



38th ANNUAL REPORT 2017 - 18

BOARD OF DIRECTORS

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

Chairman
Managing Director
Director
Director
Director
Director
Director
Director
Director

COMPANY SECRETARY

Ms. Samiksha Kansara (w.e.f. September 01, 2017)

BANKERS**HDFC BANK LIMITED**

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

STATUTORY AUDITORS

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

**HEAD OFFICE &
REGISTERED OFFICE**

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

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NOTICE

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

Notice is hereby given that the 38th Annual General Meeting of Shareholders of Span Divergent Limited (Formerly Span Diagnostics Limited) will be held at Hall at 1st Floor, The Southern Gujarat Chamber of Commerce and Industries, Samrudhdhi, Makkai Pool, Nanpura, Surat – 395 001 on Friday, September 28, 2018 at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt:
 - The Audited Financial Statements of the Company for the year ended on March 31, 2018, and the Reports of the Board of Directors and Auditors thereon.
 - The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018.
- To appoint a director in place of Ms. Lataben P. Desai (DIN: 00026472) who retires by rotation and being eligible, offer herself for reappointment
- To consider and if thought fit, to pass with or without modification, following resolution for ratification of appointment of M/s. Haribhakti & Co., LLP, Chartered Accountants as Statutory Auditor and fix their remuneration

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

Date: May 16, 2018

Place: Surat

For and on behalf of the Board of Directors

Registered Office:

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

CIN: L74999GJ1980PLC003710

**Samiksha Kansara
Company Secretary**

Notes :

- 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.
- Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- Members, proxies and authorized representatives are requested to bring to the meeting, the attendance slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
- The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 of person seeking appointment/reappointment as director under item No. 2 of the Notice are also annexed.
- 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.
- The Register of Members and the Share Transfer Books of the Company will remain closed on September 18, 2018 to September 28, 2018 (both days inclusive).
- Link Intime India Private Limited is the Registrar and Share Transfer Agents of the Company. Shareholders are requested to make all correspondence including change of address to them at the following address.

Link Intime India Private Limited

Unit: Span Divergent Limited

C – 101, 247 Park, L.B.S. Marg,

Vikhroli (West),

Mumbai – 400 083

Telephone No.: +91 22 49186270, Fax: +91 22 49186060

Email: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

- 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.
- 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.
- Pursuant to SEBI Circular, it is mandatory to provide PAN for transfer/transmission of shares in physical form. Therefore, transferee(s) / legal heirs are required to furnish a copy of their PAN to the Registrar and Transfer agents, M/s. Link Intime India Private Limited. Shareholders are further requested to get their KYC details of registered and / or joint holders updated with Company's Registrar and Transfer agents, M/s. Link Intime India Private Limited.

Shareholder holding shares in physical form shall fill KYC form attached in Annual Report and submit to Company's Registrar & Share Transfer Agent M/s. Link Intime India Private Limited.

BSE has issued a Circular to Listed Companies on July 05, 2018 informing about amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only. Thus transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository with effect from December 05, 2018. Accordingly physical transfer securities will not be permitted beyond December 05, 2018. It was further clarified as under by SEBI.

- a) the amendment does not prohibit the investor from holding the shares in physical form, investor has the option of holding shares in physical form even after December 5, 2018.
- b) The amendment is not applicable for transmission (i.e. transfer of title of shares by way of inheritance / succession) and transposition (i.e. arrangement / interchanging of the order of name of shareholder) cases.
- c) Any investor who is desirous of transferring shares (which are held in physical form) after December 05, 2018 can do only after the shares are dematerialized. Investor may refer to SEBI CIR/MRD/DP/22/2012 dated August 27, 2012 for details relating to Basic Services Demat Account facility.
- k) 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.
- l) 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.

m) Green Initiative

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

For supporting this initiative, if you hold shares in:

- a) **Electronic form**, please intimate your email address to your Depository Participants (DP). The same will be deemed to be your registered email address for servicing notices/documents.

- b) **physical form**, please send a duly signed letter quoting the name of first / sole holder and folios to the Company's Registrar & Share Transfer Agents:

Link Intime India Private Limited

Unit: Span Divergent Limited

C – 101, 247 Park, L.B.S. Marg,

Vikhroli (West),

Mumbai – 400 083

Telephone No.: +91 22 49186270, Fax: +91 22 49186060

Email: rnt.helpdesk@linkintime.co.in

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

n) Voting through electronic means

- i In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 the Company is pleased to provide members facility to exercise their right to vote at the 38th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

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

- The voting period begins on September 25, 2018 (9:00 a.m.) and ends on September 27, (5:00) p.m. During this period shareholder's of the Company, holding shares in physical form or in dematerialized form, as on the cut-off date September 21, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Log on to the e-voting website www.evotingindia.com during the voting period.
- Click on "Shareholders" tab
- Now enter your user ID
 - For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - Members holding shares in Physical Form should enter Folio Number Registered with the Company
- Next Enter the Image Verification Code as displayed and click on Login
- If you are holding shares in Demat Form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company then your existing password is to be used.
- If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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.
Dividend Bank details# OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in the Notice.
- Click on the relevant EVSN of Span Divergent Limited (Formerly Span Diagnostics Limited) on which you choose to vote.
- On the voting page, you will see RESOLUTION DESCRIPTION and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies you dissent to the Resolution.

- xiii. Click on the RESOLUTIONS FILE LINK if you wish to view the entire Resolution.
- xiv. 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.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on click here to print" option on the Voting Page.
- xvii. 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.
- xviii. **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xix. 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.
- xx. 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

II. Voting at AGM:

The Members who have not casted their vote electronically can exercise their voting rights at the Annual General Meeting venue and the member who have not casted their vote by remote e-voting can exercise their right during the meeting on September 28, 2018 at Annual General Meeting.

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

OTHER INSTRUCTIONS

- III. Once the vote on a resolution is casted by the shareholders, the shareholder shall not be allowed to change it subsequently.
- IV. Mitesh Rana of Mitesh Rana & Co., Company Secretaries (Membership No.: 28113) has been appointed as the scrutinizer to scrutinize voting process (electronically or otherwise) in fair and transparent manner.
- V. The scrutinizer shall from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in employment of the Company and make a scrutinizer's Report of the votes casted in favour or against, if any, & forthwith to the Chairman/Managing Director of the Company or any other person authorized in this regards.
- VI. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on website of the Company and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

Date: May 16, 2018

Place: Surat

For and on behalf of the Board of Directors

Samiksha Kansara
Company Secretary

Registered Office:
9th Floor, 902 – 904, Rajhans Bonista,
Behind Ram Chowk Temple, Ghod Dod Road,
Surat – 395 007
CIN: L74999GJ1980PLC003710

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

Name of the Director	Ms. Lataben P Desai
Age	77
Qualification	Arts Graduate
Experience in Specific functional area	She has experience in the field of Business Management and Administration.
Director Since	August 08, 2014
List of Companies in which outside directorship held	Nil.
Membership of Committee of the Board of Director of the Company	Nil.
Membership in Committee in other Companies	N.A.
No. of Shares held	841040/-

Date: May 16, 2018

Place: Surat

For and on behalf of the Board of Directors

Samiksha Kansara
Company Secretary

Registered Office:
9th Floor, 902 – 904, Rajhans Bonista,
Behind Ram Chowk Temple, Ghod Dod Road,
Surat – 395 007
CIN: L74999GJ1980PLC003710

DIRECTORS' REPORT

**To,
The Shareholders,**

Your Directors have pleasure in presenting the 38th Annual Report of Span Divergent Limited (the Company) on the business and operations of the Company together with the audited financial statements for the year ended on March 31, 2018.

1. FINANCIAL SUMMARY/PERFORMANCE OF THE COMPANY

The financial performance of the Company for the financial year ended March 31, 2018 along with figures of previous financial year is summarized below:

Particulars	Amount (Rs. In Lacs)	
	2017 - 18	2016 - 17
Total Revenue	510.73	640.26
Profit/(Loss) before tax, Depreciation and interest (Excluding extraordinary income/(Loss))	(87.70)	(17.81)
Less: Finance Cost	(70.43)	(16.54)
Profit/(Loss) before Depreciation	(158.13)	(34.35)
Less: Depreciation	(55.56)	(34.28)
Profit/(Loss) before tax	(213.69)	(68.63)
Exceptional Item	(63.95)	0.00
Profit/(Loss) before tax	(277.65)	(68.63)
Income Tax Expense	(30.23)	(15.85)
Profit/(Loss) for the period from continuing operations	(307.88)	(84.48)
Other comprehensive income		
Remeasurement costs of Post employment benefits	(0.31)	(0.28)
Deferred tax on post employment	0.11	0.10
Other comprehensive income for the year, net of tax	(0.20)	(0.18)
Total comprehensive income for the year	(308.09)	(84.67)
Earnings per equity share for profit from operation attributable to owners of the entity:		
Basic earnings per share	(5.64)	(1.55)
Diluted earnings per share	(5.64)	(1.55)

2. First-time adoption of IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April, 2017 with transition date of April 01, 2016. These financial statements for the year ended on March 31, 2018 are the first financial statements the Company has prepared under Ind AS. For all periods up to and including the year ended March 31, 2017 the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended on March 31, 2018 together with the comparative information as at and for the year ended on March 31, 2017 and the opening Ind AS Balance Sheet as at April 01, 2016 the date of transition to Ind AS.

3. DIVIDEND

Board after detailed deliberation and considering loss incurred during the year under review decided not to recommend any dividend for the financial Year 2017-18.

The dividend declared/recommended is in accordance with the principles and criteria as set out in the Dividend Distribution Policy. The Dividend Distribution Policy of the Company is set out as **Annexure A**

4. TRANSFER TO RESERVES:

No amount has been transfer to Reserves for the financial year ended on March 31, 2018.

5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

During the Financial Year 2017-18, the Company has incurred losses. The principal reasons for such loss are attributed to the fact that the Company's investments are in two business verticals, which are into start-up phase. After sale of In-Vitro Diagnostics Business of the Company to Japanese Company, the Company explored various business opportunities and decided to venture into Food & Agriculture (FAB) and Health Care & Life Science (HCLS) related businesses.

Company is operating in all the businesses through specific subsidiary firm formed for each of the businesses.

The details of firms, where Company is actively pursuing the business development are as follows:

FAB Verticals:

Dryfruit Factory LLP :

Company has completed process of setting up Dry Fruits processing plant near Ahmedabad, Gujarat for processing of Raw Cashew Nuts (RCNs) into finished Cashews and commercial production has begun from second quarter of FY2018.

Aranya Agri Biotech LLP:

Company has ventured in to Plant Tissue Culture business by setting up a business in and around Vadodara, Gujarat. The Company has already acquired asset of an existing non-operative unit which was in the business of Plant Tissue Culture, which has helped Company getting strong head way in starting its operation and the Company became fully operational, in second half of FY2018.

Desai Farmharvest LLP:

No operation has started in this company. It will be operational at an appropriate time in line with the overall strategy of the Company.

HCLS Vertical:**BioSpan Scientific LLP**

Company has introduced a niche and selective product portfolio to serve Indian customers in Health Care and Academia segments. BioSpan Scientific's portfolio focuses on the areas of Microbiology, Protein Research and Scientific Laboratory Products. The full-fledged commercial operations will start in third quarter of FY 2018.

BioSpan Contamination Control Solutions Private Limited: (BSCCS)

BSCCS is a joint venture formed between Span Divergent Ltd. and Micronclean, UK, with Span having 67 % equity stake. It caters to the niche segment of Pharmaceutical and Biotechnology industry having clean room consumable requirement. The products are imported from Joint Venture partner Parent company from UK and other reputed companies world-wide operating in the same segment.

Span Diagnostics LLP

No operation has started in this company. It will be operational at an appropriate time in line with the overall strategy of the Company.

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

Industry Structure, Development & outlook

The Company, after selling its IVD Business Undertaking through Slump Sale to M/S. Arkray Healthcare Private Limited has invested in the business in FAB and HCLS verticals and operating businesses through its Subsidiaries. The Company is mainly providing support to all the entities in terms of business management, financial, technical and operational expertise. Additionally it also gets involved in monitoring and guiding all the entities in various compliances, providing them a vital support in networking, liaising and building business in each of these entities.

Company will continue to look for further opportunities in these segments for further consolidating the business.

Research & Development

As Company is operating through its subsidiary, it is not having any R&D activities.

Human Resources and Industrial Relations

As on March 31, 2018, Company has 10 employees. The focus of the Company is to enrich its employees by promoting learning & development and providing opportunities for enhancing their knowledge base continuously.

During the year, Company continued to have cordial and harmonious relations with its employees. During the year under review, various training and development workshops were continued to be conducted to improve the competency level of employees with an objective to improve the operational performance of individuals. The Company strives to empower its employees to take up independent responsibility and thereby reaping the benefits of diverse skills set of all employees.

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

There were no significant material orders 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, Internal Auditors and Statutory Auditors. Their vast experience and knowledge base has contributed tremendously in betterment of systems and processes, resulting in better internal control. Internal control system is further supported by periodic review by management and the Audit Committee. Company maintains high focus towards all regulatory compliances, which is regularly reviewed by the Board.

During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

8. SUBSIDIARIES AND JOINT VENTURES

Your Company has wholly owned overseas subsidiary company viz. Span Diagnostics South Africa (Pty) Limited and during the year under review, M/s. BioSpan Contamination Control Solutions Private Limited has become joint venture subsidiary company with effect from September 18, 2017 i.e. date of its Incorporation. 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 are set out in the prescribed Form AOC - 1 which forms part of the Annual Report.

Span Diagnostics South Africa (PTY) Limited

To explore the business potential in strategically important region, the company has wholly owned overseas subsidiary Company in South Africa.

Pursuant to sale of IVD business of Span Divergent Ltd. (Formerly Span Diagnostics Limited) (SDL) to Arkray Healthcare Private Limited in India, the distribution agreement for the Southern African region (SADC Region) between SDL and Span SA also became inoperative. However, because of its strategic importance and potential of the region, Board of Directors of SDL decided to continue Span SA as an active entity.

Biospan Contamination Control Solutions Private Limited (BSCCS)

BSCCS is a joint venture formed between Span Divergent Ltd. and Micronclean, UK, with Span having 67 % equity stake. It caters to the niche segment of Pharmaceutical and Biotechnology industry having clean room consumable requirement. The products are imported from Joint Venture partner Parent Company from UK and other reputed companies world-wide operating in the same segment.

Limited Liabilities Partnerships

Company had incorporated new LLPs as under to carry out new businesses in FAB and HCLS verticals in respective entities.

1. Dryfruit Factory LLP

Company had completed process of setting up Dry Fruits processing plant near Ahmedabad, Gujarat for processing of Raw Cashew Nuts (RCNs) into finished Cashews and commercial production has begun from second quarter of FY2018.

Aranya Agri Biotech LLP:

Company has ventured in to Plant Tissue Culture business by setting up a business in and around Vadodara, Gujarat. The Company has already acquired asset of an existing non-operative unit which was in the business of Plant Tissue Culture, which has helped Company getting strong head way in starting its operation and the Company become fully operational, in second half of FY2018.

Desai Farmharvest LLP:

No operation has started in this company. It will be operational at an appropriate time in line with the overall strategy of the Company.

BioSpan Scientific LLP

Company has introduced a niche and selective product portfolio to serve Indian customers in Health Care and Academia segments. BioSpan Scientific's portfolio focuses on the areas of Microbiology, Protein Research and Scientific Laboratory Products. The full-fledged commercial operations will start in third quarter of FY 2018-19.

Span Diagnostics LLP

No operation has started in this company. It will be operational at an appropriate time in line with the overall strategy of the Company.

9. FIXED DEPOSITS

Company have not accepted any fixed deposits and as such no amount of principal or interest was outstanding as of Balance-Sheet Date.

10. PARTICULARS OF EMPLOYEES

During the financial year 2017-18, none of the employee of the Company has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure - C forming part of the Report. None of the employees listed in the said Annexure is related to any Director of the Company.

11. STATUTORY AUDITORS & THEIR REPORT

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

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

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

12. SHARE CAPITAL

The paid up equity capital of the Company as on March 31, 2018 was Rs. 5,46,17,470/- divided into 54,61,747 Equity Shares of Rs. 10/- each. The Company has neither issued any shares nor granted stock option nor sweat equity.

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 E" 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 not given considering the fact that the Company is in the process of establishing new business after sale of its In-Vitro Diagnostics Business and its office is an administrative office only and no manufacturing activity have been carried out during the year. However in the office all the lights used are LED lights and all air-conditioners are rated 5 star for every efficiency and operated at optimum temperature to conserve the electricity.

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

The particulars are attached in "Annexure C" 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 had contributed funds for medical aid. The contribution in this regard has been made to the Registered Trust. The Annual Report on CSR Activities is annexed as "Annexure F" 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 Gopalaswami	Independent Director
Mr. Pankaj Ajmera	Company Secretary upto August 31, 2017
Ms. Samiksha Kansara	Company Secretary w.e.f September 01, 2017
Mr. Minesh Mohanbhai Patel	Chief Finance Officer (CFO) w.e.f February 06, 2018
Mr. Samkit Mehta	Chief Finance Officer (CFO) upto August 15, 2017

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

20. BOARD EVALUATION

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

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report. The Board approved the evaluation results as collated by the nomination remuneration committee. None of the independent directors are due for re-appointment.

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, Information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

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. Gopalaswami, Mr. Shyamal Ghosh and Dr. Sushil Shah have been appointed as Independent Directors of the Company for term of 5 (Five) years. None of the Directors will retire at the ensuing Annual General Meeting.

22. RETIREMENTS, RESIGNATIONS AND CHANGE IN THE DESIGNATION :

- I. Ms. Lataben P Desai, Director of the Company who retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself 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. Mr. Minesh Patel, Senior Officer – Finance & Accounts was re-designated as Chief Finance Officer of the Company with effect from February 06, 2018.
- III. Ms. Samiksha Kansara was appointed as Company Secretary of the Company with effect from September 01, 2017.
- IV. Mr. Samkit Mehta had resigned as Chief Finance Officer of the Company with effect from August 15, 2017.
- V. Mr. Pankaj Ajmera had resigned as Company Secretary of the Company with effect from August 31, 2017.

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. Gopalaswami, Mr. Kamlesh M. Patel and Mr. Sanjay N. Mehta (Non Executive Directors). Ms. Samiksha Kansara, Company Secretary acts as the secretary to the Audit Committee with effect from September 01, 2017. The composition and the Terms of Reference of the Audit Committee meet with the requirements of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

There were four meetings held during the year.

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

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

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.

The Company has formulated policy on 'Protection of Women's Rights at Workplace' as per the provisions of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. This has been widely disseminated. There was no cases of sexual harassment complaints received by the Company in the financial year 2017 - 18.

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

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

Name of Members	No. of Meetings held	No. of Meetings attended	Designation
Mr. Shyamal Ghosh, Chairman	2	1	Independent Non-Executive Director
Mr. Sanjay N. Mehta	2	2	Non Executive Director
Mr. N. Gopalaswami	2	1	Independent & Non-Executive Director
Mr. Viral P. Desai	2	2	Managing Director

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

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

26. LOANS, GUARANTEES AND INVESTMENTS

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

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 there under and Listing Agreement & SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015. There were no materially significant related party transactions made by the Company with promoters, Key Managerial Personnel or other designated persons which may have potential conflict with Interest of the Company at large. All related party transactions are placed before the Audit Committee and the Board for approval. You may refer to related party transactions in note No. 28 of the Stand Alone Financial Statements.

Prescribed form AOC - 2, pursuant to Section 134 (3) (h) of the Companies Act, 2013 & Rule 8(2) of the Companies (Accounts) Rules, 2014, is furnished as Annexure - D to this report.

28. MANAGERIAL REMUNERATION :

Name of the Director	Designation	Remuneration in the year 2018 in Rs.	Remuneration in the year 2017 in Rs.	Sitting fees in the F.Y. 2018
Sanjay Natwarlal Mehta	Director	NIL	NIL	45,000
Pradipkumar Keshavlal Desai	Director	NIL	NIL	25,000
Lataben Pradipkumar Desai	Woman Director	NIL	NIL	20,000
Pranav Sureshbhai Desai	Director	NIL	NIL	5,000
Viral Pradipkumar Desai	Managing Director	85,95,000	72,00,000	NIL
Sushil Kanubhai Shah	Independent Director	NIL	NIL	10,000
Shyamal Ghosh	Independent Director	NIL	NIL	35,000
Kamlesh Maganlal Patel	Independent Director	NIL	NIL	20,000
Needamangalam Gopalswami	Independent Director	NIL	NIL	35,000
Pankaj Ajmera	Company Secretary	49,220	1,18,032	NA
Minesh Patel*	Chief Financial Officer	60,932	2,34,250	NA
Samkit Mehta*	Chief Financial Officer	6,68,966	3,00,550	NA
Samiksha Kansara*	Company Secretary	1,12,000	NA	NA

The median remuneration of the employee of the Company for the year 2017 - 18 is Rs. 1,20,515 as against Rs. 5,37,635 for the year 2016 - 17. During the year median remuneration is decreased by 77.58%. There were 10 employees on rolls of the Company at the end of the financial year i.e March 31, 2018. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects company performance, the performance pay was linked to organization performance.

Sr. No.	Name of Director	Remuneration	Ratio of Remuneration to the median remuneration of the employees
01.	Mr. Viral P Desai	85,95,000	71.32

During the year under review, there was no increase in remuneration of the Managing Director Mr. Viral P Desai who is reappointed for a further period of 3 years with effect from July 01, 2016 except payment of leave encashment made during year and provision made for super annuation fund.

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 & Co., Company Secretaries, Vadodara, was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2017 - 18, as required under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration) Rules, 2014. The Secretarial Audit Report for FY 2017-18 forms part of the Annual Report as Annexed to the Board's Report.

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

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

30. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE :

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

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

31. COST AUDITORS

During the year under review, company have not carried out any operation. In view of the same and as confirmed by the cost auditor of the Company, cost audit is not applicable to the Company for the year 2018-19.

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:

- In the preparation of the annual accounts, the applicable accounting standards had been followed.
- the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing detecting fraud and other irregularities
- the directors have prepared the annual accounts on a going concern basis
- the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- the directors have 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 substantially or 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 HDFC Bank and Government Authorities for their co-operation and assistance rendered to the Company.

Place: Surat
Dated: May 16, 2018

For and on behalf of the Board

Mr. Viral P Desai
Managing Director
DIN: 00029219

Dr. Pradip K Desai
Non Executive Director
DIN: 00026451

ANNEXURE A TO THE DIRECTORS' REPORT – DIVIDEND DISTRIBUTION POLICY

OBJECTIVE

The objective of this policy is to establish the principles and criteria to be considered by the Board of Directors prior to recommending dividend to the Equity Shareholder of Span Divergent Limited.

The policy is framed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has a consistent dividend policy and has endeavored to judiciously balance rewarding shareholder through dividends whilst supporting future growth and long-term interests of the Company and its stakeholders.

PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND

The Board of Directors shall inter alia consider the following parameters before recommending dividend:

Statutory and Regulatory Parameters

The Company shall declare dividend only after ensuring compliance with requisite regulations and provisions of the Companies Act, 2013 and rules made there under, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and any other regulations as may be applicable from time to time.

The Board will consider various parameters as mentioned below before arriving at a decision on declaration of dividend:

Financial Parameters

- Profits earned during the financial year
- Accumulated reserves
- Funding and liquidity considerations
- Profitability outlook for the next two/three years
- Leverage ratios
- Other factors and/or material events which the Board may consider

External Factors

- Shareholder expectations, including individual shareholders
- Taxation provisions
- Macro and Micro Economic conditions
- Government policies
- Any other factors and / or material events which the board may consider

UTILISATION OF RETAINED EARNINGS

Retained earnings shall be utilised in accordance with prevailing regulatory requirements, creating reserves for specific objectives, fortifying the balance sheet against contingencies, generating higher returns for shareholders through reinvestment of profits for future growth and expansion and any other specific purpose as approved by the Board. The Company shall endeavor to utilise retained earnings in a manner that shall be beneficial to both, the interests of the Company and its stakeholders.

DIVIDEND AND CLASSES OF SHARES

The Board may declare interim or recommend final and/or special dividend as may be permitted under the Companies Act, 2013 or any amendment, modification, variation or re-enactment thereof.

Currently, the Company does not have any other class of shares (including shares with differential voting rights) other than equity shares.

DIVIDEND PAYOUT RATIO

The Company has followed a stable dividend policy in the past and strives to maintain a consistent dividend payout ratio.

CONFLICT IN POLICY

In the event of a conflict between this policy and the then existing regulations, the regulations shall prevail.

AMENDMENTS

To the extent any change/amendment is required in terms of applicable law or change in regulations, the regulations would prevail over the policy and the provisions in the policy would be suitably modified to make it consistent with the law. Such amended policy shall be placed before the Board for noting and necessary ratification.

REVIEW OF POLICY

The Board shall review the Dividend Distribution Policy of the Company periodically.

