



Span Divergent Limited
41st Annual Report
2020-21

BOARD OF DIRECTORS

Mr. N Gopalaswami	Chairman
Mr. Viral P Desai	Managing Director
Dr. Pradip K Desai	Director
Mr. Shyamal Ghosh	Director
Mr. Kamlesh Patel	Director
Dr. Pranav S Desai	Director
Mr. Sanjay N Mehta	Director
Dr. Manjula Subramaniam	Director
Mr. Paras Desai	Additional Director and CFO

COMPANY SECRETARY

Ms. Samiksha Kansara

CHIEF FINANCIAL OFFICER

Mr. Paras Desai

BANKERS

HDFC BANK LIMITED
Chaintanya Jyoti, Maskati Plot, Vibhag-2, Plot No. 32,
Opp. Raymonds Showrooms, Dumas Road, Surat - 395007

STATUTORY AUDITORS

M/S. Y. B. Desai & Associates
Chartered Accountant
1/573, 1st Floor, Gajanand Complex, Por Mohallow, Near Anand Hospital,
Nanpura, Surat – 395 001

**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

NOTICE is hereby given that the 41st Annual General Meeting (AGM) of Shareholders of Span Divergent Limited (Formerly Span Diagnostics Limited) will be held on **Monday, September 27, 2021 at 11:30 A.M. Indian Standard Time (IST)** through Video Conferencing / Other Audio Visual Means ('VC/OAVM') facility to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:

(a) The Audited Financial Statements of the Company for the financial year ended on March 31, 2021, and the Reports of the Board of Directors and Auditor thereon.

(b) The Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2021 and reports of Auditor thereon.

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

SPECIAL BUSINESS

3. To consider regularization and appointment of Mr. Paras Desai (DIN 08293906) as a Whole Time Director designated as Executive Director and Chief Finance Officer (CFO) and payment of remuneration

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152, 160 and all other applicable provisions of the Companies Act; 2013 and rules framed thereunder and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modifications or re-enactments thereof for the time being in force, Mr. Paras Desai (DIN: 08293906), who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 161 of the Act and as recommended by the Nomination and Remuneration Committee and who holds office only up to the date of ensuing Annual General Meeting of the Company, be and is hereby appointed as a Whole Time Director of the Company designated as Executive Director and Chief Financial Officer (CFO) of the Company, not liable to retire to by rotation.”

“RESOLVED FURTHER THAT

A. Pursuant to the provisions of Sections 196, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013, (Act) read with Schedule V to the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications or re-enactments thereof for the time being in force, and such other approvals, permissions, and sanctions as may be required, consent of the members be and is hereby accorded for the appointment of Mr. Paras Desai, (DIN: 08293906) as Whole Time Director of the Company in addition to his present position as Chief Financial Officer (CFO) designated as Executive Director and Chief Financial Officer of the Company, for a period of 3 years with effect from September 27, 2021 on the under mentioned terms of Remuneration;

(a) Salary: Rs. 1,02,590 per month in the scale of Rs. 1,05,000 -25,000-5,00,000 with such increments at such time, as may be decided by the Board of Directors.

(b) Allowances & Perquisites: Allowances and perquisites shall comprise of:

- i. House Rent Allowance not exceeding 40% of salary
- ii. Medical allowance / Reimbursement for self and family with a ceiling of Rs.15,000 in a year
- iii. Leave travel allowance / reimbursement for self and family once in a year in accordance with the rules of the company shall not exceed one monthly Salary.
- iv. Other allowances not exceeding INR 2,00,000 per month
- v. Sodexo Meal Coupons not exceeding INR 2,200 per month
- vi. Children Education Allowance INR 400 per month
- vii. Children Hostel Allowance INR 600 per month
- viii. Newspaper / Periodicals allowances INR 1000 per month
- ix. Petrol Reimbursement not exceeding INR 5500 per month
- x. Driver's Salary Reimbursement not exceeding 9,000 per month
- xi. Bonus not exceeding one monthly salary
- xii. Leave Travel Assistance not exceeding one monthly salary
- xiii. Company's contribution to provident fund and Gratuity, fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961
- xiv. Gratuity as per the rules of the company but shall not exceed half a month's Salary for each completed year of service.
- xv. Earned Leave of one month for every eleven months of service on full pay and allowance as per the rules of the company. Leave accumulated but not availed of, can be encashed as per the rules of the company.
- xvi. Reimbursement of entertainment, travelling and other expenses incurred in the course of legitimate business of the company.

