Divyashakti Limited
(Formerly Known as Divyashakti Granites Ltd.)

CIN : L99999TG1991PLC012764
divyashakti.com
info@divyashakti.com
+91-40-23730240
+91-98493 02402

Date: 21.07.2022

To

The Deputy General Manager,
Corporate Relationship Department,
The Stock Exchange, Mumbai,
1st Floor, New Trading Ring, Rotunda Building,
P.J.Towers, Dalal Street, Fort,
Mumbai – 400001
Fax: 022 22723121

Scrip Code: BSE: 526315

Dear Sir,

Sub: Submission of Annual Report including Notice of 31st AGM for the Financial Year 2021-22 under Regulation 34 of Securities and Exchange Board of India (LODR), Regulations, 2015.

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With reference to the subject cited and in compliance of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby furnish the Notice of the thirty first (31st) Annual General Meeting to be held on **Thursday, 18th August, 2022 at 11:00 AM** through Video Conferencing/Other Audio-Visual mode and the Annual Report for the financial year 2021-22.

The Annual General Meeting shall be deemed to be conducted at the Registered Office of the Company at 7-1-58, Divyashakti Apartments, Ameerpet, Hyderabad – 500016, Telangana.

This is for your information and record.

Kindly acknowledge the receipt of the same

Thanking You

Yours faithfully,
FOR DIVYASHAKTI LIMITED
(Formerly Known as Divyashakti Granites Limited)

DIVYASHAKTI LIMITED DSL Hyderabad

N HARI HARA PRASAD
Managing Director
DIN: 00354715
Encl: a/a

DIVYASHAKTI

DIVYASHAKTI LIMITED
100% E.O.U

AN ENDURING LEADERSHIP



31st ANNUAL REPORT 2021-2022

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Ltd)

BOARD OF DIRECTORS	***Managing Director***
	Sri N. Hari Hara Prasad
	Directors:
	Sri T.H. Sastry
	Sri T.V. Chowdary(upto 5th February, 2022)
	Sri T. Ramesh Chandra Bose
	Sri S. Srinivas
	Smt. Anuradha Anne
	Sri. M. Ramakrishna Prasad
	Sri N. Sai Venkateshwara Prasad (Whole time Director)
AUDITORS:	***M/s. Suryanarayana & Suresh*** ***Chartered Accountants*** ***#8-2-601/B, Flat No.C2*** ***Road No.10, Millenium House*** ***Banjara hills, Hyderabad-500034.***
SECRETARIAL AUDITORS:	***M/s. Puttaparthi Jagannatham& Co*** ***Company Secretaries*** ***#Flat 315, Bhanu Enclave, Adj ESI Hospital,*** ***Sunder Nagar, Hyderabad-500038,*** ***Telangana, India.***
CHIEF FINANCIAL OFFICER	***Smt. Anuradha Anne***
COMPANY SECRETARY	***Mr. M. Santhosh Kumar (up to 1st October, 2021)*** ***Ms. Deepika Chawda (From 25th October, 2021)***
BANKERS	***State Bank of India*** ***HDFC Bank***
REGISTERED OFFICE	***Flat No.301 to 304, Divyashakti Complex,*** ***7-1-58, Ameerpet, Hyderabad – 500016,*** ***Telangana, India.***
FACTORY	***Survey No. 432/1& 447,*** ***Narsapur village, Medak District,*** ***Telangana, India.***
WEBSITE	***www.divyashakti.com***

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Ltd)

NOTICE

Regd. Office: 7-1-58 Divyashakti Apartments, Ameerpet,
Hyderabad – 500016, Telangana, India.
Telephone: 91-40-23730240, Fax No. +91-40-23730013,
Website: www.divyashakti.com, Email: info@divyashakti.com,
CIN: L99999TG1991PLC012764

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING(AGM) OF THE MEMBERS OF DIVYASHAKTI LIMITED (FORMERLY KNOWN AS DIVYASHAKTI GRANITES LIMITED) (CIN: L99999TG1991PLC012764) WILL BE HELD ON THURSDAY THE 18TH AUGUST, 2022 AT 11.00 A.M THROUGH VIDEO CONFERENCING (VC)/OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING ITEMS OF BUSINESS.