DISCLOSURE OF POLICY

The Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and placed on the Company's website www.spandivergent.com / www.span.in

Annexure – B to the Board's Report

[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Management Personnel Rules, 2014)]

a. The ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year:

The median remuneration of the employees of the Company for the financial year is INR 1,20,515

Non Executive Directors	Ratio to Median Remuneration	Non Executive Directors	Ratio to Median Remuneration
Pradipkumar Keshavlal Desai	-	Sushil Kanubhai Shah	-
Lataben Pradipkumar Desai	-	Shyamal Ghosh	-
Sanjay Natwarlal Mehta	-	Kamlesh Maganbhai Patel	-
Pranav Sureshbhai Desai	-	Needamangalam Gopalaswami	-

Executive Directors	Ratio to Median Remuneration
Mr. Viral P Desai	71.32

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Finance Officer and Company Secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% Increase in remuneration in the financial year
Pradipkumar Keshavlal Desai	-
Lataben Pradipkumar Desai	-
Sanjay Natwarlal Mehta	-
Pranav Sureshbhai Desai	-
Sushil Kanubhai Shah	-
Shyamal Ghosh	-
Kamlesh Maganbhai Patel	-
Needamangalam Gopalaswami	-
Mr. Viral P Desai	Nil
Pankaj Ajmera	Nil
Mr. Minesh Patel*	Not Applicable
Mr. Samkit Mehta*	Nil
Ms. Samiksha Kansara*	Not Applicable

c. The percentage increase in the median remuneration of employees in the financial year: (77.51)

Above figures given here as compared to previous year median which is not strictly comparable since there number of employee on rolls of the company stood 10 as at March 31, 2018 as compared to 9 as at March 31, 2017.

d. The number of permanent employees on the rolls of the Company: 10**e. Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average increase in remuneration per employees was 8.5%. The Profit after tax for the year 2017-18 is INR 277.65 Lacs. The employees related cost is INR 313.69. The average increase in remuneration per employee is in line with normal pay revision and variable component forming integral part of the remuneration which is linked to individual performance, revenue achievement, profitability achievement, employee satisfaction, Retention of key employees achieving strategic goals, customer satisfaction apart from Company's performance as a whole.

The average annual increase in the salaries of employees other than managerial personnel in the last financial year was around 8.5%. Increase in the managerial remuneration for the year was Nil.

There were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company.

f. Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company affirms that the remuneration paid are as per the remuneration policy of the Company.

ANNEXURE 'C'

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

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

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

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

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

3. FOREIGN EXCHANGE EARNING AND OUTGO

Sr. No.	Particulars	2017 – 18 Rs.	2016 – 17 Rs.
1.	Total Foreign Exchange Earned	Nil.	Nil.
2.	Total Foreign Exchange Outgo	8,56,071	8,31,335

Place: Surat

Dated: May 16, 2018

For and on behalf of the Board

Mr. Viral P Desai
Managing Director
DIN: 0002921

Dr. Pradip K Desai
Non Executive Director
DIN: 00026451

Annexure – D to the Board's Report**Form No. AOC – 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts/arrangement entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or Arrangement or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as require under first proviso to section 188
			Not Applicable				

*During the Financial Year 2017-18, no contract or arrangement or transaction was entered into by the company with the related parties which is not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or Arrangement or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
			Not Applicable		

Note: During the year under review, no material transactions, contracts or arrangements {as defined under the listing Agreement or which were above the threshold limits mentioned under Rule 15 of the Companies (Meetings of Board & its Powers) Rules, 2014} were entered with the related parties by the Company. **For details on related party transactions, members may refer to the notes to the standalone financial statement.**

Place: Surat

Dated: May 16, 2018

For and on behalf of the Board

Mr. Viral P Desai
Managing Director
DIN: 0002921

Dr. Pradip K Desai
Non Executive Director
DIN: 00026451

ANNEXURE 'E'

EXTRACT OF ANNUAL RETURN
as on financial year ended on March 31, 2018
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	L74999GJ1980PLC003710
ii.	Registration Date	March 31, 1980
iii.	Name of the Company	Span Divergent Limited (Formerly Span Diagnostics Limited)
Iv.	Category/Sub-category of the Company	Company Limited by Shares Non-Govt Company
V.	Address of the Registered office & contact details	9 th Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007 Tel No.: +91 261 2663232 Email Id: secretarial@span.co.in
Vi.	Whether listed Company	Yes
Vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C – 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Tel No.: +91 22 49186270 Fax: +91 22 49186060 Email Id: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
01.	Trading	5121	5.90
02.	Activities of Head Offices, Management Services Activities	-	94.10

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	SPAN DIAGNOSTICS SA (Pty) Ltd. Address: 143 Beyers Naude Drive, Roosevelt Park, Johannesburg, Gauteng 2195, South Africa. P.O.Box 2839, Cresta Gauteng 2118, South Africa	2005/000692/07	Subsidiary	100	2(87)
2.	Dryfruit Factory LLP 9 th Floor, Office 902 – 904, Rajhans Bonista, Ghod Dod Road, B/h Ram Chaw Temple, Surat – 395007	AAE-6138	Subsidiary	97	2(87)
3.	Span Diagnostics Products LLP 9 th Floor, Office 902 – 904, Rajhans Bonista, Ghod Dod Road, B/h Ram Chaw Temple, Surat – 395007	AAE-9468	Subsidiary	99	2(87)
4.	Aranya Agri Biotech LLP 9 th Floor, Office 902 – 904, Rajhans Bonista, Ghod Dod Road, B/h Ram Chaw Temple, Surat – 395007	AAF-9384	Subsidiary	99	2(87)
5.	Biospan Scientific LLP 9 th Floor, Office 902 – 904, Rajhans Bonista, Ghod Dod Road, B/h Ram Chaw Temple, Surat – 395007	AAF-9387	Subsidiary	99	2(87)
6.	Biospan Contamination Control Solutions Private Limited	U51909GJ2017PTC099131	Subsidiary	67	2(87)
7.	Desai Farmharvest LLP	AAI -2590	Subsidiary	85	2(87)

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

(i) Categoriwise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Shareholding of Promoter & Promoter Group									
(1) Indian									
a) Individual/HUF	3205381	8300	3213681	58.84	3328139	8200	3336339	61.09	2.25
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
d) Any Other (Specify)									
Bodies Corporate	76040	0	76040	1.39	76040	0	76040	1.39	0.00
SUB TOTAL:(A) (1)	3281421	8300	3289721	60.23	3404179	8200	3412379	62.48	2.25
(2) Foreign									
a) Individuals (Non-Resident Individuals / Foreign Individuals)	10000	20000	30000	0.55	10000	20000	30000	0.55	0.00
b) Government	0	0	0	0.00	0	0	0	0.00	0.00
c) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d) Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other (Specify)									
SUB TOTAL (A) (2)	10000	20000	30000	0.55	10000	20000	30000	0.55	0.00
Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	3291421	28300	3319721	60.78	3414179	28200	3442379	63.03	2.25
B. PUBLIC SHAREHOLDING									
(1) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
a) Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
b) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
c) Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
d) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
e) Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
f) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
g) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
h) Provident Funds / Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Others (Specify)									
SUB TOTAL (B)(1):	0	0	0	0.00	0	0	0	0.00	0.00
(2) Central Government / State Government(s) / President of India									
Central Government / State Government(s)	0	0	0	0.00	25406	0	25406	0.47	0.47
SUB TOTAL (B)(2):	0	0	0	0.00	25406	0	25406	0.47	0.47
(3) Non Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	596116	232464	828580	15.17	622241	205864	828105	15.16	-0.01
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	154767	10400	165167	3.02	175352	10400	185752	3.40	0.38
b) NBFCs Registered with RBI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Employee Trusts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Overseas Depositories (holding DRs) (balancing figure)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any other (Specify)									
Hindu Undivided Family	165838	0.00	165838	3.04	178099	0.00	178099	3.26	0.22
Non Resident Indians (Non Repat)	583769	0.00	583769	10.69	587154	0.00	587154	10.75	0.06
Non Resident Indians (Repat)	187139	139000	326139	5.97	21701	139000	160701	2.94	-3.03
Clearing Member	10710	0	10710	0.20	8185	0	8185	0.15	-0.05
Bodies Corporate	56923	4900	61823	1.13	41966	4000	45966	0.84	-0.29
SUB TOTAL:(B) (3)	1755262	386764	2142026	39.22	1634698	359264	1993962	36.51	-2.71
Total Public Shareholding (B) = (B) (1) + (B) (2) + (B) (3)	1755262	386764	2142026	39.21	1660104	359264	2019368	36.97	-2.25
TOTAL (A)+(B)	5046683	415064	5461747	100.00	5074283	387464	5461747	100.00	0.00
(C) Non Promoter – Non Public									
1) Custodian/DR Holder	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A+B+C)	5046683	415064	5461747	100.00	5074283	387464	5461747	100.00	0.00

(ii) SHAREHOLDING PATTERN OF PROMOTER GROUP

Sl No.	Shareholders Name	Shareholding at the beginning of the year - 2017			Shareholding at the end of the year - 2018			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	PRADIPKUMAR KESHAVLAL DESAI	1306880	24.92	Nil	1360880	24.91	0	0.00
2.	LATABEN P DESAI	717060	13.13	Nil	841040	15.40	0	2.27
3.	VIRAL PRADIPKUMAR DESAI	562427	10.30	Nil	563527	10.32	0	0.02
4.	GITA SURESH DESAI	114540	2.10	Nil	114540	2.10	0	0.00
5.	SUJATA V DESAI	101576	1.86	Nil	101576	1.86	0	0.00
6.	DR. SURESH DINKERRAI DESAI	33720	0.62	Nil	33720	0.62	0	0.00
7.	PRAGATI KISHOR SHAH	32680	0.60	Nil	30258	0.55	0	(0.04)
8.	SHITAL SARVAJNA KAZI	31300	0.57	Nil	31300	0.57	0	0.00
9.	PRANAV S DESAI	28040	0.51	Nil	28040	0.51	0	0.00
11.	PRASHANT SURESH DESAI	26040	0.48	Nil	26040	0.48	0	0.00
12.	PRAKASH DHIRUBHAI DESAI	19000	0.35	Nil	19000	0.35	0	0.00
13.	MANJULABEN PRAKASHCHANDRA DESAI	59218	1.08	Nil	59218	1.08	0	0.00
14.	SHITAL SARVAGNA KAZI	8000	0.15	Nil	8000	0.15	0	0.00
15.	SHITAL SARVAGNA KAZI	200	0.04	Nil	200	0.04	0	0.00
16.	SPAN FINSTOCK PVT LTD	76040	1.39	Nil	76040	1.39	0	0.00
17.	VIVEK S DESAI	20000	0.37	Nil	20000	0.37	0	0.00
18.	TEJAL VIVEK DESAI	10000	0.18	Nil	10000	0.18	0	0.00
19.	DR UDAYBHAI DHIRUBHAI DESAI	89000	1.63	Nil	89000	1.63	0	0.00
20.	UDAYBHAI DHIRUBHAI DESAI	30000	0.55	Nil	30000	0.55	0	0.00
Total		3319721	60.78	0	3442379	63.03	0	2.25

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	3319721	60.78	3319721	60.78
	Increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	122658	2.25	122658	2.25
	At the end of the year	3442379	63.03	3442379	63.03

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year 2018		Cumulative Shareholding at the end of the year - 2018	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1.	Pradipkumar Keshavlal Desai	1306880	24.92	-	-	1360880	24.92
	At The End Of The Year	-	-			1360880	24.92
2.	Lataben P Desai	717060	13.13	-	-	717060	13.13
	Market Purchase	-	-	April 14, 2017	14500	731560	13.39
	Market Purchase	-	-	October 13, 2017	18270	749830	13.73
	Market Purchase	-	-	October 13, 2017	91210	841040	13.73
	At The End Of The Year	-	-	-	-	841040	15.40
3.	Viral Pradipkumar Desai	562427	10.30	-	-	562427	10.30
	Market Purchase	-	-	June 16, 2017	700	563127	10.31
	Market Purchase	-	-	February 02, 2018	200	563327	10.31
	Market Purchase	-	-	March 09, 2018	200	563527	10.32
	At The End Of The Year	-	-	-	-	562427	10.32
4.	Gita Suresh Desai	114540	2.10	-	-	114540	2.10
	Market Purchase	-	-	-	-	114540	2.10

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year 2018		Cumulative Shareholding at the end of the year - 2018	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
5.	Sujata V Desai	101576	1.86	—	—	101576	1.86
	At The End Of The Year	—	—	—	—	101576	1.86
6.	Udaybhai Dhirubhai Desai	89000	1.63	—	—	89000	1.63
	At The End Of The Year	—	—	—	—	89000	1.63
7.	Span Finstock Pvt Ltd	76040	1.39	—	—	76040	1.39
	At The End Of The Year	—	—	—	—	76040	1.39
8.	Dr. Suresh Dinkerrai Desai	33720	0.62	—	—	33720	0.62
	At The End Of The Year	—	—	—	—	33720	0.62
9.	Pragati Kishor Shah	32680	0.60	—	—	32680	0.60
	Market Sell	-	-	November 17, 2017	-758	31922	0.58
	Market Sell	-	-	December 01, 2017	-71	31851	0.58
	Market Sell	-	-	December 08, 2017	-500	31351	0.57
	Market Sell	-	-	December 30, 2018	-93	31258	0.57
	Market Sell	-	-	January 05, 2018	-1000	30258	0.55
	At The End Of The Year	-	-	-	-	32680	0.55
10.	Manjulaben Prakashchandra Desai	59218	1.08	—	—	59218	1.08
	At The End Of The Year	—	—	—	—	59218	1.08
11.	Shital Sarvajna Kazi	31300	0.58	—	—	31300	0.58
	At The End Of The Year	—	—	—	—	31300	0.58
12.	Udaybhai Dhirubhai Desai	30000	0.55	—	—	30000	0.55
	At The End Of The Year	—	—	—	—	30000	0.55
13.	Pranav S Desai	28040	0.51	—	—	28040	0.51
	At The End Of The Year	—	—	—	—	28040	0.51
14.	Prashant Suresh Desai	26040	0.48	—	—	26040	0.48
	At The End Of The Year	—	—	—	—	26040	0.48
15.	Vivek S Desai	20000	0.37	—	—	20000	0.37
	At The End Of The Year	—	—	—	—	20000	0.37
16.	Prakash Dhirubhai Desai	19000	0.35	—	—	19000	0.35
	At The End Of The Year	—	—	—	—	19000	0.35
17.	Tejal Vivek Desai	10000	0.18	—	—	10000	0.18
	At The End Of The Year	—	—	—	—	10000	0.18
18.	Shital Sarvagna Kazi	8000	0.11	—	—	8000	0.11
	At The End Of The Year	—	—	—	—	8000	0.11
19.	Shital Sarvagna Kazi	200	0.00	—	—	200	0.00
	At The End Of The Year	—	—	—	—	200	0.00

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 5461747 Shares.

2. The details of holding has been clubbed based on PAN.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year 2018		Cumulative Shareholding at the end of the year - 2018	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1.	Patel Bharti	575333	10.53	-	-	575333	10.53
	At The End Of The Year	-	-	-	-	575333	10.53
2.	Sanjay N Mehta	103600	1.90	-	-	103600	1.90
	At The End Of The Year	-	-	-	-	103600	1.90
3.	Leena Sanjay Mehta	7000	1.28	-	-	7000	1.28
	At The End Of The Year	-	-	-	-	7000	1.28
4.	N Sudhir	0	0	-	-	0	0
	Market Purchase	-	-	September 22, 2017	418	418	0.01
	Market Purchase	-	-	September 29, 2017	8014	8432	0.15
	Market Purchase	-	-	October 06, 2017	2118	10550	0.19
	Market Purchase	-	-	October 13, 2017	3286	13836	0.25
	Market Purchase	-	-	October 20, 2017	1472	15308	0.28
	Market Purchase	-	-	October 27, 2017	21000	36308	0.66
	Market Purchase	-	-	December 08, 2017	5095	41403	0.75
	Market Purchase	-	-	December 22, 2017	553	41956	0.77
	Market Purchase	-	-	December 29, 2017	300	42256	0.77
	At The End Of The Year	-	-	-	-	42256	0.77
5.	Sanjay Natwarlal Mehta	3000	0.55	-	-	3000	0.55
	At The End Of The Year	-	-	-	-	3000	0.55
6.	Dinesh Patel	30000	0.55	-	-	30000	0.55
	At The End Of The Year	-	-	-	-	30000	0.55
7.	Molakala Prasad Reddy [Huf]	27000	0.49	-	-	27000	0.49
	At The End Of The Year	-	-	-	-	27000	0.49
8.	Rajul Rajankumar Desai	18674	0.34	-	-	18674	0.34
	Market Sell	-	-	May 05, 2017	-2556	16118	0.30
	At The End Of The Year	-	-	-	-	16118	0.30
9.	Narpatkumar Kewalchand Chopra Huf.	15324	0.28	-	-	15324	0.28
	At The End Of The Year	-	-	-	-	15324	0.28
10.	Patel Kokilaben B	114200	2.09	-	-	114200	2.09
	Market Sell	-	-	October 20, 2017	-114200	0.00	0.00
	At The End Of The Year	-	-	-	-	0.00	0.00
11.	Saurabh Mohnot	21115	0.39	-	-	21115	0.39
	Market Sell	-	-	April 21, 2017	-3225	17890	0.33
	Market Sell	-	-	June 16, 2017	-14438	3452	0.06
	Market Sell	-	-	June 23, 2017	-3452	0.00	0.00
	At The End Of The Year	-	-	-	-	0.00	0.00
12.	Mukundrai Manibhai Desai	20020	0.37	-	-	20020	0.37
	Market Sell	-	-	November 24, 2017	-2	20018	0.37
	Market Sell	-	-	December 08, 2017	-15018	5000	0.09
	Market Sell	-	-	December 15, 2017	-875	4125	0.08
	Market Sell	-	-	December 22, 2017	-3125	1000	0.02
	Market Sell	-	-	January 06, 2018	-1000	0.00	0.00
	At The End Of The Year	-	-	-	-	0.00	0.00

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 5461747 Shares.

2. The details of holding has been clubbed based on PAN.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year

(v) Shareholding of Directors & KMP							
Sr.		Shareholding at the beginning of the year		Transactions during the year		Cumulative Share holding during the year	
		No of shares	% of total shares of the company	DATE OF TRANSACTION	NO. OF SHARES	No of shares	% of total shares of the company
1.	Dr. Pradip K Desai – Director	-	-	-	-	-	-
	At the beginning of the year	1306880	24.92	-	-	1306880	24.92
	At the end of the year	-	-	-	-	1306880	24.92
2.	Mr. Viral P Desai - Managing Director	562427	10.30	-	-	562427	10.30
	Market Purchase	-	-	June 16, 2017	700	563127	10.31
	Market Purchase	-	-	February 02, 2018	200	563327	10.31
	Market Purchase	-	-	March 09, 2018	200	563327	10.32
	At the beginning of the year	-	-	-	-	562427	10.32
3.	Lataben P Desai	717060	13.13	-	-	717060	13.13
	Market Purchase	-	-	April 14, 2017	14500	731560	13.39
	Market Purchase	-	-	October 13, 2017	18270	749830	13.73
	Market Purchase	-	-	October 27, 2017	91210	841040	15.40
	At the beginning of the year	-	-	-	-	841040	15.40
4.	Dr. Pranav S Desai – Director	-	-	-	-	-	-
	At the beginning of the year	28040	0.51	-	-	28040	0.51
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the beginning of the year	28040	0.51	-	-	28040	0.51
5.	Mr. Sanjay Mehta – Director	-	-	-	-	-	-
	At the beginning of the year	30000	0.55	-	-	30000	0.55
	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 beginning of the year	30000	0.55	-	-	30000	0.55
6.	Mr. N. Gopalaswami – 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 beginning 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 beginning 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 beginning of the year	0.00	0.00	-	-	0.00	0.00
9.	Mr. Shushil 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 beginning of the year	0.00	0.00	-	-	0.00	0.00
10.	Mr. Minesh Patel – CFO	-	-	-	-	-	-
	At the beginning of the year	0.00	0.00	-	-	0.00	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	-	-	-	-	-	-
	At the beginning of the year	0.00	0.00	-	-	0.00	0.00

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 beginning of the year	0.00	0.00	-	-	0.00	0.00
12. Mr. Samkit Mehta – CFO						
At the beginning of the year	0.00	0.00	-	-	0.00	0.00
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	-	-	-	-	-	-
At the beginning of the year	0.00	0.00	-	-	0.00	0.00
13. Ms. Samiksha Kansara – 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 beginning 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	8,44,99,904	Nil	Nil	8,44,99,904
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	4,89,831	Nil	Nil	4,89,831
Total (i+ii+iii)	8,49,89,735	Nil	Nil	8,49,89,735
Change in Indebtedness during the financial year				
Additions	14,39,68,954	Nil	Nil	14,39,68,954
Reduction	13,01,07,817	Nil	Nil	13,01,07,817
Net Change	13,861,137	Nil	Nil	13,861,137
Indebtedness at the end of the financial year				
i) Principal Amount	9,82,09,772	Nil	Nil	9,82,09,772
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	6,41,100	Nil	Nil	6,41,100
Total (i+ii+iii)	9,88,50,872	Nil	Nil	9,88,50,872

VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
A.	Remuneration to Managing Director, Whole time director and/or Manager:		
Sl.No	Particulars of Remuneration		Total Amount
1.	Gross salary	Mr. Viral P Desai	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	71,28,000	71,28,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2.	Stock option	0	0
3.	Sweat Equity	0	0
4.	Commission	0	0
	as % of profit	-	-
	others (specify)	-	-
5.	Others, please specify	-	-
	Retrial Benefits	14,67,000	14,67,000
	Total (A)	85,95,000	85,95,000
	Ceiling as per the Act	84 Lakhs	84 Lakhs

B) Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors				Total Amount
1.	Independent Directors	Dr. Sushil Shah	Mr. Shyamal Ghosh	Mr. N. Gopalaswami	Mr. Kamlesh Patel	
	(a) Fee for attending board committee meetings	10,000	35,000	35,000	20,000	1,00,000
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	10,000	35,000	35,000	20,000	1,00,000
2.	Other Non Executive Directors	Mr. Sanjay Mehta	Dr. Pranav Desai	Ms. Lataben P Desai	Dr. Pradip K Desai	
	(a) Fee for attending board committee meetings	45,000	5,000	20,000	25,000	95,000
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (2)	45,000	5,000	20,000	25,000	95,000
	Total (B)=(1+2)	55,000	40,000	55,000	45,000	1,95,000
	Total Managerial Remuneration					1,95,000
	Overall Ceiling as per the Act.					NA

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

Sl. No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL				Total Amount
1.	Gross Salary	Company Secretary		CFO		
		Pankaj Ajmera	Pankaj Ajmera	Minesh Patel	Samkit Mehta	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	49,220	1,12,000	59,012	6,21,446	8,41,678
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission	0	0	0	0	0
	as % of profit	0	0	0	0	0
	others, specify	0	0	0	0	0
5.	Others, please specify	0	0	0	0	0
	Retrial Benefits	0	0	1,920	47,520	49,440
	Total	49,220	60,952	2,49,411	6,68,966	891,118

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					

Place: Surat
Dated: May 16, 2018

For and on behalf of the Board

Mr. Viral P Desai
Managing Director
DIN: 00029219

Dr. Pradip K Desai
Non Executive Director
DIN: 00026451

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

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

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

CSR POLICY

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

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

Objective:

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

Philosophy of Span Divergent Limited on CSR:

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

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

Projects / Programs to be Undertaken:

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

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

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

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

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

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

The CSR Policy of the Company is available on website of the Company www.spandivergent.com / www.span.in

2. The Composition of the CSR Committee

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

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

Average Net Profit: Rs. (1,59,91,021)

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

The Company is required to spend Rs: Nil

5. Details of CSR Spend for the Financial Year:

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

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

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

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

Sd/-
Mr. Kamlesh Patel
Chairman
DIN: 01521972

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

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

1. We have examined the compliance of conditions of Corporate Governance by Span Divergent Limited ('the Company'), for the year ended on March 31, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). This Certificate is issued in accordance with the terms of our engagement letter dated November 30, 2017.

Management's Responsibility

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

Auditor's Responsibility

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

Opinion

7. Based on our examination, as above, and to the best of the information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2018.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

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

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

Hemant J. Bhatt
 Partner
 Membership No.036834

Place: Surat
 Date: May 16, 2018

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

BOARD OF DIRECTORS

- i. As on March 31, 2018, the Board of Directors is consisting of 9 (Nine) Directors with a Managing Director, Four Independent Non-Executive Directors, Three Non Independent Non Executive Director and One Woman Non Independent Non Executive Director. The Composition of Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the BSE Limited.
- ii. None of the Directors on the Company's Board is holding office of the Director in more than 20 (twenty) Companies including 10 (ten) Public Companies. Independent Directors are also not holding office of Director in more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees across all the companies in he/she acts as Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2018 have been made by directors.
- iii. Independent directors are non-executive directors as defined under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have given declaration confirming that they meet the criteria as mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013.

A brief resume of the director being re-appointed at the annual General Meeting, the nature of their expertise in specific functional areas and names of companies in which she hold directorship and membership of the committees of the Board, is annexed to the Notice convening Annual General Meeting.

Composition, attendance at the Board Meetings during 2017-18 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, 2018

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. Gopaldaswami	4	Yes	2	1	2	Independent Non-Executive Director
Ms. Lataben P. Desai	4	Yes	Nil	Nil	Nil	Promoter Non-Executive Woman Director
Dr. Pradip K. Desai	5	Yes	6	Nil	1	Promoter & Non Executive Director
Mr. Viral P. Desai	5	Yes	5	Nil	Nil	Promoter & Executive Director
Mr. Sanjay N. Mehta	5	Yes	5	Nil	4	Non-Executive Director
Dr. Pranav S. Desai	1	No	1	Nil	1	Promoter & Non-Executive Director
Dr. Sushil K. Shah	2	No	17	5	Nil	Independent Non-Executive Director
Mr. Shyamal Ghosh	4	Yes	Nil	2	2	Independent Non-Executive Director
Mr. Kamlesh M Patel	3	No	1	1	2	Independent Non-Executive Director

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

2. Chairmanship & Membership in other Board Committee for Audit Committee & Stakeholders Relationship Committee only provided.