B. In the event of loss or inadequacy of profits, Mr. Paras Desai shall be entitled to above stated remuneration subject to the approval of the Central Government, if required. In the event of non-approval / pending required approval of remuneration, Mr. Paras Desai shall be entitled to remuneration as under:

- i. At the slab stipulated in Section II of Part II of Schedule V to the Companies Act, 2013; together with
- ii. Company's contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- iii. Gratuity as per the rules of the company but shall not exceed half a month's Salary for each completed year of service; and
- iv. Earned Leave of one month for every eleven months of service on full pay and allowance as per the rules of the company. Leave accumulated but not availed of, can be encashed as per the rules of the company.

The Board of Directors be and are hereby severally and/or jointly authorized to take such steps as may be necessary, expedient or desirable to give effect to this resolution and alter, vary any of the terms and conditions relating to remuneration payable to Mr. Paras Desai within the overall remuneration package approved.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby jointly and/or severally authorized to submit

the necessary applications, if required, and the other required documents, forms and papers to the Registrar of Companies and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution including altering, deleting, inserting any of the clause and solve any difficulties that may arise while giving effect to this resolution without seeking any further approval of the members of the Company.”

Date : June 11, 2021
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

Notes:

- a) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), setting out the material facts with respect to the Special Business set out in the Notice is annexed hereto and forms part of this Notice. The Board of Directors of the Company considered that the special business under Item Number 3 being considered unavoidable be transacted at the 41st AGM of the Company.
- b) The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from September 21, 2021 to September 27, 2021 (both days inclusive).
- d) M/s. Accurate Securities and Registry 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.
Accurate Securities and Registry Private Limited
Unit: Span Divergent Limited, Shangrila Arcade, 203, Above Samsung Showroom, Near Shyamal Cross Road, Satellite,
Ahmedabad, Gujarat – 380 015
Telephone No.: +91-79-48000319, Email: info@accuratesecurities.com Website: www.accuratesecurities.com
- e) Process for registration of Email Id for obtaining Annual Report, User ID and password for e-voting and updation of bank account mandate
 - i. In case shares are held in physical mode, members are requested to visit the website of Company’s Registrar & Transfer Agent, Accurate Securities and Registry Private Limited at <https://accuratesecurities.com/data-updation.html> and upload the documents required therein.
 - ii. In case shares are held in demat mode, members are requested to update Email Id and bank account details with their respective Depository Participants.
- f) Members are advised to avail of the facility for receipt of future dividends through Electronic Clearing Services (ECS). 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.
- g) 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.
- h) The Ministry of Corporate Affairs (MCA) on May 10, 2012 notified the IEPF (Uploading Information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of unclaimed amounts. In terms of the said IEPF Rules, the Company has uploaded the information of the unclaimed dividend on the website of the Company viz. <http://span.in> and have transferred amount of unpaid dividend to IEPF in accordance with the applicable rules. Your company does not have any unclaimed dividend amount lying with Company as on date.
- i) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.
- j) As per Section 118(1) of the Companies Act, 2013 read with the Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, “No gifts, gift coupons or cash in lieu of gifts shall be distributed to the members in connection with the meeting”.
- k) Documents referred to in the notice are open for inspection at the registered office of the Company during business hours on any working day except Saturday and holidays up to the date of Annual General Meeting.
- l) **General instructions for accessing and participating in the AGM through VC/OAVM Facility and voting through electronic means including remote e-voting:**
 - 1) In view of the continuing CoViD-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 2/2021 dated 13th January, 2021, 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 (collectively referred to as “MCA Circulars”) and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI (hereinafter collectively referred to as “the Circulars”), permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”) and MCA Circulars, the AGM of the Company will be held through VC / OAVM.
 - 2) Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form, Attendance Slip and Route Map are not annexed to the Notice.**
 - 3) In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note

that the Notice and Annual Report will also be available on the Company's website <http://span.in>, website of stock exchanges i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited at www.evoting.nsdl.com.