The proceedings of the Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered Office of the Company at 7-1-58 Divyashakti Apartments, Ameerpet, Hyderabad – 500016, Telangana, India.

ORDINARY BUSINESS:

1. *To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.*

2. *To declare dividend of 20% on Equity Shares for the financial year ended 31st March, 2022.*

3. *To appoint a Director in place of Smt Anuradha Anne (DIN No.02802437), who retires by rotation and being eligible, offers herself for reappointment to the office of Director.*

4. *To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-*

   *"**RESOLVED THAT**, in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, M/s. Pavuluri & Co, Chartered Accountants (Registration No.012194S) be and are hereby appointed as the Auditors of the Company from the conclusion of this Meeting to hold such office for a period of Five years till the conclusion of the 36th Annual General Meeting, at a remuneration of Rs.4,00,000/- (Rupees Four Lakhs only) to conduct the audit for the financial year 2022-23 payable in one or more instalments plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred."*

SPECIAL BUSINESS:

5. ***Reclassification of Promoters of the Company as Public Shareholders.***

   To consider and approve reclassification of Promoters of the Company and in this regard to consider and fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

   ***"RESOLVED THAT** pursuant to provisions of Regulation 31A (2) read with Regulation 31A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable laws and subject to the necessary approvals from the Securities and Exchange Board of India (SEBI), Stock Exchanges and other appropriate statutory authorities as may be required, the consent of the Members of the Company be and is hereby accorded to re-classify the status of Mr. Satish Muvva ("Outgoing Individual Promoter"), "Promoter Category" to Public shareholding Category - Non Resident Individuals".*

*"**RESOLVED FURTHER THAT** it is hereby confirmed that*

i. *the aforesaid person do not hold more than 10% of the paid-up Capital of the Company.*

ii. *the shareholding of the aforesaid Promoter / Promoter Group is only upto 1.60% of the equity share capital of the Company.*

iii. *the aforesaid persons has not and will continue to not exercise direct or indirect control over the Company.*

iv. *No director of the above said person has been or would be appointed as key managerial personnel of the Company.*

v. *No special right were even held and would not be ever held by the above reclassified above said person / entity/Company.*

***RESOLVED FURTHER THAT** Shri N. Hari Hara Prasad, Managing Director of the Company or Ms. Deepika Chawda, Company Secretary of the Company and such other persons as authorized by them, be and are hereby jointly and severally authorized to submit the application for re-classification to the Stock Exchange, where the securities of the Company are listed or any other regulatory body, as may be required, and to take such steps expedient or desirable to give effect to this resolution and to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the members of the Company or of the Board."*

6. To consider and if thought fit, to pass the following resolution as a Ordinary Resolution:

***"RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 and the rules made there under including any modification or amendments or clarifications thereon, if any, and pursuant to the Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, and pursuant to the Policy of the Company on Related Party Transactions, consent of the members be and is hereby accorded for entering into transactions, including Material Related Party Transactions, in the ordinary course of business at arms' length price, whether by means of contracts/ arrangements or otherwise, from time to time, with the related parties, provided such transactions, in the opinion of the Board of Directors of the Company, with those related parties are in the ordinary course of business and at arm's length price* for the financial year 2022-23 *up to the maximum amounts as stated herein below:*

Nature of Transactions as per section 188 of the Companies Act, 2013	***Name of the Director/KMP who is related and nature of their relationship***	***Name of the Related Party Companies***	***Amount (Rupees in Crores)***
Export/Supplying Goods /Availing or rendering of any services	*Sri N.Hari Hara Prasad* *Sri N.Hari Hara Prasad* *Sri N.Hari Hara Prasad and his relatives are Partners in Firm*	*Cosmos Granite (West)* *Cosmos Granite (South East)* *Cosmos Granite (South West)*	*55* *40* *5*

***"RESOLVED FURTHER THAT** the Board be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all such acts, deeds, things as may be necessary in its absolute discretion, deemed necessary, proper, desirable and to finalize any documents and writings related thereto."*

For and on behalf of the Board
Sd/-
N. Hari Hara Prasad
Managing Director
DIN: 00354715