Details of Board Meetings

Date	Board Strength	No. of Directors present
May 11, 2017	9	7
August 12, 2017	9	6
September 22, 2017	9	6
November 21, 2017	9	6
February 06, 2018	9	7

BOARD EVALUATION

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

AUDIT COMMITTEE

The Audit Committee was reconstituted on May 15, 2013. The Committee comprises of three Independent Directors, namely Mr. Shyamal Ghosh, Chairman, Mr. N. Gopaldaswami, Mr. Kamlesh M. Patel and Mr. Sanjay N. Mehta (Non Executive Director). Ms. Samiksha Kansara, Company Secretary acts as the secretary to the Audit Committee w.e.f September 01, 2017. The composition and the Terms of Reference of the Audit Committee meet with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year, four meetings of Audit Committee were held, i.e. on May 11, 2017, August 12, 2017, November 21, 2017 and February 06, 2018.

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	3
Mr. N. Gopalaswami	4	3
Mr. Sanjay N. Mehta	4	4
Mr. Kamlesh M. Patel	4	2

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

Powers of Audit Committee

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 two nomination and remuneration committee meeting held during the year on August 12, 2017 and February 06, 2018.

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

Name of Members	No. of Meetings held	No. of Meetings attended	Designation
Mr. Shyamal Ghosh	2	1	Independent Non-Executive Director
Mr. Sanjay N. Mehta	2	2	Non Executive Director
Mr. N. Gopalaswami	2	1	Independent & Non-Executive Director
Mr. Viral P. Desai	2	2	Managing Director

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

The Role of Nomination and Remuneration Committee is as under:

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

Details of remuneration paid to all directors 2017-18

Name of the Director	Sitting Fee	Salary, Allowances & Perquisites	Contribution to Provident Fund and other funds & Retrial Benefits	Commission	Total
Dr. Pradip. K. Desai	25,000	-	-	Nil	25,000
Mr. Viral. P. Desai	-	71,28,000	14,67,000	Nil	85,95,000
Ms. Lataben. P. Desai	20,000	Nil	Nil	Nil	20,000
Mr. Sanjay N. Mehta	45,000	Nil	Nil	Nil	45,000
Dr. Pranav S. Desai	10,000	Nil	Nil	Nil	10,000
Dr. Sushil K. Shah	10,000	Nil	Nil	Nil	10,000
Mr. Shyamal Ghosh	40,000	Nil	Nil	Nil	40,000
Mr. Kamlesh M. Patel	25,000	Nil	Nil	Nil	25,000
Mr. N. Gopalaswami	30,000	Nil	Nil	Nil	30,000

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

NOMINATION AND REMUNERATION POLICY

Introduction:

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

Objectives of the Committee:

The Committee shall:

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

Definitions:

- **“Board”**:-Board means Board of Directors of the Company.
- **“Director”**:-Directors means Directors of the Company.
- **“Committee”**:-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- **“Company”**:- Company means Span Divergent Ltd.
- **“Independent Director”**:- As provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013, 'Independent director' shall mean a non-executive director, other than a nominee director of the company:
 - 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 —
 - holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
 - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

- v. 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;
- vi. 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. Gopalaswami, (Independent Director)
- iii. Mr. Sanjay Mehta, (Non Executive Director)
- iv. Mr. Viral P Desai (Managing Director)

General Appointment Criteria:

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

Additional Criteria for Appointment of Independent Directors:

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

Term / Tenure:

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

Removal:

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

Criteria for Evaluation of Independent Director and the Board:

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

1. Executive Directors:

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

2. Non Executive Director:

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

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

Policy on Board Diversity:

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

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

Remuneration:

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

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

1. Director/ Managing Director

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

2. Non executive Independent Directors

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

3. KMPs / Senior Management Personnel etc

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

STAKEHOLDER RELATIONSHIP COMMITTEE

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

Ms. Samiksha Kansara, Company Secretary is the Compliance Officer.

During the financial year 2017 – 18, the committee met four times on May 11, 2017, August 12, 2017, November 21, 2017 and February 06, 2018. The details of member are given below:

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

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

There were 3 complaints received from shareholders / investors during the year 2017-18 and were solved to the satisfaction of the complainants and no investor complaint was pending at the beginning or at the end of the year. All valid requests for share transfers received were acted upon by the Company and no such transfer is pending.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

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

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

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
2016-17	Science Center Auditorium, City Light Road, Surat – 395 007	September 22, 2017	11:00 a.m.	
2015-16	Science Center Auditorium, City Light Road, Surat – 395 007	September 12, 2016	10:30 a.m.	<ul style="list-style-type: none"> Re-appointment of Mr. Viral P Desai as Managing Director of the Company for a further period on 3 years with effect from July 01, 2016 Approval of Related Party Transaction limit
2014-15	DTA – 2, G 02 to G 05 Plot, Gujarat Hira Bourse, Gem & Jewellery Park, Icchapore-2, Surat – 394 510	September 20, 2015	10:30 a.m.	<ul style="list-style-type: none"> Regularization of an Additional Director Ms. Lataben P Desai as Director of the Company To approve appointment of Cost Auditor for the year 2015 – 16 To authorize Board to make donation of not exceeding Rs. 2 Crore (Rupees Two Crore) in aggregate per annum over and above limit prescribed under the Companies Act, 2013

II) Whether any special resolution passed last year through postal ballot – details of voting pattern: None

III) Person who conducted the postal ballot exercise: Not Applicable

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

V) Procedure for postal ballot: Not applicable

DISCLOSURES

None of the transactions with any of the related party were in conflict with the interest of the Company at large. The members may refer to Note No. 28 to the Accounts for details of transactions with the related parties. During the year 2017 - 18, no transactions of material nature have been entered into by the Company with the Promoters or Directors or Management, their subsidiaries or their relatives that may be in potential conflict with the interests of the Company.

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

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

The Company has adopted a code of conduct for its director and senior management and the code of conduct has been put on the Company's website www.spandivergent.com/www.span.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 2017 – 18.

Viral P. Desai
Managing Director
DIN 00029219

There is no interest relationship between the directors of the Company except Mr. Viral P Desai, Mr. Pradipkumar K Desai and Ms. Lataben P Desai who are relative of each other.

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

Reconciliation of share capital audit:

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued / paid up capital is in agreement with the total number of share in physical form and the total number of dematerialized shares held with NSDL and CDSL.

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 Financial Express, Ahmedabad and Dhabkar, Surat. Official news releases and presentations, if any, made to analyst are sent to the stock exchange at Mumbai, where shares of the Company are listed.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

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

CEO/CFO CERTIFICATION

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

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

Day, Date & Time	Friday, September 28, 2018 at 11:00 a.m.
Venue	Hall at 1st Floor, The Southern Gujarat Chamber of Commerce and Industries, Samrudhdhi, Makkai Pool, Nanpura, Surat – 395 001

(b) Financial Calendar

Financial Year: April 1 to March 31

For the financial year 2017 – 18, the results were announced as per the following details:

1st Quarter ended on June 30, 2017	On August 12, 2017
2nd Quarter ended on September 30, 2017	On November 21, 2017
3rd Quarter ended on December 31, 2017	On February 06, 2018
Audited Financial Result for the year ended on March 31, 2018	On May 16, 2018

For the financial year 2018 – 19, financial results will be announced as per the following tentative schedule:

1st Quarter ended on June 30, 2018	Second week of August, 2018
2nd Quarter ended on September 30, 2018	Last week of October, 2018
3rd Quarter ended on December 31, 2018	First week of February, 2019
Audited Financial Result for the year ended on March 31, 2019	Last week of May, 2019

(c) Date of Book Closure

The Company's Register of Member's & Share Transfer Book will remain closed from September 18, 2018 to September 28, 2018 (both days inclusive).

(d) Listing of Stock Exchange and Stock Code

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

(e) Market Price Data:

High / Low in each month of year 2017 - 18 on the Bombay Stock Exchange Limited, Mumbai.

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April	66.40	50.15	October	51.90	42.80
May	63.90	52.05	November	49.00	38.00
June	69.45	43.20	December	46.90	36.20
July	54.00	44.05	January	55.00	41.00
August	54.00	40.55	February	47.35	35.20
September	54.05	42.90	March	41.90	31.80

(f) Performance in Comparison to BSE SENSEX

Month & Year	Closing SENSEX	% Change	Closing Price of Company's share	% change
April 2017	29918.40	1.01	59.10	5.54
May 2017	31145.80	4.10	54.95	-7.02
June 2017	30921.61	-0.72	45.00	-18.11
July 2017	32514.94	5.15	47.05	4.56
August 2017	31730.49	-2.41	42.05	-10.63
September 2017	31283.72	-1.41	51.20	21.76
October 2017	33213.13	6.17	46.90	-8.40
November 2017	33149.35	-0.19	41.10	-12.37
December 2017	34056.83	2.74	41.05	-0.12
January 2018	35965.02	5.60	44.05	7.31
February 2018	34184.04	-4.95	38.95	-11.58
March 2018	32968.68	-3.56	39.00	0.13

(g) Registrar & Transfer Agents & Share Transfer System

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

The requests for share transfer involving 26,900 shares are processed and approved by the Registrar & Transfer Agents under the delegated authority. Other valid requests are placed before the Stakeholders Relationship Committee. The minutes of the Stakeholders Relationship Committee is placed before the Board meeting for information.

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

(h) Categories of Shareholding and Dematerialisation of Shares as on March 31, 2018

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	3414179	3442379	63.03%
Foreign Institutional investors	0	0	0	0.00%
Public financial institutions	0	0	0	0.00%
Mutual funds	0	0	0	0.00%
Nationalized banks and other banks	0	0	0	0.00%
NRI's and OCB's	139000	608855	747855	13.69%
Others (includes holding of Corporate Bodies)	220264	1051249	1271513	23.28%
TOTAL	387464	5074283	5461747	100.00%
Percentage	7.09	92.91		

(i) Distribution of Share Holding as on March 31, 2018

No. of Share	Number of shareholders	Percentage of Total	Number of shares	Percentage of total shares
1 to 500	2311	86.30	379421	7.40
501 to 1000	170	6.35	141163	2.38
1001 to 2000	82	3.06	128422	2.30
2001 to 3000	26	0.97	65931	1.13
3001 to 4000	19	0.71	69725	1.21
4001 to 5000	10	0.37	46764	0.60
5001 to 10000	25	0.93	198731	3.67
10001 and above	35	1.31	4431590	81.31
Total	2678	100.00	5461747	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, 2018.

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

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

Email: secretarial@span.co.in

Website: www.spandivergent.com

For and on behalf of the Board

Place: Mumbai

Dated: May 16, 2018

Viral P Desai
Managing Director
DIN: 00029219

Dr. Pradip K Desai
Non Executive Director
DIN: 00026451

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED ON **MARCH 31, 2017***[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Span Divergent Limited** ("**Company**") for the financial year ended on March 31, 2018, according to the provisions of:

- i. The Companies Act, 2013 (**the Act**), and the Rules made thereunder; The Companies Act, 1956 to the extent applicable
- ii. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable to the Company:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **and amendments from time to time**
 - d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employees Benefits) Regulation, 2014 (**Not Applicable**)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable since the company has not issued and debt securities during the year under review.**)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client (**Not applicable. The Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review**)
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable. The shares of the Company are not delisted at any stock exchange during the under review**) and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable. The Company not bought back any shares / securities during the year under review.**)

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

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

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

- 1) Applicable Secretarial Standards issued by The Institute of Company Secretaries of India.
- 2) The Equity Listing Agreements entered into by the Company with the BSE Limited
- 3) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

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

We further report that

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

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

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

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

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

1. During the year under review, Company had transferred 25,400 Equity Shares to IEPF Authority.
2. The Company's Promoter is in process of complying with SEBI Circular No. CIR/SD/3/2011 dated June 17, 2011 regarding demat of total promoter's shareholding. There are 28,200 Equity Shares of INR 10 each held in physical form by promoter of the Company.

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

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

**DATE: MAY 16, 2018
PLACE: SURAT**

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

Annexure "A"

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

Annexure "B"

A. LABOUR & INDUSTRIAL LAWS

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

B. CENTRAL ENVIRONMENT AND SAFETY LAWS

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

Annexure "C"

Assumption and limitations:

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

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

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

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

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

“Annexure D”

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

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

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

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

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

**DATE: MAY 16, 2018
PLACE: SURAT**

INDEPENDENT AUDITOR'S REPORT

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

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Span Divergent Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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, 2018, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position;
 - 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 has been no delay in transferring amounts, 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/W100048

Hemant J. Bhatt
Partner
Membership No.036834

Place: Surat
Date: May 16, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Span Divergent Limited on the standalone financial statements for the year ended March 31, 2018]

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

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

Hemant J. Bhatt
 Partner
 Membership No.036834

Place: Surat
 Date: May 16, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Span Divergent Limited on the standalone Ind AS financial statements for the year ended March 31, 2018]

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

We have audited the internal financial controls over financial reporting of Span Divergent Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Hemant J. Bhatt
Partner
Membership No.036834

Place: Surat
Date: May 16, 2018

SPAN DIVERGENT LIMITED
(Formerly known as Span Diagnostics Limited)
Balance sheet as at March 31, 2018

	Notes	March 31, 2018	March 31, 2017	April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	78,572,426	44,614,249	21,163,620
Capital work-in-progress		-	9,242,926	-
Investment properties	4	13,650,815	13,650,815	-
Intangible assets	5	558,804	640,267	41,346
Intangible assets under development		-	-	314,376
Financial assets				
i. Investments	6(a)(i)	216,166,456	169,103,807	28,400,177
ii. Loans	6(c)	-	1,589,562	1,462,862
iii. Others	6(e)	6,267,836	40,730,430	41,273,995
Deferred tax assets (Net)	7	-	-	167,441
Other non-current assets	8	-	22,061,662	12,172,727
Total non-current assets		315,216,337	301,633,719	104,996,544
Current assets				
Financial assets				
i. Investments	6(a)(ii)	254,982,265	278,657,635	363,527,725
ii. Trade receivables	6(b)	2,872,504	-	-
iii. Cash and cash equivalents	6(d)(i)	9,610,541	3,718,569	15,293,293
iv. Bank balances other than (iii) above	6(d)(ii)	232,551	363,765	365,665
v. Others	6(e)	2,404,685	3,184,959	3,360,046
Current tax Assets (Net)		3,980,965	7,262,874	13,209,788
Other current assets	9	5,347,366	5,138,564	17,257,854
Total current assets		279,430,877	298,326,366	413,014,371
Total assets		594,647,214	599,960,084	518,010,915
EQUITY AND LIABILITIES				
Equity				
Equity share capital	10(a)	54,617,470	54,617,470	54,617,470
Other equity	10(b)	419,472,911	450,281,795	458,749,181
		474,090,381	504,899,265	513,366,651
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	11(a)	914,255	18,999,387	-
Provisions	12	3,574,606	2,235,475	1,517,985
Deferred tax liabilities (Net)	7	3,646,326	1,408,303	-
Other non-current liabilities		-	-	-
Total non-current liabilities		8,135,187	22,643,164	1,517,985
Current liabilities				
Financial liabilities				
i. Borrowings	11(a)	97,685,641	65,999,349	-
ii. Trade payables	11(c)	155,988	1,267,934	899,872
iii. Other financial liabilities	11(b)	2,621,156	2,079,724	251,159
Other current liabilities	13	1,819,922	1,568,321	511,946
Provisions	12	10,138,939	1,502,328	1,463,302
Current tax liabilities		-	-	-
Total current liabilities		112,421,646	72,417,655	3,126,279
Total liabilities		120,556,833	95,060,819	4,644,264
Total equity and liabilities		594,647,214	599,960,084	518,010,915

Corporate information & Summary of significant accounting policies**1 & 2**

The accompanying notes are an integral part of the financial statements.
In terms of our report attached

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

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
Partner
Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

SPAN DIVERGENT LIMITED
(Formerly known as Span Diagnostics Limited)

Statement of profit and loss for the year ended March 31, 2018

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Continuing operations			
Revenue from operations	14	16,959,029	23,852,203
Other income	15	34,114,222	40,174,112
Total income	-	51,073,251	64,026,315
Expenses			
Purchases of stock-in-trade	16(a)	671,670	15,610,113
Changes in inventories of stock-in-trade	16(b)	-	-
Employee benefit expense	17	31,369,219	16,322,764
Finance costs	18	7,043,235	1,654,374
Depreciation and amortisation expense	19	5,555,725	3,427,311
Donation		10,503,000	20,000,000
Other expenses	20	17,300,213	13,874,883
Total expenses		72,443,062	70,889,445
Profit before exceptional items and tax		(21,369,811)	(6,863,130)
Exceptional items	36	(6,395,461)	-
Profit/(Loss) before tax		(27,765,272)	(6,863,130)
Tax expense	21		
- Current tax		774,205	-
- Deferred tax		2,248,989	1,585,706
Profit/(Loss) for the period from continuing operations		(30,788,465)	(8,448,836)
Other comprehensive income			
Remeasurement costs of Post employment benefits		(31,384)	(28,512)
Deferred tax on post employment		10,966	9,962
Other comprehensive income for the year, net of tax		(20,418)	(18,550)
Total comprehensive income for the year		(30,808,884)	(8,467,386)
Earnings per equity share for profit from operation attributable to owners of the entity:			
Basic earnings per share	24	(5.64)	(1.55)
Diluted earnings per share	24	(5.64)	(1.55)
Corporate information & Summary of significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements.
In terms of our report attached

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

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
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Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

SPAN DIVERGENT LIMITED

(Formerly known as Span Diagnostics Limited)

Statement of cash flows for the year ended March 31, 2018

	Year ended March 31, 2018	Year ended March 31, 2017
Profit before income tax	(27,765,272)	(6,863,130)
Adjustments for		
Depreciation and amortisation expense	5,555,725	3,427,311
Gain on disposal of property, plant and equipment	(8,209,400)	-
Dividend and interest income classified as investing cash flows	(503,409)	(1,702,302)
Rental Income	(2,421,746)	-
Interest Income	(7,989,477)	(10,713,735)
Gain on Sale of Investments	(9,232,130)	(7,787,699)
Finance Cost	7,043,235	1,654,374
Financial Guarantee Fees Income	(900,000)	-
Balances Written Back	149,154	-
Forex Gain Loss	-	(126,700)
Loan Written off	1,589,562	-
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	(2,872,504)	-
Increase in trade payables	(1,111,946)	368,062
(Increase) in other financial assets	35,242,869	718,651
(Increase)/decrease in other non-current assets	23,651,224	(10,015,635)
(Increase)/decrease in other current assets	(208,801)	12,119,290
Increase/(decrease) in provisions	9,975,742	756,516
Increase/(decrease) in other financial liabilities	541,432	1,828,565
Increase in other current liabilities	251,601	1,056,375
Cash generated from operations	22,785,859	(15,280,058)
Income taxes paid	(1,637,604)	(5,946,915)
Net cash inflow from operating activities	24,423,463	(9,333,143)
Cash flows from investing activities		
Purchase of investments	(23,387,280)	(55,833,539)
Proceeds from sale of investments	9,232,130	7,787,699
Purchase of property, plant and equipment	(30,189,512)	(49,958,040)
Proceeds from sale of property, plant and equipment	8,209,400	-
Dividends received	503,409	1,702,302
Rental Income	2,421,746	-
Interest received	7,989,477	10,713,735
Net cash outflow from investing activities	(25,220,631)	(85,587,843)
Cash flows from financing activities		
Proceeds/Repayment from borrowings	13,601,162	84,998,735
Payment towards unclaimed dividend	131,214	1,900
Interest paid	(7,043,235)	(1,654,374)
Net cash inflow (outflow) from financing activities	6,689,140	83,346,262
Net increase (decrease) in cash and cash equivalents	5,891,973	(11,574,724)
Cash and cash equivalents at the beginning of the financial year	3,718,569	15,293,293
Cash and cash equivalents at end of the year	9,610,541	3,718,569
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
	Year ended March 31, 2017	Year ended March 31, 2016
Balances with banks		
Cash on hand	9,547,627	3,640,802
Cash on hand	62,914	77,767
Balances per statement of cash flows	9,610,541	3,718,569
Corporate information & Summary of significant accounting policies	1 & 2	

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

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

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
Partner
Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

SPAN DIVERGENT LIMITED
(Formerly known as Span Diagnostics Limited)
Statement of changes in equity for the year ended March 31, 2018

a. Equity share capital

	Notes	Amount
As at April 1, 2016	10	54,617,470
Issue of Share Capital	10	-
As at March 31, 2017	10	54,617,470
Issue of Share Capital	10	-
As at March 31, 2018	10	54,617,470

b. Other Equity

	Reserves and Surplus	
	Securities Premium Reserve	Retained Earnings
Balance as on 01.04.2016	18,142,530	432,543,090
Add: Re-measurement gains on Financial instruments		8,063,561
Restated Balance as on 01.04.2016	18,142,530	440,606,651
Add: Loss for the year	-	(8,448,836)
Total Comprehensive Income for the year	-	(18,550)
Balance as on 31.03.2017	18,142,530	432,139,265
Add: Loss for the year	-	(30,788,465)
Total Comprehensive Income for the year	-	(20,418)
Balance as on 31.03.2018	18,142,530	401,330,381

The accompanying notes are an integral part of the financial statements.
In terms of our report attached

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

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
Partner
Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

SPAN DIVERGENT LIMITED**Notes to financial statements for the year ended March 31, 2018**

(All amounts are in Indian Rupees except for share data or otherwise stated)

1. Corporate Information

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

2. Statement of significant accounting policies**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP"). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to note 35 for information on how the Company adopted Ind AS. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

2.2 Summary of significant accounting policies**(a) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Functional and presentation currency

The financial statements are presented in INR which is also the Company's functional currency.

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(d) Revenue recognition

- a. The Company recognises revenue on the sale of products when risks and rewards of the ownership are transferred to the customer. Sales are accounted net of amount recovered towards, sales tax and sales returns.
- b. Sales returns are accounted on actual receipt of return goods / settlement of claims.
- c. Interest income is recognised on pro-rate basis.
- d. Income from mutual funds is recognised when the Company's right to receive the payment is established, and unit holders' right to receive payment is established.

(e) Taxes**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period/year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT)

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(f) Property, plant and equipment

Under the previous GAAP (Indian GAAP), Property, Plant and Equipment were carried in the balance sheet at cost of acquisition. The Company has elected to regard those values of assets as deemed cost at the date of the acquisition since they were broadly comparable to fair value. The Company has also determined that cost of acquisition or construction does not differ materially from fair valuation as at April 01, 2016 (date of transition to Ind AS).

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives as per Schedule 2 of The Companies Act, 2013

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period/year end and adjusted prospectively, if appropriate.

(g) Intangible Assets

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.

(h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

(j) Provisions**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Employee Benefits**a. Retirement Benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

b. Compensated Expenses

The Company treats accumulated leave, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on an actuarial valuation using the projected unit credit method at the period-end/ year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

c. Other Short-term benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments:

In respect of equity investments, when an entity prepares separate financial statements, Ind AS 27 requires it to account for its investments in subsidiaries and associates either:

- (a) at cost; or
- (b) in accordance with Ind AS 109.

If a first-time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

- (a) cost determined in accordance with Ind AS 27; or
- (b) deemed cost. The deemed cost of such an investment shall be its:
 - (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
 - (ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary or associate that it elects to measure using a deemed cost.

Since the company is a first time adopter it has measured its investment in subsidiary and associate at deemed cost in accordance with Ind AS 27 by taking previous GAAP carrying amount.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) the Company has transferred its rights to receive cash flows from the asset, and
 - i. the Company has transferred substantially all the risks and rewards of the asset, or
 - ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18
- c) Loan commitments which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- ? All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- ? Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- ? Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- ? Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Financial liabilities*Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 14.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

(m) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(n) Segment Reporting

The Board of Directors assess the financial performance of the Company and make strategic decisions and has been identified as being the Chief Operating Decision Maker (CODM). Based on the internal reporting provided to the CODM, the Company has only one reportable segment i.e. the Activities of Head Offices, Management Services Activities and hence no separate disclosures are required under Ind AS 108.

(o) 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.

(p) Earnings per Share

The Basic earning per Share ("EPS") is computed by dividing the net profit/(loss) after tax for the year attributable to equity share holder by the weighted average number of equity shares outstanding during the year. 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.