- 4) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 5) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during AGM on the date of the AGM will be provided by NSDL.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

- 6) The remote e-voting period begins on September 24, 2021 at 9:00 A.M. (IST) and ends on September 26, 2021 at 5:00 P.M. (IST). During this period, Members of the Company, holding shares in either physical form or in dematerialized form as at the cut-off date of September 20, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date, being September 20, 2021. Any person who acquires shares of the Company and becomes member of the Company after dispatch of this Notice and holding shares as on September 20, 2021 may obtain the login ID and Password by sending request at evoting@nsdl.co.in. The e-voting module shall be disabled by NSDL for voting after September 26, 2021 at 5:00 P.M. (IST).
- 7) The details of process and manner for remote e-voting and e-voting during the AGM are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode in terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders Holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company, For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 1. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 2. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csmiteshrana@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. 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 download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in

Grievances connected with e-voting may be referred to:

Mr. Pratik Bhatt, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email Id: evoting@nsdl.co.in / pratikb@nsdl.co.in, Tel: +91 22 24994738 / 1800 222 990

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@span.co.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretarial@span.co.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members / shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at secretarial@span.co.in. The same will be replied by the company suitably. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending a request from their registered email address to secretarial@span.co.in between Thursday, September 16, 2021 (from 9:00 a.m IST) to Tuesday, September 21, 2021 (up to 5:00 p.m IST). The request must mention their name, DP ID and Client ID/folio number, PAN and mobile number. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions on the resolutions proposed in the Notice convening the AGM. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@span.co.in

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@span.co.in

OTHER INSTRUCTIONS

- I. Mr. 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.
- II. Chairman of the Company and in his absence Mr. Viral P Desai, Managing Director will declare the voting results based on scrutinizers report received on e-voting and voting during the meeting. The voting results along with scrutinizers report will be displayed on Company's website <http://span.in> and Stock Exchange's website www.bseindia.com.

Date: June 11, 2021

Place: Surat

For and on behalf of the Board of Directors

Samiksha Kansara
Company Secretary

Span Divergent Ltd
Annual Report 2020-21

ANNEXURE TO THE NOTICE:

I. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to Item No. 3 of the accompanying Notice dated June 11, 2021.

Resolution at Item No. 3

The Nomination and Remuneration Committee at its meeting held on November 10, 2020 has recommended appointment of Mr. Paras Desai as Additional Director of the Company. Based on recommendation, the Board of Directors at its meeting held on November 10, 2020 appointed Mr. Paras Desai who is holding position of Chief Financial Officer of the Company as an Additional Director of the Company and his tenure expires at this Annual General Meeting. The Nomination and Remuneration Committee at its meeting held on June 11, 2021 recommended for regularisation of appointment of Mr. Paras Desai at the ensuing annual general meeting as Whole Time Director designated as Executive Director and Chief Financial Officer (CFO) of the Company who will continue to hold office of Chief Finance Officer being Key Managerial Personnel of the Company. A notice has been received in writing by a member under Section 160 of the Companies Act, 2013 proposing appointment of Mr. Paras Desai at this Annual General Meeting.

Mr. Paras Desai aged 53 years has completed his post-graduation studies in Master of Business Administration from Veer Narmad South Gujarat University, Surat and he has more than 25 years of experience in areas of finance, Marketing, General Administration and Strategic Planning.

Mr. Paras Desai has given his consent to act as a Whole Time Director designated as Executive Director and Chief Financial Officer (CFO) of the Company, along with the declaration stating that he is not disqualified from being appointed as Director of the Company in the terms of section 164 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company or their relative except Mr. Paras Desai himself, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 3 of the Notice.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Paras Desai as Executive Director also. Accordingly, the Board recommends the Special Resolution set out at Item No. 3 of the Notice in relation to appointment of Mr. Paras Desai as Director, for the approval by the shareholders of the Company.