Place: Hyderabad,
Date: 04th June 2022

N O T E S

1. *In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 20/2020, 02/2021 and 19/2021 dated 5th May, 2020, January 13, 2021 and December 8, 2021 respectively, and clarification circular No. 21/2021 dated December 14, 2021 issued by the Ministry of Corporate Affairs ('MCA Circulars') and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the 31st AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 31st AGM shall be the Registered Office of the Company.*

2. *Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM 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 proposed to be held pursuant to the said 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 AGM and hence the Attendance Slip and Proxy Form are not attached to this Notice.*

3. *Statement as required under Section 102(1) of the Companies Act, 2013, in respect of items of special business is annexed hereto.*

4. *In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate etc.*

   In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Venture Capital and Corporate Investments Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad - 500 018 by enclosing a photocopy of blank cancelled cheque of your bank account.

5. *As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Venture Capital and Corporate Investments Pvt., Ltd, 12-10-167, Bharat Nagar, Hyderabad -500 018 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.*

6. *Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.*

7. *Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.*

8. *Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.*

9. *The Register of Members and Share Transfer Books of the Company will remain closed from 12th August 2022 to 18th August 2022 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.*

10. *Dividend of Rs. 2/- per Equity Share of Rs.10/- (20%) each for the year as recommended by the Board of Directors and, if declared at the Annual General Meeting, will be payable to those Members whose names appear on the Register of Members as on 11th August, 2022.*

11. *Members may also note that the Notice of the 31st Annual General Meeting is available on the Company's website **www.divyashakti.com**. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at **info@divyashakti.com.***

    *In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2021-22 will also be available on the Company's website at **www.divyashakti.com***

    To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.

12. *Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.*

13. *Since the AGM will be held through VC/OAVM, the route map is not annexed to the notice.*

14. *Additional information, pursuant to Regulation 36 of the SEBI (LODR) Regulations, 2015, and pursuant to the Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/reappointment at the AGM, forms part of the Notice. The Directors have furnished the requisite consent /declaration for their appointment/re-appointment.*

15. ***Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):***

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time to time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/Claimants whose unclaimed dividend and/or shares (if any) have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 which is available on www.iepf.gov.in.

Members who have not yet encashed the dividend warrants from the financial year ended 31st March 2015 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time.

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amount which were lying with the Company upto and in respect of the year ended on 31st March 2014, have already been transferred to IEPF. Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends

16. *Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.*

17. *Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated.*

18. E-VOTING:

i. *As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through videoconferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.*

ii. *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 MCA Circulars mentioned above, 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 e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.*

iii. *The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.*

iv. *The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.*

v. *Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.*

vi. *The AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.*

19. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Sunday, 14th August, 2022 at 09:00 A.M. and ends on Wednesday, 17th August, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password 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. Your password details are given below:
   a) If you are already registered for e-Voting, then you can user 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'?
      (i) 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'.

(ii) 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.
   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.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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 pjagan123@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.: 1800-222-990 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITHTHE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING ON THE RESOLUTIONSPROPOSED IN THIS NOTICE

1. *For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to the Company Secretary at info@divyashakti.com*

2. *For Demat shareholders -, please provide Demat account detials (CDSL-16-digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to Company Secretary at info@divyashakti.com*

3. *The Company Secretary shall co-ordinate with NSDL and provides the login credentials to the above-mentioned shareholders.*

4. *Alternatively, member may send an e-mail request to evoting@nsdl.co.infor obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.*

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM:

1. *Shareholder will be provided facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Shareholders may access the same on **Thursday, 18th day of August, 2022 at 11.00 am** through the NSDL e-voting system at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.*
2. *Shareholders are advised to join the Meeting through Laptops / IPads for better experience.*
3. *Further, shareholders 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/ask questions during the meeting may register themselves as a speaker by sending their request in advance, i.e., from **11th August, 2022 (9.00 a.m IST) to 16th August, 2022 (5.00 p.m. IST)**, mentioning their name, demat account number/folio number, email id, mobile number at info@divyashakti.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance, i.e., **from 11th August, 2022 (9.00 a.m IST) to 16th August, 2022 (5.00 p.m. IST)**, mentioning their name, demat account number/folio number, email id, mobile number at info@divyashakti.com. These queries will be replied suitably by the Company vide email.*

6. *Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM.*

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:

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 shareholders, who are 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 available during the AGM.*
3. *If any votes are cast by the shareholders through the e-voting available during the AGM and If the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.*
4. *Shareholders 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.*

INCOME TAX ON DIVIDEND:

Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/Registrar & Transfer Agent (in case of shares held in physical mode and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax at source by email to info@vccipl.com / info@vccilindia.com or info@divyashakti.com. Shareholders are requested to note that in their PAN is not registered; the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to info@vccipl.com / info@vccilindia.com or info@divyashakti.com. The above documents can be downloaded from the Company's website http://www.divyashakti.com/investor.