Note 3: Property, plant and equipment and Capital work-in-progress

Particulars	As at		
	March 31, 2018	March 31, 2017	At April 1, 2016
Carrying amount of:			
Freehold land*	33,278,724	33,278,724	10,210,250
Computers	258,260	411,369	140,670
Office equipment	1,179,165	864,588	1,432,680
Buildings & Roads	26,044,216	3,458,949	3,636,034
Vehicles	3,344,100	3,051,591	1,614,701
Electrical Installment	632,189	420,751	507,836
Leasehold Improvements	1,236,311	1,880,488	1,937,828
Furniture and fixtures	2,813,610	1,247,790	1,683,621
Compound Wall	9,785,850	-	-
Total Tangible assets	78,572,426	44,614,249	21,163,620

Note : 3.1 Property, plant and equipment

Description of Assets	Freehold land	Computers	Office equipment	Buildings & Roads	Vehicles	Electrical Installment	Leasehold Improvements	Furniture & fixtures	Compound Wall	Total
At Cost										
At April 1, 2016	10,210,250	242,325	1,805,130	6,282,566	2,092,790	575,243	2,164,448	1,900,539	-	25,273,291
Additions	23,068,474	472,472	99,037	-	2,614,723	55,090	522,792	-	-	26,832,588
Deletions	-	-	-	-	-	-	-	-	-	-
March 31, 2017	33,278,724	714,797	1,904,167	6,282,566	4,707,513	630,333	2,687,240	1,900,539	-	52,105,879
Additions	-	198,337	900,965	27,209,411	1,639,016	367,726	-	2,168,284	10,213,107	42,696,846
Deletions	-	-	-	6,282,566	-	-	-	-	-	6,282,566
March 31, 2018	33,278,724	913,134	2,805,132	27,209,411	6,346,529	998,059	2,687,240	4,068,823	10,213,107	88,520,159
Depreciation										
At April 1, 2016	-	101,655	372,451	2,646,532	478,089	67,407	226,620	216,918	-	4,109,672
Charge for the year	-	201,773	667,129	177,085	1,177,833	142,176	580,132	435,831	-	3,381,959
Deletions	-	-	-	-	-	-	-	-	-	-
March 31, 2017	-	303,428	1,039,579	2,823,617	1,655,922	209,582	806,752	652,749	-	7,491,630
Charge for the year	-	351,446	586,387	1,333,544	1,346,507	156,287	644,177	602,464	427,257	5,448,069
Deletions	-	-	-	2,991,966	-	-	-	-	-	2,991,966
March 31, 2018	-	654,874	1,625,967	1,165,195	3,002,429	365,869	1,450,930	1,255,213	427,257	9,947,733
Net Block										
At April 1, 2016	10,210,250	140,670	1,432,680	3,636,034	1,614,701	507,836	1,937,828	1,683,621	-	21,163,620
March 31, 2017	33,278,724	411,369	864,588	3,458,949	3,051,591	420,751	1,880,488	1,247,790	-	44,614,249
March 31, 2018	33,278,724	258,260	1,179,165	26,044,216	3,344,100	632,189	1,236,311	2,813,610	9,785,850	78,572,426

* Land has been pledged as security for borrowings.

Note 4: Investment properties

	March 31, 2018	March 31, 2017	At April 1, 2016
Carrying amount of:			
Opening carrying amount / Deemed cost	13,650,815	13,650,815	-
Additions	-	-	-
Closing carrying amount	13,650,815	13,650,815	-

(i) Amounts recognised in profit or loss for investment properties

	March 31, 2018	March 31, 2017
Rental income	164,246	-
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties	164,246	-

(ii) Fair value

	March 31, 2018	March 31, 2017	At April 1, 2016
Investment properties	13,650,815	13,650,815	-

Estimation of fair value

The Company accesses for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties.

Note 5: Intangible assets

Particulars	As at		
	March 31, 2018	March 31, 2017	At April 1, 2016
Carrying amount of:			
Software	76,368	125,786	41,346
Trademark	482,436	514,481	-
Total Tangible assets	558,804	640,267	41,346

Note : 3.1 Property, plant and equipment

Description of Assets	Software	Trademark	Total
At Cost			
At April 1, 2016	63,577	-	63,577
Additions	100,800	543,474	644,274
Deletions	-	-	-
March 31, 2017	164,377	543,474	707,851
Additions	-	26,183	26,183
Deletions	-	-	-
March 31, 2018	164,377	569,657	734,034
Depreciation			
At April 1, 2016	22,231	28,993	22,231
Charge for the year	16,360	28,993	45,353
Deletions	-	-	-
March 31, 2017	38,591	28,993	67,584
Charge for the year	49,418	58,228	107,647
Deletions	-	-	-
March 31, 2018	88,009	87,221	175,230
Net Block			
At April 1, 2016	41,346	-	41,346
March 31, 2017	125,786	514,481	640,267
March 31, 2018	76,368	482,436	558,804

Note 6: Financial assets**6(a)(i) Non-current investments**

	March 31, 2018	March 31, 2017	April 1, 2016
Investment in Subsidiaries			
Investment in LLPs			
Aranya Agri Biotech LLP			
-Fixed Capital	99,000	99,000	99,000
-Fluctuating Capital	62,883,724	40,412,359	14,500,000
	62,982,724	40,511,359	14,599,000
Biospan Scientific LLP			
-Fixed Capital	99,000	99,000	99,000
-Fluctuating Capital	22,161,880	4,396,117	-
	22,260,880	4,495,117	99,000
Dry Fruit Factory LLP			
-Fixed Capital	97,000	97,000	97,000
-Fluctuating Capital	128,722,774	123,895,154	13,500,000
	128,819,774	123,992,154	13,597,000
Span Diagnostics LLP			
-Fixed Capital	99,000	99,000	99,000
-Fluctuating Capital	52,901	-	-
	151,901	99,000	99,000
Desai Farmharvest LLLP			
-Fixed Capital	1,275,000	-	-
-Fluctuating Capital	-	-	-
	1,275,000	-	-
Investment in Equity Shares			
Unquoted			
Span Diagnostics south Africa (Pty) Ltd. (100% Holding - PY 100%) (1,000 Equity Shares (Previous Year – 1000 Shares) of Rand 1 each)	6,177	6,177	6,177
Biospan Contamination Control Solution Pvt Ltd (67% holding - PY0%) (67,000 Equity Shares (Previous Year – 0 Shares) of Rupees 10 each)	670,000	-	-
Total (Subsidiaries)	216,166,456	169,103,807	28,400,177
Total non-current investments	216,166,456	169,103,807	28,400,177

6(a)(ii) Current investments

	March 31, 2018	March 31, 2017	April 1, 2016
Investment in equity instruments (fully paid-up)			
Quoted			
Aurobindo Pharma LTD.	-	-	651,788
Bharat Electricals Ltd	-	-	899,861
Britannia Industries Ltd.	-	-	550,733
Colgate Palmolive(I) Ltd	-	-	639,755
HDFC Bank Ltd	-	-	1,022,948
Infosys Ltd.	-	-	531,179
Maruti Suzuki Ind Ltd	-	-	657,785
MRF Ltd.	-	-	957,419
P I Industries Ltd	-	-	667,929
Timken India Ltd	-	-	622,654
Va Tech Wabag Ltd	-	-	385,652
Wabco (India) Ltd	-	-	1,080,887
Total (equity instruments)	-	-	8,668,588

	March 31, 2018	March 31, 2017	April 1, 2016
Investment in debentures and bonds			
Quoted			
11 % Bank of India Perpetual Bonds (Face value of Rs. 10,00,000)	25,557,000	25,440,000	23,952,170
11.85 % Bank of India Perpetual Bond (Face value of Rs. 1,000)	32,844,000	35,005,000	34,410,208
10.20% Dena Bank Perpetual Bonds	-	-	4,992,500
10.45% GSPC NCD	-	-	19,191,600
11.50% ITNL NCD 21/06/2024	-	5,151,000	6,037,200
6.83% PFC Taxable Bonds (Series 157) 15/04/2020	-	5,952,600	-
7.37% NTPC Limited Bonds (Series 66) 14/12/2031	-	6,800,500	-
8.17% GOI 01/12/2044	-	3,231,600	-
8.60% GOI-02/06/2028	-	6,571,200	11,616,000
8.94% Bajaj Finance Ltd NCD	-	-	5,049,000
9% Reliance Capital Limited NCD	-	2,012,000	39,500,000
9.23% GOI 23/12/2043	-	-	4,551,600
Total (debentures and bonds)	58,401,000	90,163,900	149,300,278
Investment in Mutual Fund			
Quoted			
Baroda Pioneer Treasury Fund	-	-	30,454,000
Edelweiss Arbitrage Fund	-	1,276,841	16,648,828
Edelweiss Liquid Super Institution Growth	-	970,841	-
FAIT Forefront Alternativ EQS	-	24,545,000	19,538,000
Kotal Floater Short Term Fund	-	87,388	-
Edelweiss Arbitrage Fund	-	-	32,239,154
DSP Blackrock FMP Fund	26,290,575	24,363,225	-
Edelweiss Government Securities Fund	48,738,968	46,674,454	-
JP Moggan India Fund	-	-	42,517,118
92 Birla Sunlife Frontline Equity Fund	649,811	599,801	482,854
BNP Paribas Equityfund Growth Fund	-	-	1,870,563
BNP Paribas Equity Fund	-	-	470,002
BSL Frontline Equity Fund-Growth	2,568,914	2,371,210	1,908,880
Edelweiss Arbitrage Regular Fund	-	-	10,734,234
Franklin India Prima Plus Growth Fund	2,606,179	2,407,848	1,999,279
Franklin India Prima Plus Fund	647,660	598,373	496,840
ICICI Prudential Equity Arbitrage Fund	-	-	10,709,171
ICICI Prudential Value Fund	2,551,178	2,490,028	-
JM Money Manager Super Plus Fund	-	-	26,730
Kotak Equity Arbirtage Fund	-	-	10,724,342
Motilal Oswal Most Focus Mucticap 35 Fund	783,486	678,248	494,341
Motilal Oswal Most Short Term Bond Fund	3,045,197	2,636,164	1,921,368
153G Birla Sulife Cash Plus Fund	-	-	-
Birla Sun Life Short Term Fund Growth Fund	17,240,994	16,166,438	-
HDFC Corporate Debt Opportunity Fund-Regular-Growth	18,613,456	17,511,952	10,942,602
HDFC Short Term Opportunity Fund Growth	17,143,226	16,082,252	-
Kotak Medium Term Fund Reg Plan Growth	17,240,994	16,313,459	-
Kotak FMP Series 172 Growth Regular Plan	13,120,200	12,113,000	11,080,200
Baroda Pioneear Liquid Fund	-	400,141	300,356
SBI Mutual Fund	-	207,070	-
ICICI Prudential Corporate Bond Fund-ICICI Bank	12,685,093	-	-
Reliance Corporate Bond Fund-ICICI Bank	12,655,334	-	-
Total (Mutual Fund)	196,581,265	188,493,735	205,558,860
Total current investments	254,982,265	278,657,635	363,527,725

6(b) Trade receivables

	March 31, 2018	March 31, 2017	April 1, 2016
Trade receivables			
Receivables from related parties (refer note 35)	2,872,504	-	-
Less : Allowance for doubtful debts	-	-	-
Total receivables	2,872,504	-	-
Current portion	2,872,504	-	-
Non-current portion	-	-	-

6 (c) Loans

	March 31, 2018		March 31, 2017		April 1, 2016	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Unsecured and considered doubtful						
Loan to related parties (refer note 30)	-	1,589,562	-	1,589,562	-	1,462,862
Less: Allowance for doubtful loans	-	(1,589,562)	-	-	-	-
	-	-	-	1,589,562	-	1,462,862
Total loans	-	-	-	1,589,562	-	1,462,862

6 (d) (i) Cash and cash equivalents

	March 31, 2018	March 31, 2017	April 1, 2016
Balances with banks			
- in current accounts	9,547,627	3,640,802	15,208,500
- in EEFC accounts	-	-	59,699
Cash on hand	62,914	77,767	25,095
Total cash and cash equivalents	9,610,541	3,718,569	15,293,293

6 (d) (ii) Bank Balances Other than Cash and cash equivalents

	March 31, 2018	March 31, 2017	April 1, 2016
Earmarked balances with banks for:			
Unpaid Dividend	232,551	363,765	365,665
	232,551	363,765	365,665

6 (e) Other financial assets

	March 31, 2018		March 31, 2017		April 1, 2016	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Receivable on account of sale of Business	-	6,267,836	-	40,730,430	-	41,273,995
Security deposits	352,300	-	504,852	-	200,000	-
Accrued Interest	1,888,785	-	2,570,107	-	3,080,046	-
Advances to Related Party	67,604	-	-	-	-	-
Advances to Employee	95,996	-	110,000	-	80,000	-
Total other financial assets	2,404,685	6,267,836	3,184,959	40,730,430	3,360,046	41,273,995

Note 7 : Deferred tax assets/Liabilities**The balance comprises temporary differences attributable to:**

	March 31, 2018	March 31, 2017	April 1, 2016
Defined benefit obligations gratuity and leave	1,647,639	836,019	559,508
Property, plant and equipment	(2,359,444)	181,072	(392,067)
Fair value of Investment	(2,934,521)	(2,425,394)	-
Net deferred tax assets/(Liabilities)	(3,646,326)	(1,408,303)	167,441

Significant estimates

An entity shall disclose the amount of a deferred tax asset and the nature of the evidence supporting its recognition, when:

- the utilisation of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences; and
- the entity has suffered a loss in either the current or preceding period in the tax jurisdiction to which the deferred tax asset relates.

Movement in deferred tax assets/ Liabilities for the year March 31, 2018

	Defined benefit obligations gratuity & leave	Property, plant and equipment	Fair value of Investment	Total
(Charged)/credited:				
- to profit or loss	811,620	(2,540,516)	(509,127)	(2,238,023)
At March 31, 2018	811,620	(2,540,516)	(509,127)	(2,238,023)

Movement in deferred tax assets/ Liabilities for the year March 31, 2017

	Defined benefit obligations gratuity & leave	Property, plant and equipment	Fair value of Investment	Total
(Charged)/credited:				
- to profit or loss	276,511	573,139	(2,425,394)	(1,575,744)
At March 31, 2017	276,511	573,139	(2,425,394)	(1,575,744)

Note 8: Other non-current assets

	March 31, 2018	March 31, 2017	April 1, 2016
Capital advances	-	22,061,662	12,172,727
Total other non-current assets	-	22,061,662	12,172,727

Note 9: Other current assets

	March 31, 2018	March 31, 2017	April 1, 2016
Capital advances	-	7,900	50,000
Prepaid expenses	71,971	1,38,236	17,950
Advances other than capital advances	-	-	-
Advances to related parties	-	552,274	546,088
Other Advances	1,265,914	1,365,419	15,208,093
Balance with Statutory Authorities	4,009,481	3,074,736	1,435,723
Total other current assets	5,347,366	5,138,564	17,257,854

Note 10: Equity share capital and other equity**10(a) Equity share capital****(i) Authorised, Issued, Subscribed and paid-up equity share capital**

	March 31, 2018	March 31, 2017	April 1, 2016
Authorised			
15,000,000 Equity Shares of Rs. 10/- each (Previous year 15,000,000)	150,000,000	150,000,000	150,000,000
Issued, Subscribed and paid-up			
5,461,747 (Previous Year 5,461,747) Equity Shares of Rs.10/- each fully paid up	54,617,470	54,617,470	54,617,470
	54,617,470	54,617,470	54,617,470

(ii) Terms and rights attached to equity shares

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

(iii) Details of shareholders holding more than 5% shares in the company

	March 31, 2018		March 31, 2017		April 1, 2016	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Pradipkumar Keshavlal Desai	1,360,880	24.92%	1,360,880	24.92%	1,306,880	23.93%
Lataben P Desai	841,040	15.40%	717,060	13.13%	717,060	13.13%
Bharti Patel	575,333	10.53%	575,333	10.53%	583,440	10.68%
Viral Pradipkumar Desai	563,527	10.32%	550,727	10.08%	524,632	9.61%

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

Particulars	No. of Shares
Equity shares bought back by the company	-
In FY 2013-14	-
In FY 2014-15	-
In FY 2015-16	1,814,253
In FY 2016-17	-
In FY 2017-18	-

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

10(b) Reserves and surplus

	March 31, 2018	March 31, 2017	April 1, 2016
Capital Redemption Reserve	18,142,530	18,142,530	18,142,530
Retained earnings	401,330,381	432,139,265	440,606,651
Total reserves and surplus	419,472,911	450,281,795	458,749,181

(i) Capital Redemption Reserve

	March 31, 2018	March 31, 2017	April 1, 2016
Opening balance	18,142,530	18,142,530	18,142,530
Closing balance	18,142,530	18,142,530	18,142,530

(ii) Retained earnings

	March 31, 2018	March 31, 2017	April 1, 2016
Opening balance	432,139,265	440,606,651	432,543,090
Net profit for the period	(30,788,465)	(8,448,836)	-
Items of other comprehensive income recognised directly in retained earnings			
Remeasurements of post-employment benefit obligation, net of tax	(20,418)	(18,550)	-
Transfer to retained earnings of FVOCI equity investments, net of tax	-	-	8,063,561
Closing balance	401,330,381	432,139,265	440,606,651

Note 11: Financial liabilities

11(a) Non-current borrowings

	Maturity date	Terms of repayment	Coupon/Interest rate	March 31, 2018	March 31, 2017	April 1, 2016
Secured						
Term loans						
From banks	15/02/2022	60 Months	8.35	1,165,230	18,999,387	-
Total non-current borrowings				1,165,230	18,999,387	-
Less: Current maturities of long term debt (included in note 11(b))				250,975	-	-
Less: Interest accrued (included in note 11(b))				-	-	-
Non-current borrowings (as per balance sheet)				914,255	18,999,387	-

11(a) Current borrowings

	Maturity date	Terms of repayment	Coupon/ Interest rate	March 31, 2018	March 31, 2017	April 1, 2016
Secured						
Loans repayable on demand						
From banks	On Demand	Working Capital Loans are secured by hypothecation of investments made in securities by the Company.	The Interest rate in case of IIFL is 11% and in case of ICICI rate of interest is varies from 8.50% to 9.40%.	97,685,641	65,999,349	-
Total Current borrowings				97,685,641	65,999,349	-
Less: Interest accrued (included in note 11(b))				-	-	-
Current borrowings (as per balance sheet)				97,685,641	65,999,349	-

11(b) Other financial liabilities

	March 31, 2018	March 31, 2017	April 1, 2016
Non-current	-	-	-
Total other non-current financial liabilities	-	-	-
Current	-	-	-
Current maturities of long-term debt	250,975	-	-
Capital creditors	-	138,782	7,944
Security Deposits	90,000	-	-
Employee benefit payable	2,280,181	1,940,942	243,215
Total other current financial liabilities	2,621,156	2,079,724	251,159

11(c) Trade payables

	March 31, 2018	March 31, 2017	April 1, 2016
Current			
Trade payables	155,988	1,267,934	300,055
Trade payables to related parties (note 28)	-	-	599,817
Total trade payables	155,988	1,267,934	899,872

There are no dues to Micro, small and medium enterprises as at March 31, 2018, March 31, 2017 and April 01, 2016. The identification of Micro, small and medium enterprises as defined under the provisions of "Micro, Small and Medium Enterprises Act, 2006" is based on management's knowledge of their status.

Note 12: Provisions

	March 31, 2018			March 31, 2017			April 1, 2016		
	Current	Non-Current	Total	Current	Non-Current	Total	Current	Non-Current	Total
Provision for employee benefits									
Gratuity	51,511	1,811,035	1,862,546	24,438	1,106,608	1,131,046	23,899	991,374	1,015,273
Current Obligation of Leave Encashment	135,570	1,763,571	1,899,141	84,523	1,128,867	1,213,390	41,144	526,611	567,755
Super Annuation Fund	1,080,000	-	1,080,000	540,000	-	540,000	540,000	-	540,000
Performance Salary	-	-	-	71,244	-	71,244	33,672	-	33,672
Provision for amount receivable from Arkray	6,267,836	-	6,267,836	-	-	-	-	-	-
other	2,604,022	-	2,604,022	782,123	-	782,123	824,587	-	824,587
Total	10,138,939	3,574,606	13,713,545	1,502,328	2,235,475	3,737,803	1,463,302	1,517,985	2,981,287

Note 13: Other current liabilities

	March 31, 2018	March 31, 2017	April 31, 2016
Statutory tax payables	1,819,922	1,568,321	511,946
Total other current liabilities	1,819,922	1,568,321	511,946

Note 14 : Revenue from Operations

	March 31, 2018	March 31, 2017
Sale of products	1,000,640	18,147,603
Other operating revenue	15,958,389	5,704,600
Total revenue from continuing operations	16,959,029	23,852,203

Note 15: Other income and other gains/(losses)

	March 31 2018	March 31, 2017
Rental income	2,421,746	-
Dividend income from equity investments designated at fair value through other comprehensive income (i)	503,409	1,702,302
Unrealised Gain through P&L A/C (Investments)	3,695,689	19,796,439
Interest income from financial assets at amortised cost	7,989,477	10,713,735
Net gain on disposal of property, plant and equipment (excluding property, plant and equipment sold as part of the discontinued operation)	8,209,400	-
Net gain on sale of investments	9,232,130	7,787,699
Financial Guarantee Fees Income	900,000	-
Exchange Rate Gain	23,197	19,291
Balances Written Back	149,154	-
Other items (specify nature)	990,020	154,646
Total other income	34,114,222	40,174,112

Note 16(a): Purchases of stock-in-trade

	March 31, 2018	March 31, 2017
Add: Purchases	671,670	15,610,113
Total cost of materials consumed	671,670	15,610,113

Note 16(b): Changes in inventories of work-in-progress, stock-in-trade and finished goods

	31 March 2018	31 March 2017
Opening balance	-	-
Traded goods	-	-
Total opening balance	-	-
Closing balance	-	-
Traded goods	-	-
Total closing balance	-	-
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	-	-

Note 17: Employee benefit expense

	March 31, 2018	March 31, 2017
Salaries, wages and bonus	25,709,473	14,160,874
Contribution to provident fund	1,502,155	838,179
Gratuity	1,595,657	138,076
Leave compensation	2,019,036	645,635
Post-employment pension benefits	542,898	540,000
Total employee benefit expense	31,369,219	16,322,764

Note 18: Finance costs

	March 31, 2018	March 31, 2017
Interest on debts and borrowings	7,043,235	1,654,374
Finance costs expensed in profit or loss	7,043,235	1,654,374

Note 19: Depreciation and amortisation expense

	March 31, 2018	March 31, 2017
Depreciation of property, plant and equipment	5,448,078	3,381,959
Amortisation of intangible assets	107,647	45,353
Total depreciation and amortisation expense	5,555,725	3,427,311

Note 20: Other expenses

	March 31, 2018	March 31, 2017
Consumption of stores and spares	-	80,000
Clearing and Forwarding Expenses	655,494	645,496
Repairs and maintenance		
Buildings	351,188	93,931
Others	108,309	79,768
Telephone and communication charges	280,184	192,792
Water and electricity charges	112,041	111,895
Rental charges	2,423,416	1,712,928
Rates and taxes	548,410	454,964
Legal and professional fees (Refer Note 25(a))	7,327,824	6,502,740
Travel and conveyance	2,199,055	2,186,503
Insurance	164,384	56,606
Printing and stationery	111,451	219,252
Sales commission	-	39,561
Security Expenses	-	386,986
Membership Fees	2,100	-
Selling Expenses	87,246	173,447
Allowance for doubtful debts – trade receivables	2,278,629	-
Miscellaneous expenses	650,481	938,013
Total other expenses	17,300,213	13,874,883

Note 20 (a): Details of payments to auditors

	March 31, 2018	March 31, 2017
Payment to auditors		
As auditor:		
Audit fee	260,000	260,000
Tax audit fee	75,000	75,000
Other Services	107,735	205,363
Total payments to auditors	442,735	540,363

Note 21: Income tax expense

	March 31, 2018	March 31, 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	774,205	-
Total current tax expense	774,205	-
Deferred tax		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	2,238,023	1,575,744
Total deferred tax expense/(benefit)	2,238,023	1,575,744
Income tax expense	3,012,228	1,575,744

Note 22: Commitments and Contingent Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Commitments		
Contingent Liability		
Sales tax - Pending C Forms	-	13,880
Corporate Guarantee given on behalf of Subsidiary Company	142,000,000	90,000,000
Total	142,000,000	90,013,880

Note 23: Capital management**(a) Risk management**

For the purpose of the Company's capital management, capital includes issued equity capital, compulsorily convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings including interest accrued on borrowings, trade and other payables, less cash and short-term deposits.

The gearing ratios were as follows:

	March 31, 2018	March 31, 2017	April 1, 2016
Net debt	103,106,962	89,914,714	1,572,977
Total equity	474,090,381	504,899,265	513,366,651
Net debt to equity ratio	21.75%	17.81%	0.31%

Note 24: Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

	March 31, 2018	March 31, 2017
(a) Basic earnings per share	INR	INR
i. Profit (loss) attributable to equity shareholders(basic)	(30,788,465)	(8,448,836)
ii. Weighted average number of equity shares (basic)	5,461,747	5,461,747
Total basic earnings per share attributable to the equity holders of the company	(5.64)	(1.55)
(b) Diluted earnings per share		
i. Profit (loss) attributable to equity shareholders(basic)	(30,788,465)	(8,448,836)
ii. Weighted average number of equity shares (basic)	5,461,747	5,461,747
Total diluted earnings per share attributable to the equity holders of the company	(5.64)	(1.55)

Note 25 Post Employment benefits

For details about the related employee benefit expenses, see Note 22.

A. Reconciliation of the defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Reconciliation of present value of defined benefit obligation

	March 31, 2018	March 31, 2017
Balance at the beginning of the year	1,131,046	1,015,273
Current service cost	330,021	6,445
Interest cost	83,019	80,816
Past Service Cost	410,488	-
Actuarial (gains) losses recognised		
- experience adjustments	(49,513)	(15,151)
- Financial Assumption adjustment	(42,515)	43,663
Balance at the end of the year	1,862,546	1,131,046

B. Expense recognised in profit or loss

	March 31, 2018	March 31, 2017
Current service cost	330,021	6,445
Interest on defined benefit Liability	83,019	80,816
Past service Cost	410,488	-
	823,528	87,261

Remeasurements recognised in other comprehensive income

	March 31, 2018	March 31, 2017
Actuarial (gain)/loss on Obligation for the period	(920,028)	28,512
Actuarial (gain)/loss due to DBO assumption change		
	(920,028)	28,512

C. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages)

	31 March 2018	31 March 2017
Discount rate	7.73%	7.34%
Future salary growth	8.00%	8.00%
Attrition rate	1.99%	1.99%
Mortality table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

	March 31, 2018		March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(101,589)	112,665	(69,012)	77,249
Future salary growth (1% movement)	50,661	(43,714)	76,004	69,220
Attrition rate (1% movement)	216	(48)	(5,575)	5,989

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Note 26. Financial Risk Management Framework**Risk management framework**

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is towards related parties and not subject to significant credit risk based on past history.

