the Demat account by contacting your Depository Participant. Your e-mail ID as available with your depository would be used to send documents through electronic mode.

For shareholders holding shares in physical form

In case you desire to receive the aforesaid documents in electronic mode in lieu of physical mode, kindly register/update your e-mail ID with our Registrar and Share Transfer Agent, Link Intime India Private Limited. You can register/update your e-mail ID by mailing your E-mail ID with the following details to spangogreen@linkintime.co.in or secretarial@span.co.in along with a scan copy of letter duly signed by you. The signature mentioned in your letter should match with the specimen signature registered with the Company.

Folio No.: _____ Name: _____ E-mail ID: _____ Mode of dispatch: Electronic mode

Alternatively you may also register your Email ID by browsing our website www.span.co.in where link Go Green: www.linkintime.co.in/gogreen.asp has been provided to facilitate investor to update their Email ID to receive documents in electronics mode.

You may also send your consent in writing to our Registrar and Share Transfer Agent to the following address:

Link Intime India Private Ltd., Unit: Span Diagnostics Limited, C_13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai – 400 078.

Please note that, as a member of the Company, you will be entitled to be furnished, free of cost, with a printed copy of the Balance Sheet of the Company and all other documents required by law to be attached thereto including the Profit and Loss Account and Auditor's report and all other communication that may be sent to you, upon receipt of a requisition from you to this effect.

We are sure that you would appreciate and support in full measure the "Green Initiative" taken by MCA and your Company's desire to participate in such initiatives.

Yours truly,
For Span Diagnostics Limited

Pankaj Ajmera
Company Secretary

-----Tear Here-----

Date:

Link Intime india Private Limited
C – 13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (W),
Mumbai – 400 078

Unit: Span Diagnostics Limited

Name of Shareholder: _____

No. of Shares of Rs. 10 each in Span Diagnostics Limited: _____

(DP ID: _____) (Client ID _____)

Folio No.: _____

My Email ID is _____

Kindly register the aforesaid e-mail ID for receipt of documents by me in electronics mode.

Thanking you,

Yours faithfully,

(Signature)

Highlight

SPAN DIAGNOSTICS LTD.
FINANCIAL HIGHLIGHTS

	Rs. in Lacs										Rs. in Lacs
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
OPERATING RESULTS											
Total Revenue	7,500.16	7,966.79	8,002.59	5,970.20	8,509.78	8,187.28	6,956.14	6,489.78	5,551.78	4,741.45	4,187.60
Earning before Depreciation, Interest & Tax	360.73	495.44	856.04	805.88	1,023.63	1,301.43	782.82	929.01	630.31	545.48	433.23
Depreciation	583.28	476.73	303.85	270.63	233.44	208.60	182.07	144.66	110.80	110.10	83.44
Earning before Interest & Tax	(222.85)	18.71	552.19	535.25	790.19	1,092.83	600.75	784.35	519.51	435.38	349.79
Interest	43.63	441.32	337.71	288.11	327.98	311.28	368.34	281.39	173.81	174.59	129.98
Earning before Tax	4,067.87	(422.61)	174.48	247.14	462.21	781.55	232.41	502.96	345.70	260.79	219.81
Tax *	552.57	91.37	80.85	124.72	209.51	242.60	110.23	203.30	131.32	93.87	71.28
Profit/(Loss) after tax	3,515.29	(513.98)	93.63	122.42	252.70	538.95	122.18	299.66	214.38	166.92	148.53
Dividend & Dividend Distribution tax	0.00	0.00	42.28	0.00	84.56	101.57	0.00	73.71	63.18	0.00	51.31

SOURCES AND APPLICATION OF FUNDS

Share Capital	727.60	727.60	727.60	727.60	727.60	347.28	330.75	315.00	300.01	300.01	300.01
Reserves and surplus	5,151.42	1,646.24	2,160.22	2,108.88	1,986.46	1,944.09	1,440.67	1,256.25	1,023.86	878.80	712.76
Loans	0.00	2,798.41	3,275.84	2,526.43	1,679.65	2,271.59	3,022.83	2,510.65	1,759.28	1,373.13	1,309.41
Other Liabilities	353.71	3,846.04	2,697.92	2,209.95	2,003.78	2,039.87	1,483.81	1,523.57	1,681.66	1,203.57	1,020.28
EQUITY LIABILITIES	6,232.73	9,018.28	8,861.58	7,572.86	6,397.49	6,602.83	6,278.07	5,605.47	4,764.81	3,755.51	3,342.46

Fixed Assets (Net)	39.61	4,696.93	4,578.38	3,560.35	2,671.52	2,299.33	2,014.47	1,870.99	1,535.12	1,222.77	1,189.93
Investments	4,635.54	64.05	70.05	70.05	70.02	69.02	93.77	50.83	35.81	5.55	0.27
Other Assets	1,557.57	4,257.30	4,213.15	3,942.46	3,655.95	4,234.48	4,169.82	3,683.65	3,193.88	2,527.19	2,152.26
TOTAL ASSETS	6,232.73	9,018.28	8,861.58	7,572.86	6,397.49	6,602.83	6,278.07	5,605.47	4,764.81	3,755.51	3,342.46