*The aforesaid declarations and documents need to be submitted by the shareholders by **5:00 PM IST on or before 11th August, 2022.***

Links for Form 15G & Form 15H:

https://www.divyashakti.com/wp-content/uploads/2020/06/Form_15G.pdf
https://www.divyashakti.com/wp-content/uploads/2020/06/Form_15H.pdf

General Instructions:

a. *The e-voting period commences on **14th August, 2022 (9.00 a.m.) and ends on 17th August, 2022 (5.00 p.m.)** During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the **cut-off date (record date) of 11th August, 2022**, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.*

b. *Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 11th August, 2022 and not casting their vote electronically, may only cast their vote through ballot enclosed and send to Mr. Puttaparthi Jagannatham, Advocate, who has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.*

c. *The Scrutinizer shall, within a period of not exceeding 48 hours from the conclusion of the e-voting period, unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.*

d. *The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 11th August, 2022. The results declared along with the Scrutinizer's Report shall be placed on the Company's website* ***www.divyashakti.com*** *and on the website of NSDL within two days of the passing of the resolutions at 31st Annual General Meeting of the Company on Thursday, 18th August, 2022 and communicated to the BSE Ltd.*

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

ITEM NO. 5

The Company received a letter from Mr. Satish Muvva falling under the category of Promoters/Promoter Group of the Company requesting the Company to reclassify him from the Category of "Promoters/Promoters Group" to "Public shareholding Category - Non Resident Individuals".

Sr No	***Name of the promoter /Company***	***No. of Equity Shares Held***	***% of the total Equity Capital***
1	*Mr. Satish Muvva*	*1,64,760*	*1.60*

The aforesaid Promoter/promoter group person is holding very insignificant shareholding which constitutes 1.60% of the Total Paid Up Capital of the Company. The aforesaid promoter/ promoter group person do not exercise any control over the Company and is not engaged in the management of the Company. The aforesaid person neither has a representation on the Board of Directors of the Company nor holds any key Management position in the Company. The Company also not entered into any Shareholders Agreement with them. Further none of the aforesaid person has got any veto Rights as to voting power or control of the Company. They do not have any Special Information Rights.

The aforesaid person have requested to the Company to reclassify them from being a "Promoter Category" to "Public shareholding Category - Non Resident Individuals" Shareholder of the Company.

Based on the letter received, the matter was discussed by the Board of Director at their meeting held on 4th June, 2022 and Board decided to reclassify the above promoter/promoter group person from the" Promoter Category" to "Public shareholding Category - Non Resident Individuals" subject to approval of stock exchange.

Regulation 31A (2) read with Regulation 31 A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Including any amendments made thereto) (hereinafter referred to as Listing Regulations") is the main regulation which deals with reclassification of promoter shareholding in to public Shareholding. It provides that the Stock exchanges allow reclassification of the status of promoter shareholders only if the following main conditions are satisfied.

I. *Upon receipt of a request from the concerned listed entity or the concerned Shareholders.*
II. *Upon receipt of all relevant evidence to be provided.*
III. *On BSE being satisfied with the Compliance of conditions mentioned in Regulation 31A.*

Regulation 31A (7) (any other manner) means with the consent of the person wants to change reclassification. A reclassification may also be permitted by the stock exchange under the main Listing Regulation No, 31A (2) itself read with the additional conditions specified under the Regulation 31A (7) of Listing Regulation, The sum total of conditions under the two sub regulations are as follows.

i. *A request for reclassification to be made by the concerned listed entity or by the concerned shareholders/ to stock exchanges.*

ii. *All relevant evidence to be provided.*

iii. *Reclassified promoter shall not directly or indirectly exercise control over the affair of company.*

iv. *Increase in the level of public shareholding pursuant to reclassification of promoters shall not be considered towards achieving compliances with minimum public Shareholding requirement under Rule 19 A of the Securities contracts (Regulation) Rule, 1975 and*

v. *The event of reclassification shall be disclosed to the Stock exchange as a material event in accordance with the provisions of Listing Regulations.*

All the conditions Specified under Regulation 31A (2) and 31 A (7) of Listing Regulation have been duly complied with by the Company.

