



Span Diagnostics Ltd.



my trusted partner
IN DIAGNOSIS
TM

**34th Annual Report
2013-14**



Vision

To be a trusted partner in diagnosis, providing dependable & affordable tools to healthcare professionals across the globe to secure healthier world.



Mission

At Span Diagnostics, we pursue ethical and meaningful ways that makes it the most admired for its people, products, partnership, performance and practices to become a global leader in manufacturing novel, innovative and affordable diagnostic solutions. We will continue to build a corporate which respects and values the unique strengths of our associates and perceived needs of our customers, shareholders and society.



Values

Trust and Respect :

Building and maintaining interpersonal trust and respect in a team to achieve collective goal with shared responsibility.

Integrity :

Keeping company interest and ethics before self interest.

Sincerity :

Doing every task whole heartedly with focus, attention and determination.

Innovation :

Taking initiatives for implementing 'out of box' ideas to achieve company's mission.

Collaboration :

Acceptance and utilization of the best strengths and expertise available globally.

BOARD OF DIRECTORS	Mr. N.Gopalaswami Mr. Veeral P.Desai Dr. Pradip K. Desai Dr. Sushil K. Shah Mr. Shyamal Ghosh Mr. Kamlesh M. Patel Dr. Pranav S. Desai Mr. Sanjay N. Mehta	Chairman Managing Director Whole-time Director Director Director Director Director Director
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COMPANY SECRETARY	Mr. Pankaj Ajmera
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BANKERS	State Bank of India Ind. Finance Branch Marble Arch, Race Course Circle, BARODA – 390 007	IDBI Bank 2nd floor, Ess En House, Ghod Dod Road. Opp. Kotak House, SURAT SURAT – 395 007
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AUDITORS	M/s. Haribhakti & Co., Chartered Accountants 703, Venus Atlantis, 100 Ft. Road, Prahlad Nagar,Ahmedabad-380 015.
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HEAD OFFICE & REGISTERED OFFICE	173-B, New Industrial Estate Road No.6-G, Udhna Udyognagar Udhna, Surat 394210, India
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NOTICE

To,

THE MEMBERS OF SPAN DIAGNOSTICS LIMITED

Notice is hereby given that the 34th Annual General Meeting of Shareholders of Span Diagnostics Limited will be held at Registered Office at Plot No. 173-B, New Industrial Estate, Road No. 6-G, Udhna, Surat – 394 210 on Friday, August 08, 2014 at 10:30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company for the year ended on March 31, 2014 including audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Sanjay N. Mehta (DIN: 00002817) who retires by rotation and being eligible, offer himself for reappointment
3. To appoint M/s. Haribhakti & Co., Chartered Accountants as Statutory Auditors of the Company and fix their remuneration.

SPECIAL BUSINESS

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Kamlesh M. Patel (holding DIN 01521972), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to conclusion of the 39th Annual General Meeting of the Company in calendar year 2019.”

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. N. Gopaldaswami (holding DIN 02779229), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to conclusion of the 39th Annual General Meeting of the Company in calendar year 2019.”

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Shyamal Ghosh (holding DIN 00179918), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to conclusion of the 39th Annual General Meeting of the Company in calendar year 2019.”

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Sushil K. Shah (holding DIN 00179918), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to conclusion of the 39th Annual General Meeting of the Company in calendar year 2019.”

8. To consider and if though fit, to pass with or without modification the following resolution as a **Special Resolution**

“RESOLVED THAT, pursuant to Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money in any manner from time to time with or without securities and upon such terms and conditions as they may deem fit, notwithstanding that monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company subject however to the condition that such borrowings at any point of time shall not exceed Rs. 75 Crores (Rupees Seventy Five Crores).”

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

“RESOLVED THAT, pursuant to Section 180 and/or Section 77 of the Companies Act, 2013 and all other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging, hypothecating and/or otherwise charging on such terms and conditions and at such time or times and in such form or manner as Board of Directors of the Company may think fit, of all or any of the immovable and movable properties/assets of the Company wherever situated, present and future whatsoever and/or the whole or substantially the whole of the undertaking of the

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Company as may be agreed to between the Company and the banks, financial institutions, lenders, their agents for the purpose of securing existing or proposed borrowing from financial institutions, banks, mutual funds and/or any other institutions/parties, together with interest, additional interest, compound interest, premium on prepayment, costs, charges, expenses and all other moneys due, owing or payable presently or in future by the Company subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013.

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

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

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

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

“RESOLVED THAT pursuant to the provisions of Section 73 and all other applicable provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors for inviting, accepting or renewing deposits on such terms and conditions in accordance with applicable provisions of the Companies Act, 2013 and rules made there under in a manner provided in the Companies Act, 2013 and subject to fulfilment of conditions specified in Section 73 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013.