AMOUNT ON FACE VALUE OF Rs.10/-

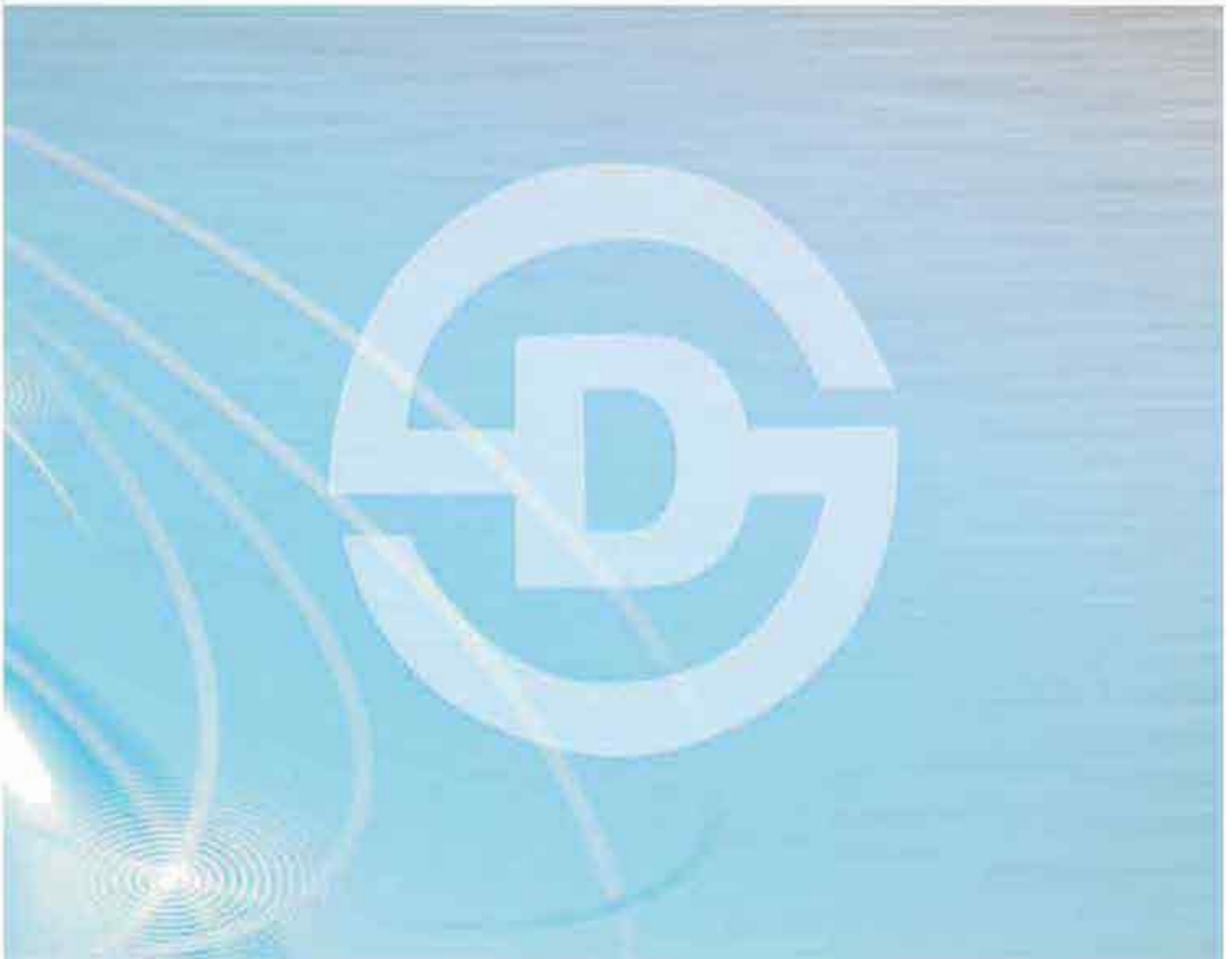
Highlight

Earnings Per Share	48.31	(7.06)	1.29	1.68	6.36	15.89	3.40	9.75	6.95	5.56	4.95
Dividend	0.00	0.50	0.50	-	1.00	2.50	-	2.00	1.80	-	1.50
Book Value	81	33	40	39	37	66	54	50	44	39	34

* Includes Deferred Tax

TO,

Book-Post
Printed Matter



Span Diagnostics Ltd.

CORPORATE OFFICE

Registered Office: Rajhans Bonista, Behind Ram Chowk Temple,

Ghod Dod Road, Surat – 395 007, Tel No.: 0261 - 2663232




Email: secretarial@span.co.in, Website: www.span.co.in



Span Diagnostics Ltd.
9th Floor, Rajhans Bonista,
Behind Ram Chowk, Ghod Dod Road,
Surat - 395 007, Gujarat, India
Phone: +91 261 266 32 32
E-Mail: contact@span.in

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the Company	Span Diagnostics Limited
2	Annual financial statements for the year ended	31 st March, 2015
3	Type of Audit observation	Unqualified
4	Frequency of observation	Since beginning of the year
5	To be signed by- Veeral P Desai Managing Director Prashant Mahrishi Haribhakti & Co. LLP Auditor of the Company Shyamal Ghosh Audit Committee Chairman	  

Date: 21/08/2015