The Company's case of reclassification of promoter is covered under Regulation 31A (2) of Listing Regulation.

The Board therefore recommends the Resolution no. 5 for approval of the members as an Ordinary Resolution.

ITEM NO. 6:

Pursuant to Section 188 of Companies Act, 2013 read with Rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014 any company having a paid-up share capital of Ten Crores Rupees or more shall not enter into a contract or arrangement with any related party other than transactions which are done in the ordinary course of business and at arm's length price unless it has obtained prior consent of shareholders by passing an Ordinary resolution. The Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also prescribed seeking shareholders' approval for material related party transactions.

Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following contracts / arrangements / transactions are material in nature and require the approval of the unrelated shareholders of the Company by an Ordinary resolution.

In view of the provisions of Companies Act, 2013, the Board of Directors has approved the proposed transactions along with annual limits that your company may enter into related parties.

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

(1) Name of the Related Parties : Cosmos Granite (West), Cosmos Granite (South East) Cosmos Granite (South West)

(2) Names of the Director or Key Managerial Personnel who is related, if any : Sri N. Hari Hara Prasad

(3) Nature of Relationship : DIRECTOR/Partner

Name of the Related Party	***Name of the Director/KMP who is related and their nature of Relationship***
Cosmos Granite (West) *Cosmos Granite (South East)* *Cosmos Granite (South West)*	*Sri N. Hari Hara Prasad and his relatives are Partners in Firm*

(4) Nature, material terms, monetary value and particulars of the contract or arrangement: *The details with respect to approval of Related Party Transactions are furnished below:*

Name of the related party	**Nature of Transaction**	**Particulars**	**Maximum Amount per annum**
Foreign Bodies			
Cosmos Granite (West) *Cosmos Granite (South East)* *Cosmos Granite (South West)*	Export/Sale, Purchase, Supply, availing or rendering of any services	Export/Supply of Polished Granites Slabs & Engineering stone slabs	*Rs.55 Crores* *Rs.40 Crores* *Rs.5 Crores*

Members are hereby informed that pursuant to second proviso of Section 188 (1) of the Companies Act, 2013 no interested member of the company shall vote on such ordinary resolution to approve any contract or arrangement which may be entered into by the company as ordinary resolution.

Except for the promoter Directors and Key managerial Personnel, no other Director is interested in the resolution.

The Board recommends the Resolutions as set out in the Notice for approval of the Members.

The Board of Directors recommends the resolutions for your approval as an Ordinary Resolution.

For and on behalf of the Board
Sd/-
N. Hari Hara Prasad
Managing Director
DIN: 00354715

Place: Hyderabad,
Date: 04th June, 2022

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Ltd)

Additional information on Director recommended for appointment/reappointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. Smt. Anuradha Anne (DIN: 02802437)
Brief Resume:

1	***Name of the Director***	***Smt Anuradha Anne***
2	***Father's Name***	***Late Sri N.V.Rattaiah***
3	***Date of Birth***	***10.07.1965***
4	***Qualifications***	***Master of Commerce (M.Com)***
5	***Date of Appointment***	***12.05.2017***
6	***Experience***	***Over 26 plus Years of versatile experience in Business Administration & Finance.***

Nature of Expertise in specific functional areas: *Business Administration & Finance****.***

Disclosure of inter-se relationships between Directors and Key Managerial Personnel:
Smt. Anuradha Anne is the sister of Shri Hari Hara Prasad Nallapati, Managing Director of the Company.