Current Investment:

The Company holds current investment in mutual funds of at 31 March 2018, 31 March 2017 and 1 April 2016. The credit risk on mutual funds is limited because all the investments are in AAA rated mutual funds, assigned by international credit rating agencies.

Cash and cash equivalents

The Company holds cash and cash equivalents. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Year ended March 31, 2018

	On Demand	in next 12 months	>1 year <5	> 5 year	Total
Borrowings	98,599,897	98,599,897	-	-	98,599,897
Trade payables	155,988	155,988	-	-	155,988
Other financial liabilities	2,621,156	2,621,156	-	-	2,621,156
Total	101,377,040	101,377,040	-	-	101,377,040

Year ended March 31, 2017

	On Demand	in next 12 months	>1 year <5	> 5 year	Total
Borrowings	84,998,735	84,998,735	-	-	84,998,735
Trade payables	1,267,934	1,267,934	-	-	1,267,934
Other financial liabilities	2,079,724	2,079,724	-	-	2,079,724
Total	88,346,393	88,346,393	-	-	88,346,393

Year ended April 01, 2016

	On Demand	in next 12 months	>1 year <5	> 5 year	Total
Trade payables	899,872	899,872	-	-	899,872
Other financial liabilities	251,159	251,159	-	-	251,159
Total	1,151,031	1,151,031	-	-	1,151,031

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

Sensitivity analysis

	March 31, 2018		March 31, 2017	
	Increase	Decrease	Increase	Decrease
Forex rate fluctuation (1% movement)	-	-	209,667	(209,667)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company keeps majority of its borrowings with floating interest rates and company looks out for opportunity for optimization of interest cost, based on prevailing market scenarios and performance of the company.

Note 27: Operating leases

1. The Company does not have financial lease arrangement.
2. The Company has taken office premises under short term lease arrangements and are renewable in mutually agreeable terms.

	March 31, 2018	March 31, 2017
Total rental expense relating to operating leases	2,423,416	1,712,928

Note 28 : Related Party Disclosures**Transactions with Related Parties as specified under Ind- AS 24****A. List of related parties and nature of relationship**

S. No.	Name of the related party	Nature of relationship
1	Span Diagnostics SA (Pty.) Ltd.	Wholly owned Subsidiary
2	Dryfruit Factory LLP	Subsidiary
3	Aranya Agri Biotech LLP	Subsidiary
4	Desai Farmharvest LLP	Subsidiary
5	Span Diagnostics LLP	Subsidiary
6	Biospan Scientific LLP	Subsidiary
7	Biospan Contamination Control Solutions Pvt Ltd	Subsidiary

B. Key management personnel

S. No.	Name of Personnel	Nature of relationship
1	Mr. Viral Desai	Managing Director
2	Mr. Samkit Mehta (up to August 15, 2017)	Chief Financial Officer
3	Mr. Minesh Patel (w.e.f February 02, 2018)	Chief Financial Officer
4	Mr. Pankaj Ajmera (up to August 31, 2017)	Company Secretary
5	Ms. Samiksha Kansara (w.e.f September 01, 2017)	Company Secretary

C. Enterprises over which Key Management Personnel exercises significant influence

S. No.	Name of Personnel	Enterprises	Relationship
1	Mr. Viral Desai	Span Biotherapeutics Private Limited	Director
		Athreyas Wellness Private Limited	Director
		Micronclean India Private Limited	Director

D. Relatives of key management personnel and their enterprise, where transactions have taken place.

S. No.	Name of the related party
1	Dr. Pradip K. Desai
2	Ms. Sujata V. Desai
3	Ms. Lata P. Desai
4	Ms. Tejal V. Desai
5	Ms. Shital S. Kazi
6	Mr. Prakash K. Desai
7	Shri. Pradip. K. Desai HUF
8	Dr. Harshad R. Gandhi
9	Ms. Kokila H. Gandhi
10	Dr. Udai D. Desai

D. Transactions with related parties during the year ended

S. No.	Name of the related party	Nature of transactions	March 31, 2018	March 31, 2017
1	Dryfruit Factory LLP	<u>Payment:</u>		
		Investment Made	-	110,395,154
		<u>Receipt:</u>		
		Investment	5,297,161	-
		Management Fees	2,207,627	2,345,240
		Interest capital	8,625,317	3,608,727
		Guarantee Commission	900,000	-
		Rent	1,620,000	-

2	Aranya Agri Biotech LLP	<u>Payment:</u>		
		Investment Made	19,135,894	25,912,359
		<u>Receipt:</u>		
		Management Fees	83,548	4,652
		Interest capital	3,335,471	1,807,439

3	Desai Farmharvest LLP	Investment Made	1,275,000	-
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4	Span Diagnostcs LLP	<u>Payment:</u>		
		Investment Made	50,000	-
		<u>Receipt:</u>		
		Interest capital	2,901	-

5	Biospan Scientific LLP	<u>Payment:</u>		
		Investment Made	16,754,189	4,396,117
		<u>Receipt:</u>		
		Management Fees	203,396	-
		Interest capital	1,011,527	150,551
		Rent	360,000	-
6	Biospan Contamination Control Solutions Pvt Ltd	<u>Payment:</u>		
		Investment Made	670,000	-
		<u>Receipt:</u>		
		Rent	337,500	-
7	Mr. Viral Desai	Director Remuneration	8,595,000	7,200,000
		Rent	624,502	646,838
8	Mr. Samkit Mehta (up to Agust 15, 2017)	Salary	668,966	300,550
9	Mr. Minesh Patel (w.e.f February 02, 2018)	Salary	60,932	234,250
		Loan repayment	5,000	-
10	Mr. Pankaj Ajmera (up to August 31, 2017)	Salary	49,220	118,032
11	Ms. Samiksha Kansara (w.e.f September 01, 2017)	Salary	112,000	-
12	Ms. Sujata Desai	Salary	605,300	-
		Rent	549,985	442,838

E. Balances outstanding

S. No.	Name of the related party	Nature of balances	March 31, 2017	March 31, 2016
1	Dryfruit Factory LLP	<u>Receivable:</u>		
		Capital	115,360,351	120,522,648
		Interest Capital	12,994,823	3,469,506
		Rent	561,600	-
2	Aranya Agri Biotech LLP	<u>Receivable:</u>		
		Capital	58,094,473	38,709,444
		Interest Capital	4,987,251	1,801,915
3	Span Diagnostics LLP	<u>Receivable:</u>		
		Capital	149,000	99,000
		Interest Capital	2,901	-
4	Biospan Scientific LLP	<u>Receivable:</u>		
		Capital	21,005,000	4,349,811
		Interest Capital	1,154,270	145,306
		Rent	101,610	-
5	Desai Farmharvest LLLP	<u>Receivable:</u>		
		Capital	1,275,000	-
6	Span Diagnostics south Africa (Pty) Ltd.	<u>Receivable:</u>		
		Capital	6,177	6,177
7	Biospan Contamination Control Solutions Pvt Ltd	<u>Receivable:</u>		
		Capital	670,000	-

8	Mr. Viral Desai	Payable		
		Director Remuneration	387,261	593,800
		Rent Deposit	151,000	151,000
		Rent	24,480	-
9	Mr. Samkit Mehta (up to August 15, 2017)	Payable		
		Salary	-	167,162
10	Mr. Minesh Patel (w.e.f February 02, 2018)	Payable		
		Loan	75,000	80,000
		Salary	42,303	-
11	Mr. Pankaj Ajmera (up to August 31, 2017)	Payable		
		Salary	-	9,836
12	Ms. Samiksha Kansara (w.e.f September 01, 2017)	Payable		
		Salary	15,800	-
13	Ms. Sujata Desai	Payable		
		Salary	26,401	-
		Rent Deposit	100,000	100,000

Note 29: Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

a) Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2018 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through profit or loss		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Non-Current							
i. Investments	216,166,456	-	-	-	-	216,166,456	-
ii. Loans	-	-	-	-	-	-	-
iii. Others	6,267,836	-	-	-	-	6,267,836	-
Current							
i. Investments	-	-	254,982,265	-	-	-	254,982,265
ii. Trade receivables	2,872,504	-	-	-	-	2,872,504	-
iii. Cash and cash equivalents	9,610,541	-	-	-	-	9,610,541	-
iv. Bank balances other than (iii) above	2,404,685	-	-	-	-	2,404,685	-
v. Others	2,404,685	-	-	-	-	2,404,685	-
Total	239,726,706	-	254,982,265	-	-	239,726,706	254,982,265
Liabilities:							
Non-Current							
i. Borrowings	914,255	-	-	-	-	914,255	-
Current liabilities							
i. Borrowings	97,685,641	-	-	-	-	97,685,641	-
ii. Trade payables	155,988	-	-	-	-	155,988	-
iii. Other financial liabilities	2,621,156	-	-	-	-	2,621,156	-
Total	101,377,040	-	-	-	-	101,377,040	-

The carrying value and fair value of financial instruments by categories as of March 31, 2017 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through profit or loss		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Non-Current							
i. Investments	169,103,807	-	-	-	-	169,103,807	-
ii. Loans	1,589,562	-	-	-	-	1,589,562	-
iii. Others	40,730,430	-	-	-	-	40,730,430	-
Current							
i. Investments	-	-	278,657,635	-	-	-	278,657,635
ii. Trade receivables	-	-	-	-	-	-	-
iii. Cash and cash equivalents	3,718,569	-	-	-	-	3,718,569	-
iv. Bank balances other than (iii) above	363,765	-	-	-	-	363,765	-
v. Others	3,184,959	-	-	-	-	3,184,959	-
Total	218,691,092	-	278,657,635	-	-	218,691,092	278,657,635
Liabilities:							
Non-Current							
i. Borrowings	18,999,387	-	-	-	-	18,999,387	-
Current liabilities							
i. Borrowings	65,999,349	-	-	-	-	65,999,349	-
ii. Trade payables	1,267,934	-	-	-	-	1,267,934	-
iii. Other financial liabilities	2,621,156	-	-	-	-	2,079,724	-
Total	2,079,724	-	-	-	-	88,346,393	-

The carrying value and fair value of financial instruments by categories as of April 1, 2016 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through profit or loss		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Non-Current							
i. Investments	28,400,177	-	-	-	-	28,400,177	-
ii. Loans	1,462,862	-	-	-	-	1,462,862	-
iii. Others	41,273,995	-	-	-	-	41,273,995	-
Current	-					-	
i. Investments	-	-	363,527,725	-	-	-	363,527,725
ii. Trade receivables	-	-	-	-	-	-	-
iii. Cash and cash equivalents	15,293,293	-	-	-	-	15,293,293	-
iv. Bank balances other than (iii) above	365,665	-	-	-	-	365,665	-
v. Others	3,360,046	-	-	-	-	3,360,046	-
Total	90,156,038	-	363,527,725	-	-	90,156,038	363,527,725
Liabilities:							
Non-Current							
i. Borrowings	-	-	-	-	-	914,255	-
Current liabilities	-	-	-	-	-	-	-
i. Borrowings	-	-	-	-	-	-	-
ii. Trade payables	899,872	-	-	-	-	899,872	-
iii. Other financial liabilities	251,159	-	-	-	-	251,159	-
Total	1,151,031	-	-	-	-	1,151,031	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2018:

Fair value measurement using					
	Date of valuation	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		(Level 1)	(Level 2)	(Level 3)	
Current					
(i) Investments	31-Mar-18	278,657,635	-	-	278,657,635
Total		278,657,635	-	-	278,657,635

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2017:

Fair value measurement using					
	Date of valuation	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		(Level 1)	(Level 2)	(Level 3)	
Current					
(i) Investments	31-Mar-17	278,657,635	-	-	278,657,635
Total		278,657,635	-	-	278,657,635

Quantitative disclosures fair value measurement hierarchy for liabilities as at April 01, 2016:

Fair value measurement using					
	Date of valuation	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		(Level 1)	(Level 2)	(Level 3)	
Current					
(i) Investments	01-Apr-16	363,527,725	-	-	363,527,725
Total		363,527,725	-	-	363,527,725

Note 30 Equity and Income reconciliation

Reconciliation of Total equity as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017 and April 01, 2016 (At transition date)

Particulars	As at March 31, 2017	As at April 01, 2016
Total Equity under Previous GAAP	481,638,483	505,303,090
Ind AS Adjustments		
Fair value measurement of Financial Instrument	25,686,176	8,063,561
Deferred tax on fair value measurement of Financial Instrument	(2,425,394)	-
Total Equity under Ind AS GAAP	504,899,265	513,366,651

Reconciliation of Total comprehensive income as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017:

Particulars	As at March 31, 2017
Profit/(Loss) after tax as per previous GAAP	(23,664,607)
Ind AS Adjustments	
Fair value measurement of Financial Instrument	17,622,615
Deferred tax on fair value measurement of Financial Instrument	(2,425,394)
Remeasurement costs of Post employment benefits	28,512
Deferred tax on post employment	(9,962)
Loss after tax as per Ind AS	(8,448,836)
Other Comprehensive income (Remeasurement costs of Post employment benefits)	(28,512)
Deferred tax on post employment	9,962
Total comprehensive income as per Ind AS	(8,467,386)

Note 31. First time adoption to Ind-AS

Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at April 01, 2016 (At transition date) and March 31, 2017:

ASSETS	Note	March 31, 2017			April 1, 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
Non-current assets							
Property, plant and equipment		58,265,064	(13,650,815)	44,614,249	21,163,620	-	21,163,620
Capital work-in-progress		9,242,926	-	9,242,926	-	-	-
Investment properties		-	13,650,815	13,650,815	-	-	-
Intangible assets		640,267	-	640,267	41,346	-	41,346
Financial assets		-	-	-	314,376	-	314,376
i. Investments		169,103,807	-	169,103,807	28,400,177	-	28,400,177
ii. Loans		1,589,562	-	1,589,562	1,462,862	-	1,462,862
iii. Others		40,730,430	-	40,730,430	41,273,995	-	41,273,995
Deferred tax assets (Net)		-	-	-	167,441	-	167,441
Other non-current assets		22,061,662	-	22,061,662	12,172,727	-	12,172,727
Total non-current assets		301,633,719	-	301,633,719	104,996,544	-	104,996,544
Current assets							
Financial assets							
i. Investments	1	252,971,459	25,686,176	278,657,635	355,464,164	8,063,561	363,527,725
ii. Trade receivables		-	-	-	-	-	-
iii. Cash and cash equivalents		3,718,569	-	3,718,569	15,293,293	-	15,293,293
iv. Bank balances other than (iii) above		363,765	-	363,765	365,665	-	365,665
v. Loans		-	-	-	-	-	-
v. Others		3,184,959	-	3,184,959	3,360,046	-	3,360,046

Current tax Assets (Net)		7,262,874	-	7,262,874	13,209,788	-	13,209,788
Other current assets		5,138,564	-	5,138,564	17,257,854	-	17,257,854
Total current assets		272,640,190	25,686,176	298,326,366	404,950,810	8,063,561	413,014,371
Total assets		574,273,909	25,686,176	599,960,084	509,947,354	8,063,561	518,010,915
EQUITY AND LIABILITIES							
Equity							
Equity share capital		54,617,470	-	54,617,470	54,617,470	-	54,617,470
Other equity	5	427,021,013	23,260,782	450,281,795	450,685,620	8,063,561	458,749,181
		481,638,483	23,260,782	504,899,265	505,303,090	8,063,561	513,366,651
LIABILITIES							
Non-current liabilities							
Financial Liabilities							
i. Borrowings		18,999,387	-	18,999,387	-	-	-
Provisions		2,235,475	-	2,235,475	1,517,985	-	1,517,985
Deferred tax liabilities (Net)	1	(1,017,091)	2,425,394	1,408,303	-	-	-
Total non-current liabilities		20,217,771	2,425,394	22,643,164	1,517,985	-	1,517,985
Current liabilities							
Financial liabilities							
i. Borrowings		65,999,349	-	65,999,349	-	-	-
ii. Trade payables		1,267,934	-	1,267,934	899,872	-	899,872
iii. Other financial liabilities		2,079,724	-	2,079,724	251,159	-	251,159
Other current liabilities		1,568,321	-	1,568,321	511,946	-	511,946
Provisions		1,502,328	-	1,502,328	1,463,302	-	1,463,302
Total current liabilities		72,417,655	-	72,417,655	3,126,279	-	3,126,279
Total liabilities		92,635,426	2,425,394	95,060,819	4,644,264	-	4,644,264
Total equity and liabilities		574,273,908	25,686,176	599,960,084	509,947,354	8,063,561	518,010,915

Note 32 :

Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017.

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
Continuing operations				
Revenue from operations		23,852,203	-	23,852,203
Other income	1	22,551,497	17,622,615	40,174,112
Total income		46,403,701	17,622,615	64,026,315
EXPENSES				
Purchases of stock-in-trade		15,610,113	-	15,610,113
Changes in inventories of stock-in-trade		-	-	-
Employee benefit expense	4, 6	16,351,276	(28,512)	16,322,764
Finance costs		1,654,374	-	1,654,374
Depreciation and amortisation expense		3,427,311	-	3,427,311
Donation		20,000,000	-	20,000,000
Other expenses		13,874,883	-	13,874,883
Total expenses		70,917,957	(28,512)	70,889,445
Loss before tax				
Tax expense				
(a) Current tax		-	-	-
(b) Deferred tax	1	(849,650)	2,435,356	1,585,706
Total tax (income)/expense		(849,650)	2,435,356	1,585,706
Loss for the year		(23,664,607)	15,215,771	(8,448,836)

Other Comprehensive Income (OCI)

Remeasurement costs of Post employment benefits	6	-	(28,512)	(28,512)
Deferred tax on post employment	1, 6	-	9,962	9,962
Total other comprehensive income for the period / year, net of tax		-	(18,550)	(18,550)
Total comprehensive income for the year		(23,664,607)	15,197,221	(8,467,386)

Note 33. First time adoption to Ind-AS**Note 1: Fair valuation of investments**

Under the previous GAAP, investments in mutual funds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in the profit or loss for the year ended 31 March 2017. There is no adjustment as the mutual funds are already recorded at fair value.

Note 2: Trade receivables

As per Ind AS 109, the Group is required to apply expected credit loss model for recognising the allowance for doubtful debts. The impact on application of expected credit loss model has been estimated as not material and accordingly, no adjustment has been made on the date of transition and as at 31 March, 2017

Note 3: Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred.

Note 4: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

Note 5: Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Note 6: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Note 34: Unhedge foreign currency exposure

Foreign currency exposure on account of trade receivables/trade payables not hedged by derivatives instruments are as follows:

	31 March 18		31 March 17	
Particulars	Amount		Amount	
	(In Original Currency)	(In Rs.)	(In Original Currency)	(In Rs.)
ZAR	-	-	487,598	21,141,836

Note 35 : Expenditure in foreign currency

Particulars	31 March 18	31 March 17
Expenditure in foreign currency	856,071	831,335

Note 36 : Exceptional items

For the year ended 31 March 2018, Exceptional item pertains to final settlement from Business Transfer of IVD Business vide Business Purchase Agreement for slump sale transaction happened on March 05, 2015. The amount of Rs. 400 lakhs which was kept in Escrow Account has been received from Arkay Healthcare Pvt. Ltd. after deduction of Rs. 63.95 Lakhs on account of un-recovered assets comprising of SAD refund, deposits, account receivables etc. Since the original transaction for the slump sale was considered as an exceptional item in March 2015 financial statements, the said provision for deduction amount of Rs. 63.95 Lakhs has also been considered as an exceptional item.

Note 37 : 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 / W100048

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
Partner
Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

INDEPENDENT AUDITOR'S REPORT

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

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Span Divergent Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS 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 including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS 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 Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Ind AS 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 including the Ind AS, of the consolidated state of affairs of the Group as at 31st March, 2018, their consolidated loss, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the Ind AS financial statements of One subsidiary, whose Ind AS financial statements reflects total assets of Rs.9,03,709 and net assets of Rs.(16,51,797) as at March 31, 2018, total revenues of Rs.16,24,939 and net cash flows amounting to Rs.(21,532) for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include Group's share of net loss of Rs.(2,93,807) for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statement. In our opinion and according to the information and explanations given by the Management, these financial statements are not material to the group.

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

Report on Other Legal and Regulatory Requirements

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

- 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 Ind AS Financial Statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- 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 Ind AS Financial Statements;
- d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of holding company, is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. Since one Subsidiary Company going in to consolidation is a foreign incorporated entity not falling within the definition of 'Foreign Company' as per clause (42) of Section 2 of the Act, one Subsidiary is falling under the exemptions provided by MCA under Clause (i) of sub-section 3 of Section 143 of the Act and other Five entities are LLPs, the matter to be reported on the adequacy of the financial controls over financial reporting of the Group, is same as reported in the Auditors Report on the Standalone Ind AS Financial statements, and hence not reproduced in this report.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 24 to the Consolidated Ind AS Financial Statements;
 - (ii) The Group, did not have any material foreseeable losses on long term contracts including derivative contracts;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

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

Hemant J. Bhatt
Partner
Membership No.036834

Place: Surat
Date: May16, 2018

SPAN DIVERGENT LIMITED

(Formerly known as Span Diagnostics Limited)

Consolidated Balance Sheet as at March 31, 2018

	Notes	March 31, 2018	March 31, 2017	April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	241,594,886	62,849,823	21,513,322
Capital work-in-progress		-	109,532,762	317,131
Investment properties	4	13,650,815	13,650,815	-
Goodwill	5	3,197,468	4,192,419	-
Other intangible assets	5	691,466	808,815	41,346
Intangible assets under development		-	-	314,376
Biological assets other than bearer plants	6	11,476,614	9,526,031	-
Financial assets				
i. Others	7(e)	6,267,836	40,730,430	41,273,994
Deferred tax assets (Net)	8	-	-	167,441
Other non-current assets	9	536,224	38,137,675	16,975,321
Total non-current assets		277,415,309	279,428,771	80,602,931
Current assets				
Inventories	10	35,494,740	13,562,951	-
Financial assets				
i. Investments	7(a)	254,982,265	278,657,635	363,527,726
ii. Trade receivables	7(b)	23,779,656	50,720	649,970
iii. Cash and cash equivalents	7(c)(i)	17,529,660	53,205,798	35,180,849
iv. Bank balances other than (iii) above	7(c)(ii)	232,551	363,765	365,665
v. Others	7(d)	7,066,112	6,989,564	3,472,027
Current tax Assets (Net)		3,999,787	7,283,526	13,216,555
Other current assets	11	18,490,815	6,945,555	24,182,854
Assets classified as held for sale		-	-	-
Total current assets		361,575,586	367,059,515	440,595,645
Total assets		638,990,895	646,488,286	521,198,576
EQUITY AND LIABILITIES				
Equity				
Equity share capital	12(a)	54,617,470	54,617,470	54,617,470
Other equity	12(b)	306,120,603	431,107,248	457,245,530
Non Controlling Interest		653,413	1,730,896	1,763,805
		361,391,486	487,455,613	513,626,805
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	13(a)	85,300,657	65,198,083	1,893,313
ii. Trade Payables	13(c)	-	26,950	15,000
Provisions	14	4,082,963	2,375,111	1,517,985
Deferred tax liabilities (Net)	8	2,080,146	1,104,683	-
Other non-current liabilities		-	-	-
Total non-current liabilities		91,463,766	68,704,827	3,426,298

Current liabilities				
Financial liabilities				
i. Borrowings	13(a)	136,455,376	65,999,349	-
ii. Trade payables	13(c)	13,963,511	3,456,439	1,701,149
iii. Other financial liabilities	13(b)	19,347,061	15,923,533	251,159
Other current liabilities	15	3,251,714	2,107,490	557,528
Provisions	14	13,117,981	2,841,035	1,635,637
Current tax liabilities		-	-	-
Total current liabilities		186,135,643	90,327,845	4,145,473
Total liabilities		277,599,409	159,032,672	7,571,771
Total equity and liabilities		638,990,895	646,488,286	521,198,576
Corporate information & Summary of significant accounting policies				
1 & 2				

The accompanying notes are an integral part of the financial statements.
In terms of our report attached

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

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
Partner
Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

SPAN DIVERGENT LIMITED

(Formerly known as Span Diagnostics Limited)

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Continuing operations			
Revenue from operations	16	145,722,681	28,725,450
Other income	17	32,095,026	40,368,503
Total income		177,817,707	69,093,953
Expenses			
Cost of materials consumed	18(a)	140,157,536	9,642,152
Purchases of stock-in-trade	18(b)	6,680,429	15,610,113
Changes in inventories of work-in-progress, stock-in-trade and finished goods	18(c)	(18,878,500)	(9,526,031)
Employee benefit expense	19	50,338,090	24,170,137
Finance costs	20	17,018,854	1,952,213
Depreciation and amortisation expense	21	25,986,171	8,205,105
Donation		10,503,000	20,000,000
Other expenses	22	62,822,259	23,877,911
Total expenses		294,627,839	93,931,600
Profit before exceptional items and tax		(116,810,132)	(24,837,646)
Exceptional items	38	(6,395,461)	-
Profit/(Loss) before tax		(123,205,593)	(24,837,646)
Tax expense	23		
- Current tax		774,205	-
- Deferred tax		986,428	1,282,086
Profit/(Loss) for the period from continuing operations		(124,966,226)	(26,119,732)
Other comprehensive income			
Remeasurement costs of Post employment benefits		(31,384)	(28,512)
Deferred tax on post employment		10,966	9,962
Other comprehensive income for the year, net of tax		(20,418)	(18,550)
Total comprehensive income for the year		(124,986,644)	(26,138,282)
Earnings per equity share for profit from operation attributable to owners of the entity:			
Basic earnings per share	26	(22.88)	(4.78)
Diluted earnings per share	26	(22.88)	(4.78)
Corporate information & Summary of significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements.
In terms of our report attached