The Board of Directors at its meeting held on June 11, 2021 has accepted the recommendations of the Nomination and Remuneration Committee and approved the appointment of Mr. Paras Desai as a Whole Time Director designated as Executive Director and Chief Financial Officer (CFO) of the Company at ensuing Annual General Meeting and payment of remuneration to him.

Mr. Paras Desai draws remuneration in his capacity of Chief Finance Officer of the Company. On his appointment as a Whole Time Director of the Company, The proposed remuneration of Mr. Paras Desai may also be governed under Section II of Part II of Schedule V to the Companies Act, 2013 requiring consent of the shareholders by Special Resolution for determination of remuneration for a period of 3 years. A statement containing the information stipulated in Schedule V to the Companies Act, 2013 is given in subsequent pages.

Disclosure of Interest

Mr. Paras Desai is interested in approval of the proposed resolution being the beneficiary.

The Explanatory Statement together with the accompanying notice may also be regarded as an abstract of the terms appointment of Mr. Paras Desai, as the Director of the Company and Memorandum of Interest of Directors u/s. 190 of the Companies Act, 2013.

The Board recommends the approval of the Special Resolution seeking your consent.

None of the Directors of Company except Paras Desai are anyway concerned or interested in the said resolution.

STATEMENT GIVING THE INFORMATION IN ACCORDANCE WITH SCHEDULE V TO THE COMPANIES ACT, 2013 FOR DETERMINATION OF REMUNERATION PAYABLE TO MR. PARAS DESAI, CFO AND DIRECTOR

MR. PARAS DESAI

Mr. Paras Desai (age 53) has completed his post-graduation studies in Master of Business Administration from Veer Narmad South Gujarat University, Surat and he has more than 25 years of experience in areas of finance, Marketing, General Administration and Strategic Planning. He took over as Chief Finance Officer of the Company with effect from August 09, 2018.

He is not a member of any of the committee of Board of the Company and other Company. His other directorship is given below:

1) Biospan Contamination Control Solutions Private Limited

This list of Directorship does not include Limited Liability Partnership (LLPs) in which Mr. Paras Desai is Nominee Designated Partner.

GENERAL INFORMATION

Sr.No.	Information sought	Information		
i.	Nature of Industry	The Company is engaged in manufacturing and trading activity of food processing , agriculture, healthcare and life science Products, IT Enabled Technologies and Gaming Products either on its own or through its subsidiary companies & LLPs.		
ii.	Date of Commencement of Commercial Production	The Company has started its operations from March 31, 1980.		
iii.	Financial performance of the Company	Particulars	2020-2021	2019-2020
		Revenue from Operations	1,45,55,697	1,70,88,232
		Profit/(Loss) before Tax	2,29,516	(49,26,589)
		Profit/(Loss) After Tax	(18,559)	(35,05,941)
		Paid-up Equity share Capital	5,46,17,470	5,46,17,470
		Reserves & Surplus	38,26,56,653	38,25,98,300
		Earnings per Share (Rs.)	(0.003)	(0.642)
		Book value per share (Rs.)	80.06	80.05
iv.	Export performance and net foreign exchange collaboration	The Company's export on FOB basis was Nil for 2020-21 and for 2019-20.		
v.	Foreign investments or collaborations	The Company has investment in the following overseas JV companies. a. Span Diagnostics South Africa (PTY) Ltd		

INFORMATION ABOUT THE APPOINTEE:

i.	The background details	The background details of Mr. Paras Desai are given elsewhere in the notice.
ii.	Past Remuneration	Mr. Paras Desai was drawing Rs. 42,00,500 p.a. including Company's contribution to provident, Gratuity as CFO of the Company. He was also entitled for 1 month's leave for every 11 months of service.
iii.	Recognition or awards	Nil
iv.	Job profile and his suitability	Mr. Paras Desai, provides strategic guidance to the Company in addition to heading functionally, finance & accounts, costing, Marketing strategies, Corporate Communications, operations of JV & Subsidiaries etc including management & administration of Company. Taking into consideration his qualification and expertise in the relevant field and given the profile of Mr. Paras Desai, it is imperative that he draws the proposed remuneration and he is best suited for the responsibilities currently assigned to him.
v.	Remuneration proposed	As per details given in the resolution read with explanatory statement for Items No.3.
vi.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration payable to the appointees has been benchmarked with the remuneration being drawn by similar positions in Companies engaged in multiple businesses, of comparable size and has been considered by the Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meeting held on June 11, 2021. Taking into consideration, the size of the Company, the profile of Mr. Paras Desai, the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with the remuneration paid to similar senior level persons in other companies.
vii.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	There is no other pecuniary relationship directly or indirectly with the Company except to the extent his remuneration and shareholding in the Company. This information is already disclosed elsewhere in the notice.