Listed entities (other than Divyashakti Limited (Formerly Known As Divyashakti Granites Limited) in which Smt. Anuradha Anne holds directorship and Committees membership

- *Directorship: Nil.*
- *Chairperson/Membership of Board Committees in Divyashakti Limited (Formerly Known As Divyashakti Granites Limited).*
- *Member of Internal Complaints Committee & Stakeholders Relationship Committee.*

Shareholding in the Company*: 465992 Equity Shares*

For and on behalf of the Board
Sd/-
N. Hari Hara Prasad
Managing Director
DIN: 00354715

Place: Hyderabad,
Date: 04th June, 2022

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Ltd)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 31st Annual Report and the Audited Accounts for the financial year ended 31st March, 2022.

1. FINANCIAL RESULTS

Particulars	***Year ended 31.03.2022 (Rs. in Lakhs)***	***Year ended 31.03.2021 (Rs. in Lakhs)***
Sales	***6357***	***5662***
Gross Operating Profit before depreciation and exchange variation	***1186***	***1214***
Profit after depreciation but before Exceptional Items	***946***	***845***
Profit after Exceptional items	***946***	***845***
Profit after Tax	***715***	***630***
Appropriations:		
General Reserves	***510***	***476***
Proposed Dividend	***205***	***154***
Total	***715***	***630***

2. DIVIDEND:

Your Directors are pleased to recommend for your consideration a Dividend of Rs.2.00 per share (20% on the face value Rs.10/-) on the equity share capital of the company for the financial year ended 31st March, 2022, aggregating an amount of Rs. 205.38 Lakhs. The same is put for approval of members at the ensuing Annual General Meeting.

3. TRANSFERS TO RESERVES AND RETENTION IN THE PROFIT AND LOSS ACCOUNT ETC:

The Company proposes to transfer an amount of Rs.510 Lakhs to Reserves during the financial year under review.

4. FINANCE:

Cash and cash equivalents as at 31st March, 2022 were Rs. 1115 Lakhs. The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters and they were kept under strict check through continuous monitoring.

5. COMPANY'S WORKING DURING THE CURRENT YEAR 2021-22 AND THE FUTURE PROSPECTS ALONG WITH REASONS WHILE COMPARING WITH PREVIOUS YEAR RESULTS:

*Your Company has exported polished granite slabs and Quartz slabs valued at **Rs.6296** Lakhs to U.S.A. during the year under consideration.*

The year closed on a positive note with export orders on hand to the tune of Rs.300 Lakhs as compared to Rs.280 Lakhs of last year.

Due to the ongoing Global Pandemic ("COVID 19") which has resulted in lockdown at the national level and the Company also experienced the closure of activities for some time. However, such additional costs are recovered to some extent and will be recovered and there shall be no significant financial impact.

6. CHANGE IN NATURE OF BUSINESS:

During the year the Company has not changed its business.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments that have bearing on the financial position of the Company.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant and material orders by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

9. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Management continuously reviews the internal control systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensure that all its assets are safeguarded and protected against losses. The Internal Auditors of the company conduct audit on regular basis and the Audit Committee periodically reviews internal audit reports and effectiveness of internal control systems.

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have any Subsidiaries or Joint-Venture or Associate Companies.

11. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

Since the Company does not have any Subsidiaries or Joint Venture or Associate Companies, consolidation of financial statements of the Company is not applicable.

12. DEPOSITS

The Company has not accepted any fixed deposits from the public.

13. AUDITORS AND OBSERVATIONS

M/s. Suryanarayana & Suresh, Chartered Accountants, Hyderabad , Auditors of the Company are retiring in the ensuing Annual General Meeting and are not eligible to be re-appointed in accordance and compliance with the Companies Act, 2013.

Therefore M/s. Pavuluri & Co, Chartered Accountants, Hyderabad (Firm Registration. No.012194S) are proposed to be appointed in the ensuing Annual General Meeting to be held on ***18th August, 2022*** *for a period of Five years till the conclusion of 36th Annual General Meeting.*

There are no observations in the Audit report which require any comments of the Directors for the Financial Year 2021-22.

14. SECRETARIAL AUDIT REPORT

Pursuant to provisions of Section 204 of the Companies Act, 2013, M/s. Puttaparthi Jagannatham, Company Secretaries, Hyderabad has undertaken the Secretarial Audit of the Company. The Secretarial Audit Report obtained is annexed within as ***Annexure-I.***

15. EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return is placed on the website of the Company. The link to access the same is:

https://www.divyashakti.com/wp-content/uploads/2022/06/DSG_Annual_Return_Extracts_2021_22.pdf

16. SHARE CAPITAL

The Paid up share capital of the Company is Rs. 102688700 and there has been no change during the year.