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

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
Partner
Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

SPAN DIVERGENT LIMITED

(Formerly known as Span Diagnostics Limited)

Consolidated Statement of Cash Flows for the year ended March 31, 2018

	Year ended March 31, 2018	Year ended March 31, 2017
Profit before income tax	(123,205,593)	(24,837,646)
Adjustments for		
Depreciation and amortisation expense	25,986,171	8,205,105
Gain on disposal of property, plant and equipment	(8,209,400)	-
Dividend and interest income classified as investing cash flows	(503,409)	(1,702,302)
Rental Income	(164,246)	-
Interest Income	(8,387,051)	(10,752,436)
Gain on Sale of Investments	(9,232,130)	(7,787,699)
Unrealised Gain Loss on Investment	3,695,689	35,874,475
Finance Cost	17,018,854	1,952,213
Balances Written Back	(343,675)	(5,725)
Forex Gain Loss	(23,197)	(19,291)
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	(23,728,936)	599,250
(Increase)/Decrease in Inventory	(21,931,789)	(13,562,951)
(Increase)/Decrease in Biological Assets	(1,950,583)	(9,526,031)
Increase in trade payables	10,480,122	1,767,240
(Increase) in other financial assets	34,386,047	(2,973,974)
(Increase)/decrease in other non-current assets	37,601,451	(21,162,354)
(Increase)/decrease in other current assets	(11,545,260)	17,237,299
Increase/(decrease) in provisions	11,984,798	2,062,524
Increase/(decrease) in other financial liabilities	3,423,528	15,672,374
Increase in other current liabilities	1,144,224	1,549,962
Cash generated from operations	(63,504,385)	(7,409,968)
Income taxes paid	(53,900,490)	(46,388,062)
Net cash inflow from operating activities	(117,404,875)	(53,798,030)
Cash flows from investing activities		
Purchase of investments	23,675,369	84,870,091
Proceeds from sale of investments	9,232,130	7,787,699
Purchase of property, plant and equipment	(42,113,829)	(160,643,355)
Proceeds from sale of property, plant and equipment	8,209,400	-
Dividends received	503,409	1,702,302
Rental Income	164,246	-
Interest received	8,387,051	10,752,436
Net cash outflow from investing activities	8,057,775	(55,530,826)
Cash flows from financing activities		
Proceeds/Repayment from borrowings	90,558,601	129,304,119
Payment towards unclaimed dividend	131,214	1,900
Interest paid	(17,018,854)	(1,952,213)
Net cash inflow (outflow) from financing activities	73,670,961	127,353,807
Net increase (decrease) in cash and cash equivalents	(35,676,138)	18,024,950
Cash and cash equivalents at the beginning of the financial year	53,205,798	35,180,849
Cash and cash equivalents at end of the year	17,529,660	53,205,798
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
	Year ended March 31, 2017	Year ended March 31, 2016
Balances with banks		
- in current accounts	17,404,691	53,088,431
Cash on hand	124,969	117,368
Balances per statement of cash flows	17,529,660	53,205,798
Corporate information & Summary of significant accounting policies 1 & 2		

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

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

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
Partner
Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

SPAN DIVERGENT LIMITED

(Formerly known as Span Diagnostics Limited)

Consolidated Statement of changes in equity for the year ended March 31, 2018**a. Equity share capital**

	Notes	Amount
As at April 1, 2016	10	54,617,470
Issue of Share Capital	10	-
As at March 31, 2017	10	54,617,470
Issue of Share Capital	10	-
As at March 31, 2018	10	54,617,470

b. Other Equity

	Reserves and Surplus	
	Securities Premium Reserve	Retained Earnings
Balance as on 01.04.2016	18,142,530	428,948,223
Add: Re-measurement gains on Financial instruments		10,154,777
Restated Balance as on 01.04.2016	18,142,530	439,103,000
Add: Loss for the year	-	(26,119,732)
Total Comprehensive Income for the year	-	(18,550)
Balance as on 31.03.2017	18,142,530	412,964,718
Add: Loss for the year	-	(124,966,226)
Total Comprehensive Income for the year	-	(20,418)
Balance as on 31.03.2018	18,142,530	287,978,073

The accompanying notes are an integral part of the financial statements.
In terms of our report attached

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

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
Partner
Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

SPAN DIVERGENT LIMITED**Consolidated Notes to financial statements for the year ended March 31, 2018**

(All amounts are in Indian Rupees except for share data or otherwise stated)

1. Corporate information

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

2. Statement of significant accounting policies**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP"). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to note 35 for information on how the Company adopted Ind AS. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The subsidiary Entity considered in the consolidated financial statements are;

Name of Subsidiary	Country of Incorporation	March 31, 2017
Span Diagnostics SA (Pty) Limited	South Africa	100%
Biospan Contamination Control Solutions Pvt Ltd.	India	67%
Aranya Agribiotech LLP	India	99%
Dryfruit Factory LLP	India	97%
Biospan Scientific LLP	India	99%
Span Diagnostics LLP	India	99%
Desai Farmharvest LLP	India	85%

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.

Non controlling Interest's share in net asset of subsidiary company for the year is identified and presented in consolidated balance sheet separate from liabilities and equity of company's shareholders.

2.2 Summary of significant accounting policies**(a) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Functional and presentation currency

The financial statements are presented in INR which is also the Company's functional currency.

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(d) Revenue recognition

- a. The Company recognises revenue on the sale of products when risks and rewards of the ownership are transferred to the customer. Sales are accounted net of amount recovered towards, sales tax and sales returns.
- b. Sales returns are accounted on actual receipt of return goods / settlement of claims.
- c. Interest income is recognised on pro-rate basis.
- d. Income from mutual funds is recognised when the Company's right to receive the payment is established, and unit holders' right to receive payment is established.

(e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period/year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT)

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(f) Property, plant and equipment

Under the previous GAAP (Indian GAAP), Property, Plant and Equipment were carried in the balance sheet at cost of acquisition. The Company has elected to regard those values of assets as deemed cost at the date of the acquisition since they were broadly comparable to fair value. The Company has also determined that cost of acquisition or construction does not differ materially from fair valuation as at April 01, 2016 (date of transition to Ind AS).

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives as per Schedule 2 of The Companies Act, 2013

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period/year end and adjusted prospectively, if appropriate.

(g) Intangible Assets

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.

(h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

(j) Provisions**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Employee Benefits**a. Retirement Benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

b. Compensated Expenses

The Company treats accumulated leave, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on an actuarial valuation using the projected unit credit method at the period-end/ year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

c. Other Short-term benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments:

In respect of equity investments, when an entity prepares separate financial statements, Ind AS 27 requires it to account for its investments in subsidiaries and associates either:

- (a) at cost; or
- (b) in accordance with Ind AS 109.

If a first-time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

- (a) cost determined in accordance with Ind AS 27; or
- (b) deemed cost. The deemed cost of such an investment shall be its:
 - (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
 - (ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary or associate that it elects to measure using a deemed cost.

Since the company is a first time adopter it has measured its investment in subsidiary and associate at deemed cost in accordance with Ind AS 27 by taking previous GAAP carrying amount.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) the Company has transferred its rights to receive cash flows from the asset, and
 - i. the Company has transferred substantially all the risks and rewards of the asset, or
 - ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18
- c) Loan commitments which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- ? All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- ? Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- ? Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- ? Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Financial liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 14.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

(m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(n) Segment Reporting

The Board of Directors assess the financial performance of the Company and make strategic decisions and has been identified as being the Chief Operating Decision Maker (CODM). Based on the internal reporting provided to the CODM, the Company has only one reportable segment i.e. the the Activities of Head Offices, Management Services Activities and hence no separate disclosures are required under Ind AS 108 and hence no separate disclosures are required under Ind AS 108.

(o) 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.

(p) Earnings per Share

The Basic earning per Share ("EPS") is computed by dividing the net profit/(loss) after tax for the year attributable to equity share holder by the weighted average number of equity shares outstanding during the year. 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.

(q) Biological Assets**Tissue Culture Plants**

The Group sells tissue culture plants of banana, pomegranate and others to its customers. Tissue culture is a process where, propagation of plant by using a plant part, single cell or group cell is done in a under very controlled hygienic conditions. Tissue culture primary involves initiation of aseptic cultures of part taken from mother plant, multiplication of the plant to the desired scale, induction of roots to primary & secondary hardening. The aseptic culture which are planted in a test tube in a control environment which will be sold subsequently after primary & secondary hardening are accounted for Ind AS 41, Agriculture at fair value less cost to sell. Here fair value has been derived based on the project cash flow during the process cycle applying discounting factor as process cycle is more than 12 months. Plants after completion of primary and secondary hardening are transferred to inventory at fair value less cost to sell after applying the discounting factor. Cost to sell include the incremental selling cost, commission, transportation cost, fees excluding finance costs and income taxes. Changes in the fair value of biological assets are recognized in Statement of Profit and Loss. Direct cost such as laboratory cost, Research and development cost & etc. are expensed as incurred.

(r) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory arrived on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(s) Cash Flows

Cash flows are reported using indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accrual of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

Note 3: Property, plant and equipment and Capital work-in-progress

Particulars	As at		
	March 31, 2018	March 31, 2017	At April 1, 2016
Carrying amount of:			
Freehold land*	33,528,724	33,528,724	10,210,250
Computers	643,856	535,068	140,670
Office equipment	2,462,043	952,656	1,432,680
Buildings & Roads	112,310,693	13,438,025	3,636,034
Vehicles	4,194,066	3,147,730	1,964,403
Electrical Installment	9,682,745	482,761	507,836
Leasehold Improvements	5,954,746	1,880,488	1,937,828
Furniture and fixtures	5,144,812	1,294,281	1,683,621
Plant and Machinery	54,507,011	3,137,513	-
Shed Building	474,030	-	-
R&D Equipment	617,384	1,123,986	-
Green House Site	2,288,927	3,328,592	-
Compound Wall	9,785,850	-	-
Total Tangible assets	241,594,886	62,849,823	21,513,322

Note : 3.1 Property, plant and equipment

Description of Assets	Freehold land	Computers	Office equipment	Buildings & Roads	Vehicles	Electrical Installment	Leasehold Improvements	Furniture & fixtures	Plant and Machinery	Shed Building	&D Equipment	Green House Site	Compound Wall	Total
At Cost														
At April 1, 2016	10,210,250	242,325	1,805,130	6,282,566	2,779,231	575,243	2,164,448	1,900,539	-	-	-	-	-	25,959,732
Additions	23,318,474	633,684	199,526	11,287,802	2,792,095	157,741	522,792	79,206	3,932,692	-	1,737,674	4,307,292	-	48,968,978
Deletions	-	-	-	-	673,478	-	-	-	-	-	-	-	-	673,478
March 31, 2017	33,528,724	876,009	2,004,656	17,570,368	4,897,848	732,984	2,687,240	1,979,745	3,932,692	-	1,737,674	4,307,292	-	74,255,232
Additions	-	767,877	2,668,446	109,461,797	2,621,100	10,605,198	5,234,359	4,736,080	60,159,714	496,121	-	-	10,213,107	206,963,798
Deletions	-	-	-	6,282,566	190,335	-	-	-	-	-	-	-	-	6,472,901
March 31, 2018	33,528,724	1,643,886	4,673,102	120,749,599	7,328,613	11,338,182	7,921,599	6,715,825	64,092,406	496,121	1,737,674	4,307,292	10,213,107	274,746,129
Depreciation														
At April 1, 2016	-	101,655	372,451	2,646,532	814,828	67,407	226,620	216,918	-	-	-	-	-	4,446,411
Charge for the year	-	239,286	679,550	1,485,811	1,272,029	182,817	580,132	468,546	795,179	-	613,688	978,700	-	7,295,738
Deletions	-	-	-	-	336,739	-	-	-	-	-	-	-	-	336,739
March 31, 2017	-	340,941	1,052,000	4,132,343	1,750,118	250,223	806,752	685,464	795,179	-	613,688	978,700	-	11,405,409
Charge for the year	-	659,089	1,159,059	7,298,529	1,488,441	1,405,213	1,160,101	885,549	8,790,216	22,091	506,602	1,039,665	427,257	24,841,812
Deletions	-	-	-	2,991,966	104,011	-	-	-	-	-	-	-	-	3,095,978
March 31, 2018	-	1,000,030	2,211,059	8,438,906	3,134,547	1,655,436	1,966,853	1,571,013	9,585,395	22,091	1,120,290	2,018,365	427,257	33,151,243
Net Book														
At April 1, 2016	10,210,250	140,670	1,432,680	3,636,034	1,964,403	507,836	1,937,828	1,683,621	-	-	-	-	-	21,513,322
March 31, 2017	33,528,724	535,068	952,656	13,438,025	3,147,730	482,761	1,880,488	1,294,281	3,137,513	-	1,123,986	3,328,592	-	62,849,823
March 31, 2018	33,528,724	643,856	2,462,043	112,310,693	4,194,066	9,682,745	5,954,746	5,144,812	54,507,011	474,030	617,384	2,288,927	9,785,850	241,594,886

* Land has been pledged as security for borrowings.

Note 4: Investment properties**(i) Amounts recognised in profit or loss for investment properties**

	March 31, 2018	March 31, 2017	At April 1, 2016
Carrying amount			
Opening carrying amount / Deemed cost	13,650,815	13,650,815	-
Additions	-	-	-
Closing carrying amount	13,650,815	13,650,815	-
Accumulated depreciation			
Opening accumulated depreciation	-	-	-
Depreciation charge	-	-	-
Closing accumulated depreciation	-	-	-
Net carrying amount	13,650,815	13,650,815	-

(i) Amounts recognised in profit or loss for investment properties

	March 31, 2018	March 31, 2017
Rental income	164,246	-
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	164,246	-
Depreciation	-	-
Profit from investment properties	164,246	-

(iii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	March 31, 2018	March 31, 2017	At April 1, 2016
Within one year			
Later than one year but not later than 5 years			
Later than 5 years			
	-	-	-

(ii) Fair value

	March 31, 2018	March 31, 2017	At April 1, 2016
Investment properties	13,650,815	13,650,815	-

Estimation of fair value

The Company accesses for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties.

Note 5: Intangible assets

Particulars	As at		
	March 31, 2018	March 31, 2017	At April 1, 2016
Carrying amount of:			
Software	80,482	125,786	41,346
Goodwill	3,197,468	4,192,419	-
Intellectual Property	128,548	168,548	-
Trademark	482,436	514,481	-
Total Tangible assets	3,888,934	5,001,234	41,346

Note : 5.1 Intangible Assets.

Description of Assets	Software	Goodwill	Intellectual Property	Trademark	Total
At Cost					
At April 1, 2016	63,577	-	-	-	63,577
Additions	100,800	4,974,749	200,000	543,474	5,819,023
Deletions	-	-	-	-	-
March 31, 2017	164,377	4,974,749	200,000	543,474	5,882,600
Additions	5,863	-	-	26,183	32,046
Deletions	-	-	-	-	-
March 31, 2018	170,240	4,974,749	200,000	569,657	5,914,646
Depreciation					
At April 1, 2016	22,231	-	-	-	22,231
Charge for the year	16,360	782,330	31,452	28,993	859,135
Deletions	-	-	-	-	-
March 31, 2017	38,591	782,330	31,452	28,993	881,366
Charge for the year	51,167	994,951	40,000	58,228	1,144,346
Deletions	-	-	-	-	-
March 31, 2018	89,758	1,777,281	71,452	87,221	2,025,712
Net Block					
At April 1, 2016	41,346	-	-	-	41,346
March 31, 2017	125,786	4,192,419	168,548	514,481	5,001,234
March 31, 2018	76,368	3,197,468	128,548	482,436	3,888,934

Note 6: Biological Assets**Tissue culture plantations**

Particulars	March 31, 2018	March 31, 2017	At April 1, 2016
Opening Balance	9,526,031	-	-
New Plantations	21,621	9,526,031	-
Change in fair value due to according transformation in Biological assets	1,928,962	-	-
Closing Balance	11,476,614	9,526,031	-

a. Estimates and judgements:

Tissue culture plantations: Estimates and judgments in determining the fair value of tissue cultured plants relate to market prices, quality of plants, and mortality rates. The impact of discounting is considered material as the transformation cycle is more than 12 months and discounting rate based on the average cost of capital.

b. Fair value information

The fair value measurements of Tissue culture plantations have been categorised as Level 3 fair values based on the inputs to the valuation techniques used. The following table shows the gain or losses recognised in relation to level 3 fair values.

Tissue culture plantations	March 31, 2018	March 31, 2017
Total gain / (loss) recognised in the Statement of Profit and Loss	1,928,962	-
Change in unrealised gain / (loss) recognised in the Statement of Profit and Loss	-	-
	1,928,962	-

c. Valuation inputs and relationship to fair value

Particulars	March 31, 2018	March 31, 2017	At April 1, 2016
Tissue culture plantations (Measured at fair value less costs to sell estimating projected cash flows, impact of discounting considered material due to transformation cycle)	11,476,614	9,526,031	-

Significant unobservable inputs:

The Company's plantations are exposed to risk of damage from climate change, diseases. The Company has extensive processes in place aimed at monitoring and mitigating those risks. Further, the demand is subject to external climatic conditions. Management performs regular industry trend analysis for projected harvest volumes and pricing.

Note 7: Financial assets**7(a) Current investments**

	March 31, 2018	March 31, 2017	April 1, 2016
Investment in equity instruments (fully paid-up)			
Quoted			
Aurobindo Pharma LTD.	-	-	651,788
Bharat Electricals Ltd	-	-	899,861
Britannia Industries Ltd.	-	-	550,733
Colgate Palmolive(I) Ltd	-	-	639,755
HDFC Bank Ltd	-	-	1,022,948
Infosys Ltd.	-	-	531,179
Maruti Suzuki Ind Ltd	-	-	657,785
MRF Ltd.	-	-	957,419
P I Industries Ltd	-	-	667,929
Timken India Ltd	-	-	622,654
Va Tech Wabag Ltd	-	-	385,652
Wabco (India) Ltd	-	-	1,080,887
Total (equity instruments)	-	-	8,668,588
Investment in debentures and bonds			
Quoted			
11 % Bank of India Perpetual Bonds (Face value of Rs. 10,00,000)	25,557,000	25,440,000	23,952,170
11.85 % Bank of India Perpetual Bond (Face value of Rs. 1,000)	32,844,000	35,005,000	34,410,208
10.20% Dena Bank Perpetual Bonds	-	-	4,992,500
10.45% GSPC NCD	-	-	19,191,600
11.50% ITNL NCD 21/06/2024	-	5,151,000	6,037,200
6.83% PFC Taxable Bonds (Series 157) 15/04/2020	-	5,952,600	-
7.37% NTPC Limited Bonds (Series 66) 14/12/2031	-	6,800,500	-
8.17% GOI 01/12/2044	-	3,231,600	-
8.60% GOI-02/06/2028	-	6,571,200	11,616,000
8.94% Bajaj Finance Ltd NCD	-	-	5,049,000
9% Reliance Capital Limited NCD	-	2,012,000	39,500,000
9.23% GOI 23/12/2043	-	-	4,551,600
Total (debentures and bonds)	58,401,000	90,163,900	149,300,278
Investment in Mutual Fund			
Quoted			
Baroda Pioneer Treasury Fund	-	-	30,454,000
Edelweiss Arbitrage Fund	-	1,276,841	16,648,828
Edelweiss Liquid Super Institution Growth	-	970,841	-
FAIT Forefront Alternativ EQS	-	24,545,000	19,538,000
Kotal Floater Short Term Fund	-	87,388	-
Edelweiss Arbitrage Fund	-	-	32,239,154
DSP Blackrock FMP Fund	26,290,575	24,363,225	-
Edelweiss Government Securities Fund	48,738,968	46,674,454	-
JP Moggan India Fund	-	-	42,517,118
92 Birla Sunlife Frontline Equity Fund	649,811	599,801	482,854
BNP Paribas Equityfund Growth Fund	-	-	1,870,563
BNP Paribas Equity Fund	-	-	470,002
BSL Frontline Equity Fund-Growth	2,568,914	2,371,210	1,908,880
Edelweiss Arbitrage Regular Fund	-	-	10,734,234
Franklin India Prima Plus Growth Fund	2,606,179	2,407,848	1,999,279
Franklin India Prima Plus Fund	647,660	598,373	496,840
ICICI Prudential Equity Arbitrage Fund	-	-	10,709,171
ICICI Prudential Value Fund	2,551,178	2,490,028	-

JM Money Manager Super Plus Fund	-	-	26,730
Kotak Equity Arbitrage Fund	-	-	10,724,342
Motilal Oswal Most Focus Mucticap 35 Fund	783,486	678,248	494,341
Motilal Oswal Most Short Term Bond Fund	3,045,197	2,636,164	1,921,368
153G Birla Sulife Cash Plus Fund	-	-	-
Birla Sun Life Short Term Fund Growth Fund	17,240,994	16,166,438	-
HDFC Corporate Debt Opportunity Fund-Regular-Growth	18,613,456	17,511,952	10,942,603
HDFC Short Term Opportunity Fund Growth	17,143,226	16,082,252	-
Kotak Medium Term Fund Reg Plan Growth	17,240,994	16,313,459	-
Kotak FMP Series 172 Growth Regular Plan	13,120,200	12,113,000	11,080,200
Baroda Pioneer Liquid Fund	-	400,141	300,356
SBI Mutual Fund	-	207,070	-
ICICI Prudential Corporate Bond Fund-ICICI Bank	12,685,093	-	-
Reliance Corporate Bond Fund-ICICI Bank	12,655,334	-	-

Total (Mutual Fund)	196,581,265	188,493,735	205,558,860
Total current investments	254,982,265	278,657,635	363,527,725

7(b) Trade receivables

	March 31, 2018	March 31, 2017	April 1, 2016
Trade receivables	23,779,656	50,720	649,970
Less: Allowance for doubtful debts	-	-	-
Total receivables	-	-	-
Current portion	2,872,504	50,720	649,970
Non-current portion	2,872,504	50,720	649,970
	-	-	-

7 (c) (i) Cash and cash equivalents

	March 31, 2018	March 31, 2017	April 1, 2016
Balances with banks			
- in current accounts	17,404,691	53,088,431	20,582,271
- in EEFC accounts	-	-	59,699
Deposits with maturity of less than three months	-	-	14,500,000
Cash on hand	124,969	117,368	38,879
Total cash and cash equivalents	17,529,660	53,205,798	35,180,849

7 (c) (ii) Bank Balances Other than Cash and cash equivalents

	March 31, 2018	March 31, 2017	April 1, 2016
Earmarked balances with banks for:			
Unpaid Dividend	232,551	363,765	365,665
	232,551	363,765	365,665

7 (d) Other Financial Assets

	March 31, 2018		March 31, 2017		April 1, 2016	
	Current	Non- current	Current	Non- current	Current	Non- current
Receivable on account of sale of Business	-	6,267,836	-	40,730,430	-	41,273,994
Security deposits	2,311,108	-	1,792,660	-	310,000	-
Security deposits with Banks maturity more than 12 Months	2,490,000	-	2,490,000	-	-	-
Accrued Interest	2,169,008	-	2,596,904	-	3,082,027	-
Advances to Employee	95,996	-	110,000	-	80,000	-
Total other financial assets	7,066,112	6,267,836	6,989,564	40,730,430	3,472,027	41,273,994

Note 8 : Deferred tax assets/Liabilities

The balance comprises temporary differences attributable to:

	March 31, 2018	March 31, 2017	April 1, 2016
Defined benefit obligations gratuity and leave	1,960,704	1,147,823	559,508
Property, plant and equipment	(1,106,329)	172,888	(392,067)
Fair value of Investment	(2,934,521)	(2,425,394)	-
Net deferred tax assets/(Liabilities)	(2,080,146)	(1,104,683)	167,441

Significant estimates

An entity shall disclose the amount of a deferred tax asset and the nature of the evidence supporting its recognition, when:

- (a) the utilisation of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences; and
- (b) the entity has suffered a loss in either the current or preceding period in the tax jurisdiction to which the deferred tax asset relates.