Other Information:

i.	Reasons for loss or inadequacy of profits	Businesses of Group Companies are start-ups and are in a process of getting foothold in the market. Since March 2020, there has been unprecedented disruptions in the business activities on account of on-going global pandemic of CoViD-19. The businesses had to be closed during lock down period. The operations have suffered in terms of its ability to operate at optimum capacities due to CoViD related restrictions and shortage of manpower. Few of the businesses, particularly in Agri Biotech Business, substantial inventory got damaged due to the lock-down. Such disruptions also brought in severe liquidity crunch, which badly affected operating cycle, new sales generation as well as developmental activities.
ii.	Steps taken or proposed to be taken for improvement	Company has taken strong initiatives to bring back its operation to its fullest capacity, in terms of processing volume or sales volume. Company has restructured its Agribiotech Business by downsizing its operation, which will result into focused activities at much lower cost. The underlying strategy to turnaround is to fully utilise the production capacities, optimise business operations bringing in efficiency and cost reduction for making business profitable.
iii.	Expected increase in production and profits in measurable terms	Company is still cautious and greatly vulnerable to any adverse situation, which may be created by on-going global pandemic of CoViD-19. Nevertheless, the management continue to be cautiously optimistic towards the external economic environment, recovery of economy and reducing impact of CoViD-19 Pandemic and expects businesses to become more consistent and robust in the years to come. Further, various restructuring decisions and cost optimising measures taken would act as growth channel for the Company which would contribute in increased revenues and improved margins. Company is optimistic to achieve Operating Profit in its various businesses in coming year.

Disclosures:

The break-up of remuneration package is mentioned in the Corporate Governance Report.

For the details of Mr. Paras Desai, Whole Time Director designated as Executive Director and Chief Financial Officer, please refer Explanatory statement in respect of Special Business statement at Item No. 3 of Notice of Meeting.

The Board recommends the Special Resolution as set out at Item No. 03 for approval by the Members.

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

Name of the Director	Mr. Sanjay N Mehta	Mr. Paras Desai
Date of Birth	October 20, 1950	October 03, 1967
Age	71	53
Qualification	Commerce Graduate, Chartered Accountant, Cost & Work Accountant	Engineer, Master of Business Administration
Experience in Specific functional area	A practicing Chartered Accountant at Mumbai, having post qualification experience of more than 35 years in the area of auditing, corporate advisory services in the field of domestic & international taxation, project finance, working capital appraisals, company law compliance, FEMA regulations, indirect taxes, management accounting etc. He is associated with the Company since its inception and was looking after Finance, Taxation and Company Law matters.	He has more than 25 years of working experience in areas of Finance, Marketing, General Administration and Strategic Planning.
Director Since	August 21, 2004	November 10, 2020
List of Companies in which outside directorship held	(1) Athreyas Wellness Private Limited (2) Span Finstock Private Limited (3) Neogen Chemicals Limited (4) Meera Industries Limited (5) Cognate Biolabs Private Limited	(1) Biospan Contamination Control Solutions Private Limited
Membership of Committee of the Board of Director of	Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee	NA
Membership in Committee in other Companies	Member of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee of Meera Industries Limited Member of Audit Committee, Nomination and Remuneration Committee of Neogen Chemicals Limited	NA
Relationship with other Directors, Manager and other Key Managerial Personnel	NA	Mr. Paras Desai, himself holds position of CFO of the Company. There is no other relationship with other directors and KMPs.
No. of Shares held	32,800	2000

Date : June 11, 2021
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