None of the following issues were taken up during the year and hence details thereof were not required to be furnished

A) Issue of shares with differential rights
B) Issue of sweat equity shares
C) Issue of employee stock options
D) Provision of money by company for purchase of its own shares by employees or trustees for the benefit of employees

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

(A) Conservation of energy

a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
b) No specific investment has been made on reduction in energy consumption.
c) As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.
d) Details of electricity consumption are as under:

		2021-22	***2020-21***
	Electricity		
a)	*Purchased Units*	***1513236***	***1407052***
	Total Amount (Rs. in Lakhs)	*132.77*	*125.16*
	Average Cost/Unit (Rs./KWH)	*8.77*	*8.90*
b)	***Own Generation***		
i)	***Through Solar Plant-(w.e.f. Feb.2017)*** *Produced Energy (in Units)*	***696763***	***658509***
	Total Value estimated (Rs. in Lakhs)	*48.77*	*46.09*
	Average Cost/Unit (Rs./KWH)	*7.00*	*7.00*
ii)	***Through Diesel Generator (Total Units)***	***42807***	***49459***
	Total Amount (Rs. in Lakhs)	*13.13*	*13.31*
	Units per liter of Diesel Oil	*3.26*	*3.27*
	Average Cost/Unit (Rs./KWH)	*30.67*	*26.91*

(B) Technology Absorption:

No outside technology is being used for manufacturing activities; therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire research and development activities are directed to achieve the aforesaid goal.

***(C) Foreign exchange earnings and outgo**:*

Details of foreign exchange earnings and outgo are as follows
*a) Foreign Exchange Earnings : **Rs. 6295.37 Lakhs***
*b) Foreign Exchange Outgo : **Rs. 325.32 Lakhs***

18. CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted the CSR committee consisting of the following Directors with the roles and responsibilities duly defined in accordance with the CSR Policy Rules. The Committee met on 24th January, 2022 during the financial year ended 31st March, 2022.

Name of the Member	***Designation***
Sri T.R.C. Bose	*Chairman*
Sri T.H.Sastry	*Member*
Sri S.Srinivas	*Member*

The Board of Directors on the recommendation of CSR Committee framed a CSR Policy in consonance with Section 135 of The Companies Act, 2013 read with rules framed there under duly indicating the activities to be undertaken by the Company as specified in the Schedule VII of The Companies Act, 2013. The Company as part of its CSR initiative undertook the CSR activities by buying Medical equipments for COVID 19 and also by agreeing to contribute for construction of a new building for Sparsh Hospice – Centre for Palliative Care, who are involved in free of cost services in Palliative care to all the patients.

*The Annual Report on CSR activities, pursuant to Rule 8 of The Companies (Corporate Social Responsibility) Rules, 2014, is given in **Annexure-II** and forms part of this Report.*

19. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Changes in Directors and Key managerial personnel:

i. *Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Ms. Anuradha Anne, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.*

ii. *Mr. Nallapati Sai Venkateshwara Prasad was appointed as a Director and Whole Time Director at the Board Meeting held on 01st June, 2021;*

iii. *Mr. M. Santhosh Kumar has resigned as a Company Secretary on 01st October, 2021.*

iv. *Ms. Deepika Chawda was appointed as a Company Secretary on 25th October, 2021.*

v. *Mr. Thati Venkataswamy Chowdary has resigned as an Independent Director on 06th February, 2022.*

B) Declaration by the Independent Directors of the Company that they meet the criteria of independence as provided in Sec 149(6) of the Companies Act, 2013.

All the Independent Directors have given declarations under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(2) and 25 of theSecurities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

C) Formal evaluation statement by the Board of its own performance, it's committees and individual Directors:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has formulated a policy for evaluation of its Board, Board Committee, Director's and their performances and carried out an evaluation of them. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

D) Number of meetings of the Board of Directors:

The Directors met for 4 times during the financial year 2021-22. A calendar of meetings is prepared and circulated in advance to all the Directors. The number and details of the meetings of the Board are furnished in the Corporate Governance Report.