Movement in deferred tax assets/ Liabilities for the year March 31, 2018

	Defined benefit obligations gratuity and leave	Property, plant and equipment	Fair value of Investment	Total
(Charged)/credited:				
- to profit or loss	812,881	(1,279,217)	(509,127)	(975,463)
At March 31, 2018	812,881	(1,279,217)	(509,127)	(975,463)

Movement in deferred tax assets/ Liabilities for the year March 31, 2017

	Defined benefit obligations gratuity and leave	Property, plant and equipment	Fair value of Investment	Total
(Charged)/credited:				
- to profit or loss	588,315	564,955	(2,425,394)	(1,272,124)
At March 31, 2018	588,315	564,955	(2,425,394)	(1,272,124)

Note 9: Other non-current assets

	March 31, 2018	March 31, 2017	April 1, 2016
Capital advances	536,224	37,444,525	16,289,934
Other non current assets	-	693,150	685,387
Total other non-current assets	536,224	38,137,675	16,975,321

Note 10 : Inventories

	March 31, 2018	March 31, 2017	April 1, 2016
Raw materials	15,473,880	13,562,951	-
Finished goods	10,031,056	-	-
Traded goods	8,825,823	-	-
Stores and spares	1,163,981	-	-
Total other non-current assets	35,494,740	13,562,951	-

Note 11: Other current assets

	March 31, 2018	March 31, 2017	April 1, 2016
Capital advances	-	207,900	250,000
Prepaid expenses	403,442	173,432	17,950
Advances other than capital advances	-	-	-
Advances to related parties	99,352	552,274	546,088
Other Advances	8,937,742	2,669,705	21,933,093
Balance with Statutory Authorities	8,994,224	3,342,245	1,435,723
Others	56,055	-	-
Total other non-current assets	18,490,815	6,945,555	24,182,854

12(a) Equity share capital

(i) Authorised, Issued, Subscribed and paid-up equity share capital

	March 31, 2018	March 31, 2017	April 1, 2016
Authorised			
15,000,000 Equity Shares of Rs. 10/- each (Previous year 15,000,000)	150,000,000	150,000,000	150,000,000
Issued, Subscribed and paid-up			
5,461,747 (Previous Year 5,461,747) Equity Shares of Rs.10/- each fully paid up	54,617,470	54,617,470	54,617,470
	54,617,470	54,617,470	54,617,470

(ii) Terms and rights attached to equity shares

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

(iii) Details of shareholders holding more than 5% shares in the company

	March 31, 2018		March 31, 2017		April 1, 2016	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Pradipkumar Keshavlal Desai	1,360,880	24.92%	1,360,880	24.92%	1,306,880	23.93%
Lataben P Desai	841,040	15.40%	717,060	13.13%	717,060	13.13%
Bharti Patel	575,333	10.53%	575,333	10.53%	583,440	10.68%
Viral Pradipkumar Desai	563,527	10.32%	550,727	10.08%	524,632	9.61%

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

Particulars	No. of Shares
Equity shares bought back by the company	
In FY 2013-14	-
In FY 2014-15	-
In FY 2015-16	1,814,253
In FY 2016-17	-
In FY 2017-18	-

(v) No Shares have been issued for consideration other than cash during the period of last five years.**12(b) Reserves and surplus**

	March 31, 2018	March 31, 2017	April 1, 2016
Capital Redemption Reserve	18,142,530	18,142,530	18,142,530
Retained earnings	287,978,073	412,964,718	439,103,000
Total reserves and surplus	306,120,603	431,107,248	457,245,530

(i) Capital Redemption Reserve

	March 31, 2018	March 31, 2017	April 1, 2016
Opening balance	18,142,530	18,142,530	18,142,530
Closing balance	18,142,530	18,142,530	18,142,530

(ii) Retained earnings

	March 31, 2018	March 31, 2017	April 1, 2016
Opening balance	412,964,718	439,103,000	428,948,223
Net profit for the period	(124,966,226)	(26,119,732)	
Items of other comprehensive income recognised directly in retained earnings			
Remeasurements of post-employment benefit obligation, net of tax	(20,418)	(18,550)	-
Transfer to retained earnings of FVOCI equity investments, net of tax	-	-	10,154,777
Closing balance	287,978,073	412,964,718	439,103,000

Note 13: Financial liabilities**13(a) Non-current borrowings**

	Maturity date	Terms of repayment	Coupon/ Interest rate	March 31, 2018	March 31, 2017	April 1, 2016
Secured						
Term loans						
From banks	15/02/2022	60 Months	8.35	95,985,017	65,198,083	1,893,313
Total non-current borrowings				95,985,017	65,198,083	1,893,313
Less: Current maturities of long-term debt (included in note 13(b))				10,684,360	-	-
Less: Interest accrued (included in note 13(b))				-	-	-
Non-current borrowings (as per balance sheet)				85,300,657	65,198,083	1,893,313

13(a) Current borrowings

	Maturity date	Terms of repayment	Coupon/ Interest rate	March 31, 2018	March 31, 2017	April 1, 2016
Secured						
Loan repayable on demand						
From banks	On Demand	Working Capital Loans are secured by hypothecation of investments made in securities by the Company.	The Interest rate in case of IIFL is 11% and in case of ICICI rate of interest is varies from 8.50% to 9.40%.	136,455,376	65,999,349	-
Total Current borrowings				136,455,376	65,999,349	-
Less: Current maturities of long-term debt (included in note 13(b))				-	-	-
Current borrowings (as per balance sheet)				136,455,376	65,999,349	-

13(b) Other financial liabilities

	March 31, 2018	March 31, 2017	April 1, 2016
Non-current	-	-	-
Total other non-current financial liabilities	-	-	-
Current			
Current maturities of long-term debt	9,951,025	-	-
Interest accrued	733,335	-	-
Capital creditors	4,731,440	13,583,063	7,944
Security Deposits	119,994	-	-
Employee benefit payable	3,811,267	2,340,470	243,215
Total other current financial liabilities	19,347,061	15,923,533	251,159

13(c) Trade Payables

	March 31, 2018	March 31, 2017	April 1, 2016
Non-current	-	26,950	15,000
Total other non-current Trade Payable	-	26,950	15,000
Current			
Trade payables	13,963,511	3,456,439	1,701,149
Total trade payables	13,963,511	3,456,439	1,701,149

There are no dues to Micro, small and medium enterprises as at March 31, 2018, March 31, 2017 and April 01, 2016. The identification of Micro, small and medium enterprises as defined under the provisions of "Micro, Small and Medium Enterprises Act, 2006" is based on management's knowledge of their status.

Note 14: Provisions

	March 31, 2018			March 31, 2017			April 1, 2016		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
Provision for employee benefits									
Gratuity	163,250	2,319,392	2,482,642	48,374	1,246,244	1,294,618	23,899	991,374	1,015,273
Current Obligation of Leave Encashment	868,407	1,763,571	2,631,978	224,546	1,128,867	1,353,413	41,144	526,611	567,755
Super Annuation Fund	1,080,000	-	1,080,000	540,000	-	540,000	540,000	-	540,000
Performance Salary	-	-	-	71,244	-	71,244	33,672	-	33,672
Bonus	194,000	-	194,000	598,290	-	598,290	-	-	-
Provision for amount receivable from Arkray	6,267,836	-	6,267,836	-	-	-	-	-	-
other	4,544,488	-	4,544,488	1,358,581	-	1,358,581	996,922	-	996,922
Total	13,117,981	4,082,963	17,200,944	2,841,035	2,375,111	5,216,146	1,635,637	1,517,985	3,153,622

Note 15: Other current liabilities

	March 31, 2018	March 31, 2017	April 1, 2016
Statutory tax payables	2,652,664	2,068,925	557,528
Others	599,050	38,565	-
Total other current liabilities	3,251,714	2,107,490	557,528

Note 16 : Revenue from Operations

	March 31, 2018	March 31, 2017
Sale of products	141,587,339	25,121,230
Fair Value of Biological Assets	1,928,962	-
Other operating revenue	2,206,379	3,604,220
Total revenue from continuing operations	145,722,681	28,725,450

Note 17: Other income and other gains/(losses)

	March 31, 2018	March 31, 2017
Rental income	164,246	-
Dividend income from equity investments designated at fair value through other comprehensive income (i)	503,409	1,702,302
Unrealised Gain through P&L A/C (Investments)	3,695,689	19,796,439
Interest income from financial assets at amortised cost	8,387,051	10,752,436
Unwinding of discount on security deposits	-	-
Net gain on disposal of property, plant and equipment (excluding property, plant and equipment sold as part of the discontinued operation)	8,209,400	-
Net gain on sale of investments	9,232,130	7,787,699
Financial Guarantee Fees Income	-	-
Exchange Rate Gain	23,197	19,291
Balances Written Back	343,675	5,725
Excess Provision for Tax	1,583	-
Interest on Income Tax Refund	380	-
Other items	1,534,266	304,611
Total other income	32,095,026	40,368,503

Note 18(a): Cost of materials Consumed

	March 31, 2018	March 31, 2017
Raw materials at the beginning of the year	13,562,951	-
Add: Purchases	142,068,464	23,205,103
Less: Raw material at the end of the year	15,473,880	13,562,951
Total cost of materials consumed	140,157,536	9,642,152

Note 18(b): Purchases of stock-in-trade

	March 31, 2018	March 31, 2017
Add: Purchases	6,680,429	15,610,113
Total cost of materials consumed	6,680,429	15,610,113

Note 18(c): Changes in inventories of work-in-progress, stock-in-trade and finished goods

	March 31, 2018	March 31, 2017
Opening balance		
Work-in progress	-	
Finished goods	9,526,031	
Traded goods	-	
Total opening balance	9,526,031	
Closing balance		
Work-in progress	6,480,590	
Finished goods	13,098,118	9,526,031
Traded goods	8,825,823	
Total closing balance	28,404,531	9,526,031
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	(18,878,500)	(9,526,031)

Note 19: Employee benefit expense

	March 31, 2018	March 31, 2017
Salaries, wages and bonus	42,117,742	21,399,711
Contribution to provident fund	1,733,891	838,179
Gratuity	1,931,323	334,328
Leave compensation	3,031,472	1,033,759
Post-employment pension benefits	542,898	540,000
Post-employment medical benefits	-	-
Staff welfare expenses	980,764	24,160
Total employee benefit expense	50,338,090	24,170,137

Note 20: Finance costs

	March 31, 2018	March 31, 2017
Interest on debts and borrowings	17,018,854	1,952,213
Finance costs expensed in profit or loss	17,018,854	1,952,213

Note 21: Depreciation and amortisation expense

	March 31, 2018	March 31, 2017
Depreciation of property, plant and equipment	24,841,825	8,109,520
Amortisation of intangible assets	1,144,346	95,586
Total depreciation and amortisation expense	25,986,171	8,205,105

Note 22: Other expenses

	March 31, 2018	March 31, 2017
Consumption of stores and spares	6,120,444	80,000
Clearing and Forwarding Expenses	3,527,663	1,887,142
Hardening Expenditure	108,523	-
Nursery Expenses	461,090	87,849
Repairs and maintenance	1,995	-
Labour Charges	6,515,287	183,703
Laboratory Expenses	5,638,683	153,929
Factory and diesel Expenses	494,795	141,122
Plant and machinery	177,246	-
Buildings	798,034	111,431
Others	364,157	203,930
Freight	473,535	53,981
Telephone and communication charges	421,742	241,865
Water and electricity charges	3,210,402	751,446
Rental charges	4,635,412	2,409,595
Rates and taxes	1,229,419	519,310
Legal and professional fees (Refer Note 25(a))	10,837,381	8,684,130
Travel and conveyance	5,121,371	3,510,074
Insurance	350,717	62,312
Membership and registration Fees	181,849	90,243
Printing and stationery	284,616	251,333
Bank Charges	17,014	9,867
Exhibition and Selling Expenses	633,032	207,712
Bad Debts	200,000	-
Sales commission	-	39,561
Security Expenses	1,722,835	1,159,803
Membership Fees	2,100	-
Selling Expenses	478,475	188,400
Loss on sale of fixed assets	16,324	13,553
Fluctuation loss	116,747	-
Miscellaneous expenses	8,681,372	2,835,619
Total other expenses	62,822,259	23,877,911

Note 22(a): Details of payments to auditors

	March 31, 2018	March 31, 2017
Payment to auditors		
As auditor:		
Audit fee	394,000	360,000
Tax audit fee	125,000	75,000
Other Services	107,735	205,363
Total payments to auditors	626,735	640,363

Note 23: Income tax expense

	March 31, 2018	March 31, 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	774,205	-
Total current tax expense	774,205	-
Deferred tax		
Decrease (increase) in deferred tax assets	(1,281,860)	(303,620)
(Decrease) increase in deferred tax liabilities	2,268,289	1,585,706
Total deferred tax expense/(benefit)	986,428	1,282,086
Income tax expense	1,760,633	1,282,086

Note 24: Commitments and Contingent Liabilities

Particulars	As March 31, 2018	As March 31, 2017
Commitments	229,509	51,609,144
Contingent Liability		
Sales tax - Pending C Forms	-	13,880
Corporate Guarantee given on behalf of Subsidiary Company	142,000,000	90,000,000
Total	142,229,509	141,623,024

Note 25: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, compulsorily convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings including interest accrued on borrowings, trade and other payables, less cash and short-term deposits.

The gearing ratios were as follows:

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Net debt	253,517,211	148,429,184	4,108,149
Total equity	360,738,073	485,724,718	511,863,000
Net debt to equity ratio	70.28%	30.56%	0.80%

Note 26: Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

	March 31, 2018	March 31, 2017
(a) Basic earnings per share	INR	INR
i. Profit (loss) attributable to equity shareholders(basic)	(124,966,226)	(26,119,732)
ii. Weighted average number of equity shares (basic)	5,461,747	5,461,747
Total basic earnings per share attributable to the equity holders of the company	(22.88)	(4.78)
(b) Diluted earnings per share		
i. Profit (loss) attributable to equity shareholders(basic)	(124,966,226)	(26,119,732)
ii. Weighted average number of equity shares (basic)	5,461,747	5,461,747
Total diluted earnings per share attributable to the equity holders of the company	(22.88)	(4.78)

Note 27 : Post Employment benefits**A. Reconciliation of the defined benefit liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Reconciliation of present value of defined benefit obligation

	March 31, 2018	March 31, 2017
Balance at the beginning of the year	1,270,918	1,053,644
Current service cost	700,276	83,134
Interest cost	93,607	83,874
Past Service Cost	410,488	-
Actuarial (gains) losses recognised	-	-
- experience adjustments	(64,468)	(6,893)
- Financial Assumption adjustment	(38,984)	57,159
Balance at the end of the year	2,371,837	1,270,918

B. Expense recognised in profit or loss

	March 31, 2018	March 31, 2017
Current service cost	700,276	83,134
Interest on defined benefit Liability	93,607	83,874
Past service Cost	410,488	-
	1,204,371	167,008

Remeasurements recognised in other comprehensive income

	March 31, 2018	March 31, 2017
Actuarial (gain)/loss on Obligation for the period	(931,452)	50,266
Actuarial (gain)/loss due to DBO assumption change	-	-
	(931,452)	50,266

C. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	March 31, 2018	March 31, 2017
Discount rate	7.73% to 7.87%	7.34% to 7.57%
Future salary growth	8% to 10%	8% to 10%
Attrition rate	1% to 1.99%	1% to 1.99%
Mortality table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

	March 31, 2018		March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(168,259)	193,401	(88,488)	101,083
Future salary growth (1% movement)	128,893	(109,750)	99,026	49,976
Attrition rate (1% movement)	(26,328)	28,923	(14,065)	15,347

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Note 28. Financial Risk Management Framework**Risk management framework**

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is towards related parties and not subject to significant credit risk based on past history.

Current Investment:

The Company holds current investment in mutual funds of at 31 March 2018, 31 March 2017 and 1 April 2016. The credit risk on mutual funds is limited because all the investments are in AAA rated mutual funds, assigned by international credit rating agencies.

Cash and cash equivalents

The Company holds cash and cash equivalents. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Year ended March 31, 2018

	On Demand	in next 12 months	>1 year <5	> 5 year	Total
Borrowings	221,756,033	136,455,376	85,300,657	-	221,756,033
Trade payables	13,963,511	13,963,511	-	-	13,963,511
Other financial liabilities	19,347,061	19,347,061	-	-	19,347,061
Total	255,066,606	169,765,949	85,300,657	-	255,066,606

Year ended March 31, 2017

	On Demand	in next 12 months	>1 year <5	> 5 year	Total
Borrowings	131,197,432	65,999,349	65,198,083	-	131,197,432
Trade payables	3,483,389	3,456,439	26,950	-	3,483,389
Other financial liabilities	-	-	-	-	-
Total	134,680,821	69,455,788	65,225,033	-	134,680,821

Year ended April 01, 2016

	On Demand	in next 12 months	>1 year <5	> 5 year	Total
Borrowings	1,893,313	-	1,893,313	-	1,893,313
Trade payables	1,716,149	251,159	15,000	-	266,159
Other financial liabilities	557,528	557,528	-	-	557,528
Total	4,166,990	808,687	1,908,313	-	2,717,000

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

Sensitivity analysis

	March 31, 2018		March 31, 2017	
	Increase	Decrease	Increase	Decrease
Forex rate fluctuation (1% movement)	-	-	-	-

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company keeps majority of its borrowings with floating interest rates and company looks out for opportunity for optimization of interest cost, based on prevailing market scenarios and performance of the company.

Note 29: operating leases

1. The Company does not have financial lease arrangement.
2. The Company has taken office premises under short term lease arrangements and are renewable in mutually agreeable terms.

	March 31, 2018	March 31, 2017
Total rental expense relating to operating leases	4,635,412	2,409,595

Note 30 : Related Party Disclosures**Transactions with Related Parties as specified under Ind- AS 24****A. Key management personnel**

S. No.	Name of Personnel	Nature of relationship
1	Mr. Viral Desai	Managing Director
2	Mr. Samkit Mehta (up to August 15, 2017)	Chief Financial Officer
3	Mr. Minesh Patel (w.e.f February 02, 2018)	Chief Financial Officer
4	Mr. Pankaj Ajmera (up to August 31, 2017)	Company Secretary
5	Ms. Samiksha Kansara (w.e.f September 01, 2017)	Company Secretary
6	Mr. Simon Fry	Director
7	Mr. Bimal Desai	Director/Partner in LLP Subsidiary
8	Mr. Urnil Raval	Partner in LLP Subsidiary
9	Mr. Hardik Shah	Partner in LLP Subsidiary
10	Mr. Paresh Patel	Director

B. Enterprises over which Key Management Personnel exercises significant influence

S. No.	Name of Personnel	Enterprises	Relationship
1	Mr. Viral Desai	Span Bioproducts Private Limited	Director
		Athreyas Wellness Private Limited	Director
		Micronclean India Private Limited	Director
2	Mr. Simon Fry	Micronclean India Private Limited	Director

C. Relatives of key management personnel and their enterprise, where transactions have taken place.

S. No.	Name of Personnel
1	Ms. Sujata V. Desai

D. Transactions with related parties during the year ended

S. No.	Name of Personnel	Nature of transactions	March 31, 2018	March 31, 2017
1	Mr. Viral Desai	Director Remuneration	85,95,000	7,200,000
		Rent	624,502	646,838
2	Mr. Samkit Mehta (up to August 15, 2017)	Salary	668,966	300,550
3	Mr. Minesh Patel (w.e.f February 02, 2018)	Salary	60,932	234,250
		Loan repayment	5,000	-
4	Mr. Pankaj Ajmera (up to August 31, 2017)	Salary	49,220	118,032
5	Ms. Samiksha Kansara (w.e.f September 01, 2017)	Salary	112,000	-
6	Ms. Sujata Desai	Salary	605,300	-
		Rent	549,985	442,838

7	Mr. Bimal Desai	Salary	8,475,000	2,975,446
8	Mr. Urmil Raval	Salary	1,484,086	1,400,000
9	Mr. Hardik Shah	Salary	1,306,176	1,200,008
10	Mr. Paresh Patel	Salary	4,959,500	-

E. Balances outstanding

S. No.	Name of the related party	Nature of balances	March 31, 2018	March 31, 2017
1	Mr. Viral Desai	<u>Payable</u>		
		Director Remuneration	387,261	593,800
		Rent Deposit	151,000	151,000
		Rent	24,480	-
		Capital	1,000	1,000
2	Mr. Samkit Mehta (up to August 15, 2017)	<u>Payable</u>		
		Salary	-	167,162
3	Mr. Minesh Patel (w.e.f February 02, 2018)	<u>Payable</u>		
		Loan	75,000	80,000
		Salary	42,303	-
4	Mr. Pankaj Ajmera (up to August 31, 2017)	<u>Payable</u>		
		Salary	-	9,836
5	Ms. Samiksha Kansara (w.e.f September 01, 2017)	<u>Payable</u>		
		Salary	15,800	-
6	Ms. Sujata Desai	<u>Payable</u>		
		Salary	26,401	-
		Rent Deposit	100,000	100,000
7	Mr. Bimal Desai	Salary	2,368,011	757,770
8	Mr. Urmil Raval	Salary	78,595	124,695
		Capital	1,000	1,000
9	Mr. Hardik Shah	Salary	67,410	106,810
		Capital	1,000	1,000
10	Mr. Paresh Patel	Salary	1,076,866	-

Note 31 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

a) Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March 2018 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Non-Current							
i. Others	6,267,836	-	-	-	-	6,267,836	-
Current	-	-	-	-	-	-	-
i. Investments	-	-	254,982,265	-	-	-	254,982,265
ii. Trade receivables	23,779,656	-	-	-	-	23,779,656	-
iii. Cash and cash equivalents	17,529,660	-	-	-	-	17,529,660	-
iv. Bank balances other than (iii) above	232,551	-	-	-	-	232,551	-
v. Others	7,066,112	-	-	-	-	7,066,112	-
Total	54,875,814	-	254,982,265	-	-	54,875,814	254,982,265
Liabilities:							
Non-Current							
i. Borrowings	85,300,657	-	-	-	-	85,300,657	-
ii. Trade payables	-	-	-	-	-	-	-
Current liabilities	-	-	-	-	-	-	-
i. Borrowings	136,455,376	-	-	-	-	136,455,376	-
ii. Trade payables	13,963,511	-	-	-	-	13,963,511	-
iii. Other financial liabilities	19,347,061	-	-	-	-	19,347,061	-
Total	255,066,606	-	-	-	-	255,066,606	-

The carrying value and fair value of financial instruments by categories as of 31 March 2017 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Non-Current							
i. Others	40,730,430	-	-	-	-	40,730,430	-
Current	-	-	-	-	-	-	-
i. Investments	-	-	278,657,635	-	-	-	278,657,635
ii. Trade receivables	50,720	-	-	-	-	50,720	-
iii. Cash and cash equivalents	53,205,798	-	-	-	-	53,205,798	-
iv. Bank balances other than (iii) above	363,765	-	-	-	-	363,765	-
v. Others	6,989,564	-	-	-	-	6,989,564	-
Total	101,340,278	-	278,657,635	-	-	101,340,278	278,657,635
Liabilities:							
Non-Current							
i. Borrowings	65,198,083	-	-	-	-	65,198,083	-
ii. Trade payables	26,950	-	-	-	-	26,950	-
Current liabilities	-	-	-	-	-	-	-
i. Borrowings	65,999,349	-	-	-	-	65,999,349	-
ii. Trade payables	3,456,439	-	-	-	-	3,456,439	-
iii. Other financial liabilities	15,923,533	-	-	-	-	15,923,533	-
Total	150,604,354	-	-	-	-	150,604,354	-

The carrying value and fair value of financial instruments by categories as of 1 April 2016 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Non-Current							
i. Others	41,273,994	-	-	-	-	41,273,994	-
Current							
i. Investments	363,527,726	-	363,527,726	-	-	363,527,726	363,527,726
ii. Trade receivables	649,970	-	-	-	-	649,970	-
iii. Cash and cash equivalents	35,180,849	-	-	-	-	35,180,849	-
iv. Bank balances other than (iii) above	365,665	-	-	-	-	365,665	-
v. Others	3,472,027	-	-	-	-	3,472,027	-
Total	444,470,230	-	363,527,726	-	-	444,470,230	363,527,726
Liabilities:							
Non-Current							
i. Borrowings	1,893,313	-	-	-	-	1,893,313	-
ii. Trade payables	15,000	-	-	-	-	15,000	-
Current liabilities							
i. Borrowings	-	-	-	-	-	-	-
ii. Trade payables	1,701,149	-	-	-	-	1,701,149	-
iii. Other financial liabilities	251,159	-	-	-	-	251,159	-
Total	3,860,621	-	-	-	-	3,860,621	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2018:

Fair value measurement using					
	Date of valuation	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		(Level 1)	(Level 2)	(Level 3)	
Current					
(i) Investments	31-Mar-18	278,657,635	-	-	278,657,635
Total		278,657,635	-	-	278,657,635

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2017:

Fair value measurement using					
	Date of valuation	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		(Level 1)	(Level 2)	(Level 3)	
Current					
(i) Investments	31-Mar-17	278,657,635	-	-	278,657,635
Total		278,657,635	-	-	278,657,635

Quantitative disclosures fair value measurement hierarchy for liabilities as at April 01, 2016:

Fair value measurement using					
	Date of valuation	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
		(Level 1)	(Level 2)	(Level 3)	
Current					
(i) Investments	01-Apr-16	363,527,726	-	-	363,527,726
Total		363,527,726	-	-	363,527,726

Note 32 Equity and Income reconciliation

Reconciliation of Total consolidated equity as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017 and April 01, 2016 (At transition date)

Particulars	As at March 31, 2017	As at April 01, 2016
Total Equity under Previous GAAP	460,935,348	501,708,223
Ind AS Adjustments		
Fair value measurement of Financial Instrument	28,955,620	27,223,725
Deferred tax on fair value measurement of Financial Instrument	(2,435,356)	(15,305,143)
Total Equity under Ind AS GAAP	487,455,613	513,626,805

Reconciliation of Total comprehensive income as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017: aReconciliation of Total consolidated comprehensive income as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017:

Particulars	As at March 31, 2017
Profit/(Loss) after tax as per previous GAAP	(39,106,726)
Ind AS Adjustments	
Fair value measurement of Financial Instrument	15,393,615
Remeasurement costs of Post employment benefits	28,512
Deferred tax on Ind AS adjustments	(2,435,133)
Loss after tax as per Ind AS	(26,119,732)
Other Comprehensive income (Remeasurement costs of Post employment benefits)	(28,512)
Deferred tax on post employment	9,962
Total comprehensive income as per Ind AS	(26,138,282)