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

For and on behalf of the Board of Directors

Date : May 23, 2014
Place : Surat

Pankaj Ajmera
Company Secretary

Registered Office:
173- B, New Industrial Estate
Road No. 6G, Udhna, Surat-394210

NOTICE

NOTES :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY DULY COMPLETED MUST BE RETURNED TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING.
- (b) The Register of Members and the share transfer books of the Company will remain closed on July 30, 2014 to August 08, 2014 (both days inclusive).
- (c) Link Intime India Private Limited is the Registrar and Share Transfer Agents of the Company. Shareholders are requested to make all correspondence including change of address to them at the following address.
 Link Intime India Private Limited
 Unit: Span Diagnostics Limited
 C-13, Pannalal Silk Mills Compound,
 L.B.S. Marg, Bhandup (West), MUMBAI – 400 078
 Phone # 022-25963838, Fax # 022-25946969
 Email: rnt.helpdesk@linkintime.co.in
- (e) Members are advised to avail of the facility for receipt of future dividends through Electronic Clearing Services (ECS). The ECS facility is available at the specified locations. Members holding shares in dematerialized mode are requested to contact their respective Depository Participants (DPs) for availing ECS facility. Members holding shares in physical form and desirous of availing ECS facility are requested to write to the Company's Registrar & Share Transfer Agent for details.
- (f) Members who are holding shares in identical order of names in more than one account are requested to intimate to Link Intime India Private Limited (formerly known as Intime Spectrum Registry Limited) at the address stated above with the ledger folio of such accounts together with the share certificates to enable the Company to consolidate all the holdings into one account. The share certificates will be returned to the members after making the necessary endorsement in due course.
- (g) Members are requested to bring their copy of the Annual Report to the Annual General Meeting. As a measure of economy, no extra copies of the Annual Report will be supplied at the meeting.
- (h) Members seeking further information on the Accounts or any other matter contained in the notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.

i) **GREEN INITIATIVE**

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA), vide its Circular nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. In terms of the enabling provisions of these Circulars, 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:

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- (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 including those covered under Section 219 of the Companies Act, 1956.
- (b) **physical form**, please send a duly signed letter quoting the name of first/ sole holder and folios to the Company's Registrar & Share Transfer Agents:

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

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

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

(I) 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, the Company is pleased to provide members facility to exercise their right to vote at the 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instruction for e-voting is as under:

- A. In case Member receives an email from NSDL (For members whose email IDs are registered with the Company/Depository Participant(s)):
 - (i) Open email and open PDF file viz "Span Diagnostics e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password credentials.
 - (vi) Home page of e-voting opens. Click on e-voting: Active voting cycles.
 - (vii) Select "EVEN" of Span Diagnostics Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

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- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution /Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through to spanscrutinizer@gmail.com or secretarial@span.co.in with a copy marked to evoting@nsdl.co.in.

B. In case Member receives physical copy of the Notice of AGM (For Members whose email IDs are not registered with the Company Depository Participants(s) or requesting physical copy):

- (i) Initial password provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (E Voting Event Number) User ID Password/PIN

- (ii) Please follow all steps from Sr. No. (ii) to (xii) above to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting than you can use your existing user ID and password /PIN for casting your vote.
- IV. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on August 02, 2014 (9:00 a.m) and ends on August 04, 2014 (6:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialization form, as on the cut-off date (record date) of 04th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholders, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of the July 04, 2014.
- VII. Mr. Mitesh Rana, Company Secretary (Membership No. 28113) has been appointed as the scrutinizer to scrutinize e-voting process in fair and transparent manner.
- VIII. The scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in employment of the Company and make a scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX. 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 NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

For and on behalf of the Board of Directors

Date : May 23, 2014

Place : Surat

Pankaj Ajmera
Company Secretary

Registered Office:

173- B, New Industrial Estate
Road No. 6G, Udhna, Surat-394210

NOTICE**ANNEXURE TO NOTICE****I. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2014**

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to Item No. 4 to 11 of the accompanying Notice dated May 23, 2014.

Resolution at Item No. 4

Mr. Kamlesh M. Patel is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in June 28, 2008. Mr. Kamlesh M. Patel is the Chairman of the Investors Grievances Committee and a member of the Audit Committee, of the Board of Directors of the Company.

Mr. Kamlesh M. Patel is science Graduate. He has done his masters in Law from South Gujarat University and is practicing advocate at Surat since 1979. He was the Chairman of Surat Mercantile Co-operative Bank and was a Managing Director of the Bank during 1996 – 2004. He is a founder member of Surat Raktadan Kendra and Research Centre and a member of Managing Committee, Surat General Hospital. He is also a lecturer in Law, V. T. Choksi Sarvajani Law College, Surat since 1987.

He is a director in The Gujarat Safe Deposit Company Limited. Mr. Kamlesh M. Patel does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Kamlesh M. Patel retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Kamlesh M. Patel being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for 5 (five) consecutive years for a term upto conclusion of the 39th Annual General Meeting of the Company in calendar year 2019. A notice has been received from a member proposing Mr. Kamlesh M. Patel as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Kamlesh M. Patel fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and clause 49 of the Listing Agreement with Stock Exchange for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Kamlesh Patel as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Kamlesh M. Patel as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Kamlesh Patel as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Kamlesh M. Patel, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Resolution at Item No. 5

Mr. Needamanglam Gopalaswami, aged 69, is a Non-Executive Independent Director and Chairman of the Company. He joined the Board of Directors of the Company in as an Alternate Director to Mr. Sarvajna Kazi