Note 33. First time adoption to Ind-AS

Reconciliation of consolidated equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at April 01, 2016 (At transition date) and March 31, 2017:

ASSETS	Note	March 31, 2017			April 1, 2016		
		Previous GAAP	Effect of transition to Ind AS	As per Ind-AS	Previous GAAP	Effect of transition to Ind AS	As per Ind-AS
Non-current assets							
Property, plant and equipment		76,500,638	(13,650,815)	62,849,823	21,513,322	-	21,513,322
Capital work-in-progress		109,532,762	-	109,532,762	317,131	-	317,131
Investment properties		-	13,650,815	13,650,815	-	-	-
Goodwill		4,192,419	-	4,192,419	-	-	-
Other intangible assets		808,815	-	808,815	41,346	-	41,346
Intangible assets under development		-	-	-	314,376	-	314,376
Biological assets other than bearer plants	6	-	9,526,031	9,526,031	-	-	-
Financial assets		-	-	-	-	-	-
i. Others		40,730,430	-	40,730,430	41,273,994	-	41,273,994
Deferred tax assets (Net)		-	-	-	167,441	-	167,441
Other non-current assets		38,137,675	-	38,137,675	16,975,321	-	16,975,321
Total non-current assets		269,902,740	9,526,031	279,428,771	80,602,931	-	80,602,931
Current assets							
Inventories	6	23,088,982	(9,526,031)	13,562,951	-	-	-
Financial assets							
i. Investments	1	249,702,014	28,955,620	278,657,635	336,304,001	27,223,725	363,527,726
ii. Trade receivables		50,720	-	50,720	649,970	-	649,970
iii. Cash and cash equivalents		53,205,798	-	53,205,798	35,180,849	-	35,180,849
iv. Bank balances other than (iii) above		363,765	-	363,765	365,665	-	365,665
v. Others		6,989,564	-	6,989,564	3,472,027	-	3,472,027
Current tax Assets (Net)		7,283,526	-	7,283,526	13,216,555	-	13,216,555
Other current assets		6,945,555	-	6,945,555	24,182,854	-	24,182,854
Total current assets		347,629,925	19,429,589	367,059,515	413,371,920	27,223,725	440,595,645
Total assets		617,532,665	28,955,620	646,488,286	493,974,851	27,223,725	521,198,576
EQUITY AND LIABILITIES							
Equity							
Equity share capital		54,617,470	-	54,617,470	54,617,470	-	54,617,470
Other equity	1,5	404,586,983	26,520,265	431,107,248	445,326,948	11,918,582	457,245,530
Non Controlling Interest		1,730,896	-	1,730,896	1,763,805	-	1,763,805
		460,935,348	26,520,265	487,455,613	501,708,223	11,918,582	513,626,805
LIABILITIES							
Non-current liabilities							
Financial Liabilities							
i. Borrowings		65,198,083	-	65,198,083	1,893,313	-	1,893,313
ii. Trade Payables		26,950	-	26,950	15,000	-	15,000
Provisions		2,375,111	-	2,375,111	-	-	-
Deferred tax liabilities (Net)	5	(1,330,673)	2,435,356	1,104,683	(13,787,158)	15,305,143	1,517,985
Total non-current liabilities		66,269,471	2,435,356	68,704,827	-11,878,845	15,305,143	3,426,298
Financial liabilities							
i. Borrowings		65,999,349	-	65,999,349	-	-	-
ii. Trade payables		3,456,439	-	3,456,439	1,701,149	-	1,701,149
iii. Other financial liabilities		15,923,533	-	15,923,533	251,159	-	251,159
Other current liabilities		2,107,490	-	2,107,490	557,528	-	557,528
Provisions		2,841,035	-	2,841,035	1,635,637	-	1,635,637
Total current liabilities		90,327,845	-	90,327,845	4,145,473	-	4,145,473
Total liabilities		156,597,317	2,435,356	159,032,672	-7,733,372	15,305,143	7,571,771
Total equity and liabilities		617,532,665	28,955,620	646,488,286	493,974,851	27,223,725	521,198,576

Note 34

Reconciliation of Consolidated Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017.

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
Continuing operations				
Revenue from operations		28,725,450	-	28,725,450
Other income	1, 6	24,974,888	15,393,615	40,368,503
Total income		53,700,339	15,393,615	69,093,953
EXPENSES				
Cost of materials consumed		9,642,152		9,642,152
Purchases of stock-in-trade		15,610,113	-	15,610,113
Changes in inventories of stock-in-trade		(9,526,031)	-	(9,526,031)
Employee benefit expense	5	24,198,649	(28,512)	24,170,137
Finance costs		1,952,213	-	1,952,213
Depreciation and amortisation expense		8,205,105	-	8,205,105
Donation		20,000,000	-	20,000,000
Other expenses		23,877,911	-	23,877,911
Total expenses		93,960,112	(28,512)	93,931,600
Loss before tax				
Tax expense				
(a) Current tax		-		-
(b) Deferred tax		(1,153,047)	2,435,133	1,282,086
Total tax (income)/expense		(1,153,047)	2,435,133	1,282,086
Loss for the year		(39,106,726)	12,986,994	(26,119,732)
Other Comprehensive Income (OCI)				
Remeasurement costs of Post employment benefits	5	-	(28,512)	(28,512)
Deferred tax on post employment	1, 5	-	9,962	9,962
Total other comprehensive income for the period / year, net of tax		-	(18,550)	(18,550)
Total comprehensive income for the year		(39,106,726)	12,968,444	(26,138,282)

Note 35. First time adoption to Ind-AS**Note 1: Fair valuation of investments**

Under the previous GAAP, investments in mutual funds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in the profit or loss for the year ended 31 March 2017. There is no adjustment as the mutual funds are already recorded at fair value.

Note 2: Trade receivables

As per Ind AS 109, the Group is required to apply expected credit loss model for recognising the allowance for doubtful debts. The impact on application of expected credit loss model has been estimated as not material and accordingly, no adjustment has been made on the date of transition and as at 31 March, 2017

Note 3: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

Note 4: Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Note 5: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Note 6: Biological Assets

The Group sells tissue culture plants of banana, pomegranate and others to its customers. Tissue culture is a process where, propagation of plant by using a plant part, single cell or group cell is done in a under very controlled hygienic conditions. Tissue culture primary involves initiation of aseptic cultures of part taken from mother plant, multiplication of the plant to the desired scale, induction of roots to primary & secondary hardening. The aseptic culture which are planted in a test tube in a control environment which will be sold subsequently after primary & secondary hardening are accounted for Ind As 41, Agriculture at fair value less cost to sell. Here fair value has been derived based on the project cash flow during the process cycle applying discounting factor as process cycle is more than 12 months. Plants after completion of primary and secondary hardening are transferred to inventory at fair value less cost to sell after applying the discounting factor. Cost to sell include the incremental selling cost, commission, transportation cost, fees excluding finance costs and income taxes. Changes in the fair value of biological assets are recognized in Statement of Profit and Loss. Direct cost such as laboratory cost, Research and development cost & etc. are expensed as incurred.

Note 36: Unhedge foreign currency exposure

Foreign currency exposure on account of trade receivables/trade payables not hedged by derivatives instruments are as follows;

	March 31, 2018		March 31, 2017	
Particulars	Amount		Amount	
	(In Original Currency)	(In Rs.)	(In Original Currency)	(In Rs.)
ZAR	-	-	-	-

Note 37 : Expenditure in foreign currency

Particulars	March 31, 2018	March 31, 2017
Expenditure in foreign currency	621,433	831,335

Note 38 : Exceptional items

For the year ended 31 March 2018, Exceptional item pertains to final settlement from Business Transfer of IVD Business vide Business Purchase Agreement for slump sale transaction happened on March 05, 2015. The amount of Rs. 400 lakhs which was kept in Escrow Account has been received from Arkray Healthcare Pvt. Ltd. after deduction of Rs. 63.95 Lakhs on account of un-recovered assets comprising of SAD refund, deposits, account receivables etc. Since the original transaction for the slump sale was considered as an exceptional item in March 2015 financial statements, the said provision for deduction amount of Rs. 63.95 Lakhs has also been considered as an exceptional item.

Note 39 : Value of imports calculated on CIF Basis

Particulars	March 31, 2018	March 31, 2017
Traded Goods	28,089,199	39,303,916

Note 40 : Salient features of subsidiaries as per the Companies Act, 2013

a. Subsidiaries considered in consolidated financial statement

Name of Subsidiary	Reporting Currency
Span Diagnostic SA (PTY) Limited	ZAR
Biospan Contamination Control Solutions Pvt. Limited	INR
Aranya Agri Bio tech LLP	INR
Dry Fruit Factory LLP	INR
Biospan Scientific LLP	INR
Span Diagnostic LLP	INR
Desai Farmharvest	INR

b. Details of Subsidiary as under :

Name of Subsidiary	Share Capital/ Partners Capital (Includes Fixed & Fluctuating Capital)	Other Equity/Reserve and Surplus	Total Assets	Total Liabilities	Turnover	Profit before tax
Span Diagnostic SA (PTY) Limited	6,177	(1,657,974)	903,709	2,555,506	-	(1,115,481)
Biospan Contamination Control Solutions Pvt. Limited	670,000	(2,202,704)	7,107,222	8,639,926	262,767	(2,293,987)
Aranya Agri Bio tech LLP	62,983,724	(31,690,959)	43,214,403	11,921,639	6,291,391	(26,228,088)
Dry Fruit Factory LLP	128,930,162	(62,834,704)	199,854,428	133,758,970	125,099,987	(56,098,928)
Biospan Scientific LLP	22,246,880	(14,733,668)	9,575,927	2,062,715	10,861,516	(9,494,036)
Span Diagnostic LLP	152,926	(33,346)	119,580	-	-	(7,676)
Desai Farmharvest	1,500,000	(198,953)	1,301,047	26,950	-	(222,544)

c. Additional Information, required as under schedule III to the Companies Act, 2013 of enterprises consolidated as subsidiaries

Name of Enterprise	Share in Profit & Loss		Share in Net Assets	
	% of Consolidated Profit & Loss	Amount	% of Consolidated Profit & Loss	Amount
Parent				
Span Divergent Limited	17.72%	(20,285,465)	82.13%	474,090,382
Subsidiaries				
Span Diagnostic SA (PTY) Limited	0.97%	(1,115,481)	-0.29%	(1,651,797)
Biospan Contamination Control Solutions Pvt. Limited	1.92%	(2,202,704)	-0.27%	(1,532,704)
Aranya Agri Bio tech LLP	22.91%	(26,228,088)	5.42%	31,292,765
Dry Fruit Factory LLP	47.96%	(54,908,350)	11.45%	66,095,458
Biospan Scientific LLP	8.31%	(9,513,336)	1.30%	7,513,212
Span Diagnostic LLP	0.01%	(7,676)	0.02%	119,580
Desai Farmharvest	0.19%	(222,544)	0.23%	1,301,047

Note 41 : 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 / W100048

For and on behalf of the Board of Directors
Span Divergent Limited

Viral P. Desai
Managing Director
DIN : 00029219

Dr. Prdip K. Desai
Director
DIN : 00026451

Hemant J. Bhatt
Partner
Membership No: 036834

Minesh Patel
CFO

Samiksha Kansara
Company Secretary

Place : Surat
Date : May 16, 2018

Place : Surat
Date : May 16, 2018

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

Regd. Office: 9th Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007
Tel No.: 0261 – 266 32 32 / Fax No.: 0261 – 266 57 57

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

Attendance Slip for 38th Annual General Meeting

Registered Folio / DP ID & Client ID		
No. of Shares		
Name and Address of the Shareholder(s):		
Joint Holder(s):		
I/We hereby record my / our presence at the 38 th Annual General Meeting of the Company being held on Friday, September 28, 2018 at 11:00 a.m. at Hall at 1 st Floor, The Southern Gujarat Chamber of Commerce and Industries, Samrudhdhi, Makkai Pool, Nanpura, Surat – 395 001		
If Shareholder(s), please sign here	If Proxy, please mention name and sign here	
	Name of the Proxy	Signature
Note: Please sign this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL.		

ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	User ID	*Default PAN
	-	-

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

Note: Please read the instructions for e-voting given along with Notice of the 38th Annual General Meeting. The Voting Period starts from Tuesday, September 25, 2018 (9:00 a.m.) and ends on Thursday, September 27, 2018 (5:00 p.m.)

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

Regd. Office: 9th Floor, 902 – 904, Rajhans Bonista, Behind Ram Chowk Temple, Ghod Dod Road, Surat – 395 007
Tel No.: 0261 – 266 32 32 / Fax No.: 0261 – 266 57 57 Email Id: mail@span.in / Website: www.spandivergent.com / www.span.in

Form MGT 11
Proxy Form

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

Venue of Meeting: Hall at 1st Floor, The Southern Gujarat Chamber of Commerce and Industries, Samrudhdi, Makkai Pool, Nanpura, Surat – 395 001

Day, Date & Time: Friday, September 28, 2018 at 11:00 a.m.

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

I/We _____ of _____ being member / members of Span Divergent Limited (Formerly Span Diagnostics Limited) hereby appoint the following as my / our proxy to attend and vote on a poll (for me/our behalf at the 38th Annual General Meeting of the Company to be held on Friday, September 28, 2018 at 11:00 a.m. and at any adjournment thereof) in respect of such resolutions as are indicated below:

- 1) Name: _____ Registered Address: _____
Email Id: _____ Signature: _____
or failing him / her
- 2) Name: _____ Registered Address: _____
Email Id: _____ Signature: _____
or failing him / her
- 3) Name: _____ Registered Address: _____
Email Id: _____ Signature: _____

Resolution No.	Resolution	No. of Shares held	Optional*	
			For	Against
1.	Adoption of Financial Statements for the year ended on March 31, 2018			
2.	Re-appointment of Ms. Lataben P Desai as Director of the Company who retires by rotation			
3.	Ratification of Appointment of M/s. Haribhakti & Co. LLP as Statutory Auditors and fix their remuneration			

Signed this _____ day of _____, 2018

Affix one Rupee
Revenue Stamp

Signature of Shareholder

Notes:

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

Dear Members,

Subject: Dematerialization of Shares & Unpaid Dividend

We have pleasure to inform you that National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) have allotted ISIN No INE004E01016 to the Equity Shares of the Company.

As you are aware that shares held in demat would not only be convenient in holding but also facilitate you in dealing with the shares of the Company. We therefore recommend and request you to take the advantage of Demat of Shares.

BSE has issued a Circular to Listed Companies on July 05, 2018 informing about amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only. As per circular, physical transfer of securities will not be permitted after December 05, 2018.

Accordingly If you are still holding shares of the Company in physical form, we request you to get the physical shares dematerializes through your Depository Participant. In case of any assistance you may contact to Company's Registrar and Share Transfer Agent M/s. Link Intime India Private Limited at following address:

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

If there is a change of your address, please write us to register the same to help us to serve you better.

Further in case you have not received any dividend declared by the Company for any of past financial years, from 2011 – 2012 onwards, if any declared by the Company. You may write to the secretarial department of the Company at Surat or Company's Registrar & Share Transfer Agent, Mumbai for payment of unpaid dividend. for the same for the payment.

You may also write about any of queries to our secretarial department of the Company at Surat Company's Registrar & Share Transfer Agent, Mumbai

Thanking you and assuring our best services at all times.

For Span Divergent Limited

Authorised Signatory

To,
Link Intime India Private Limited
Unit: Span Divergent Limited
Link Intime India Private Limited
C – 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083

Dear Sir / Madam

Subject: Updation of Shareholder Information

I / We request you to record the following information against my / our Folio No.:

General Information:

Folio No.:	
Name of the First named Shareholder:	
CIN / Registration No.: (applicable to Corporate Shareholder)	
Tel No. with STD Code:	
Mobile No.:	
Email ID:	

Self attested copy of the document(s) enclosed

Bank Details:

IFCS (11 Digit):	
MICR 9 (Digit):	
Bank A/c Type:	
Bank A/c No.:	
Name of the Bank:	
Bank Branch Address:	

A blank cancelled cheque is enclosed to enable verification of bank details

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / We would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / We hold the securities under the above mentioned Folio No. / Beneficiary account.

Place:

Date:

Signature of Sole / First Holder

Dear Members

Subject: - **Updating the necessary KYC details of registered and/or joint holders holding shares in physical form.**

Dear Sir/Madam,

We refer to the SEBI Circular No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 & BSE Circular No LIST/COMP/15/2018-19 dated 5th July 2018 by which they have directed all the listed companies to record the PAN, Bank account details of all their shareholders and advise them to dematerialise their physical securities. Accordingly your Company has initiated steps for registering the **PAN details** (including joint holders if any) and the **BANK ACCOUNT** details of all the registered shareholders.

We would also like to register other KYC details such as email id, mobile number, specimen signature and nomination. Your present status of each of these requirements is provided in the KYC form. We request you to kindly fill in the details in the KYC form and forward the same along with all the supporting documents based on requirements considering the below mentioned points. Single copy of supporting document is sufficient for updating multiple subjects.

A. For updating PAN of the registered and/or joint shareholders

- Self- attested legible copy of PAN card (exempted for Shareholders from Sikkim)

B. For updating Bank Account details of the registered shareholder

1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed

- For address proof : Self- attested legible copy of Aadhaar/passport/utility bill (not older than 3 months)
- Original cancelled cheque leaf containing the Bank A/c No., Bank Name, type of account, IFSC Code, MICR Code and the name of the shareholder printed on the cheque leaf.

OR

2. In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it

- For address proof : Self- attested legible copy of Aadhaar/passport/utility bill (not older than 3 months)
- Original cancelled cheque leaf containing the details, Bank A/c No., Bank Name, type of account, IFSC Code, MICR Code.
- Legible copy of the bank passbook / bank statement specifying the KYC details of the registered shareholder such as the name, address, bank account number etc. duly attested by the officer of the same bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

C. For updating the Specimen signatures of the registered and/or joint shareholders

- Affidavit duly notarised on non-judicial stamp paper of Rs. 100/- (format available on www.linkintime.co.in under Resources-Download-General-Change of Signature- Affidavit for change of signature).
- Banker's verification (format available on www.linkintime.co.in under Resources-Download-General-Change of Signature-format for signature verification)
- Original cancelled cheque containing the details, Bank A/c No., Bank Name, type of account, IFSC Code, MICR Code and the name of the shareholder printed on the cheque leaf.
- If the cancelled cheque leaf does not contain shareholder's name - legible copy of the bank passbook / bank statement specifying the KYC details of the registered shareholder such as the name, address, bank account number etc. duly attested by the officer of the same Bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

D. For registering Email id of registered shareholder: Email-id of the registered shareholder to be mentioned in the KYC form attached for all future communication in electronic mode (Go Green Initiative)

E. For registering Mobile No. of registered shareholder: Mobile no. of registered shareholder for future direct communication

F. For registering Nominee by the registered shareholder (if any) : Nomination (Form SH -13) available on our website at www.linkintime.co.in under Resources-Downloads-General- Nomination.

We request you to kindly forward KYC form duly filled in, along with copies of supporting documents for all the "Required" remarks within 21 days from the date of this letter.

As per SEBI directive, enhanced due diligence procedure will be applicable if KYC requirements mentioned above are not fulfilled.

Inclined to serve you with the best of our services!!

Yours faithfully,

For Span Divergent Limited

Sd/-

Authorised Signatory

This is a computer generated letter and hence no signature required.

Note: SEBI notification SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 & BSE circular no. LIST/COMP/15/2018-19 dated 05th July, 2018 have stated that requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed after 05th December 2018, unless the securities are held in the dematerialized form with the depositories. Hence you are requested to dematerialize your physical securities. (The above mentioned circulars are available on our website)

KYC FORM

To,
Linkintime India Private Limited
C 101, 247 Park, L.B.S.Marg, Vikhroli ,(West), Mumbai -400083.
Unit: Span Divergent Limited (Company Name)
Folio No:
No of Shares:

Date:

Dear Sir / Madam

We refer to the current KYC status as provided by you in the below table:

Name of Shareholder	PAN (A)	Bank Details (B)	Specimen Signature (c)	Email ID (D)	Mobile No. (E)	Nominee Details (F)

Based on the above data, we are forwarding herewith the required supporting documents by ticking in the appropriate check box below for all the fields where the status is shown as 'Required' in the above table).

Self attested copy of the document(s) enclosed

Bank Details:

IFCS (11 Digit):	
MICR 9 (Digit):	
Bank A/c Type:	
Bank A/c No.:	
Name of the Bank:	
Bank Branch Address:	

A blank cancelled cheque is enclosed to enable verification of bank details

A For registering PAN of the registered and/or joint shareholders (as applicable)

☐ Registered shareholder ☐ Joint holder ☐ Joint holder 2 ☐ Joint holder 3 (self attested copy of all shareholder attached)

B For registering Bank details of the registered shareholder

☐ Aadhar/Passport/utility bill ☐ Original cancelled cheque leaf ☐ Bank Passbook/Bank Statement

B For registering Bank details of the registered shareholder

☐ Affidavit ☐ Banker verification ☐ Original cancelled cheque leaf ☐ Bank Passbook/Bank Statement

(For all Shareholders attached)

D For Updating the email id

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F For registering the nominee details by the registered shareholder

☐ Form SH-13 (Nomination registration form attached)

Note:-For residents of Sikkim instead of PAN provide Aadhar Card/Voters Card/Driving License/Passport or any other identity proof issued by Govt.

I/We hereby state that the above mentioned details are true and correct and we consent towards updating the particulars based on the self-attested copies of the documents enclosed with this letter by affixing my/our signature(s) to it.

Sign: _____
Registered Holder

Sign: _____
Joint Holder 1

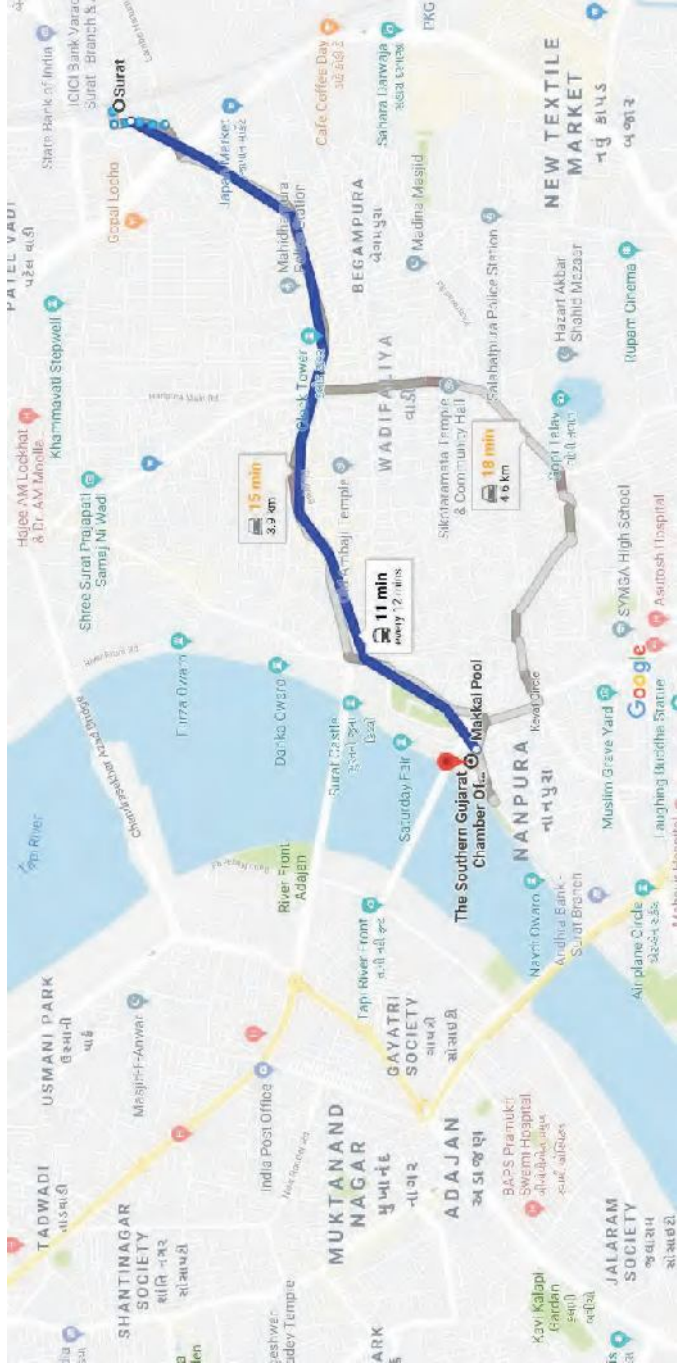
Sign: _____
Joint Holder 2

NAME OF REGISTERED HOLDER
ADDRESS:

VENUE ROUTE

Google Maps Surat to The Southern Gujarat Chamber Of Commerce And Industry

11:02 AM – 11:13 AM (11 min)



Min dist: 10.6 km

11:02 AM – 11:13 AM

10.6 km

11:06 AM from Railway Station Terminal

5 min every 12 mins

11 min

via Station Rd and Bhaga Talav Main Rd

Fastest route, despite the usual traffic

15 min

3.9 km

via Station Rd and Kotsafal Main Rd

Some traffic, as usual

18 min

4.6 km



Span Divergent Ltd.

(Formerly Span Diagnostics Ltd.)

CORPORATE OFFICE : 9th Floor, Rajhans Bonista,

B/h, Ram Chowk, Ghod-Dod Road, Surat - 395 007, INDIA

PHONE : +91 261 266 32 32

E-MAIL : secretarial@span.co.in WEBSITE : <http://spandivergent.com>