E) Meeting of Independent Directors:

A separate meeting of Independent Directors of the Company was held on 05th February, 2022 as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. At the Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole.

F) Familiarization Programme for Independent Directors

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. The Familiarisation programme for Independent Directors is disclosed on the Company's website.

20. AUDIT COMMITTEE:

The Board of Directors of the Company constituted Audit Committee consisting of the following Directors, with the roles and responsibilities duly defined in accordance with the applicable statutory and other requirements. During the year, four (4) meetings of the Committee took place.

Name of the Member	***Designation***
Sri T. R. C. Bose	*Chairman*
Sri T. H. Sastry	*Member*
Sri S. Srinivas	*Member*

The Board has accepted all the recommendations of the Audit Committee.

21. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

The Company at present has the vigil mechanism to deal with the instances of fraud and mismanagement, if any. The Company ensures that strict confidentiality is maintained while dealing with the concerns and also that no discrimination is meted out to any person for a genuinely raised concern. It is taken care of by the audit committee of the company.

The Company has also formulated Whistle Blower Policy through which it's Directors, Employees and Stake Holders can report their genuine concern about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct or Ethics Policy.

The Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

22. CODE OF CONDUCT:

The Board of Directors have approved a code of conduct which is applicable to the members of the Board and all employees in the course of day-to-day business operations of the Company. The Company is against bribery, corruption and unethical dealings / behaviours of any form and the board has laid down the directives to counter such acts. The code laid down by the Board is known as "Code of Business Conduct" and declaration with respect to its compliance forms an appendix to the Report.

The code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board members and Senior Management Personnel have confirmed compliance with the code. All management staff were given training in this regard.

23. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code requires pre clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the company and during the period when the trading window is closed. The Board is responsible for implementation of the code. The Code is in line with the latest amendments.

During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

24. NOMINATION AND REMUNERATION COMMITTEE:

Mr. T. V. Chowdary has tendered his resignation from the post of Chairperson of the Nomination and remuneration committee with effect from 06th February, 2022 due to personal reasons.

Following are the members of Nomination and Remuneration Committee with the roles and responsibilities duly defined and in accordance with the applicable statutory and other requirements.

Name of the Member	***Designation***
Sri T. R. C. Bose	*Chairman*
Sri S. Srinivas	*Member*
Sri M. R. Prasad	*Member*

The Board has formulated a policy in consultation with the Nomination and Remuneration Committee for selection and appointment of Directors, Senior management and fixation of their remuneration keeping in view the requirements given in Section 178 of the Companies Act, 2013 and it also involves in the evaluation of` the Board and its remuneration policies. During the Financial Year under review, the Committee has met two times i.e. on 01st June, 2021 and 25th October, 2021.

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered with Related Parties for the year under review were on arm's length basis. The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No.AOC-2 as ***Annexure-III*** *to this Report.*

*Policy on Related Party Transactions as approved by Board has been uploaded on Company's website:*https://www.divyashakti.com/wp-content/uploads/2018/10/8.-Policy-on-Related-Party-Transanction.pdf

There were no materially significant transactions with Related Parties during the financial year 2021-22 which were in conflict with the interest of the Company. Suitable disclosures as required under Accounting Standard have been made in Note 3.07 of the Notes to the financial statements.

26. MANAGERIAL REMUNERATION:

Details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

a)

Remuneration to Directors:		***2021-22*** *(In Rs.)*	***% on total salaries***
Sri N. Hari Hara Prasad (Managing Director)	*Salary*	*48,00,000*	*15.94%*
	Perquisites	*25,02,500*	
Smt Anuradha Anne (Chief Financial Officer)	*Salary*	*6,00,000*	*1.31%*
Sri N. Sai Venkateshwara Prasad (Whole Time Director)	*Salary*	*5,00,000*	*1.09%*

b) There is no information required pursuant to Section 197 read with 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as no employee of the Company is covered by these rules.

c) No Director is in receipt of any commission from the company and the Managing Director and Whole-time Director of the Company have not received any remuneration or commission from any other Company subject to its disclosure by the Company in the Board's Report.

27. CORPORATE GOVERNANCE

The Directors reaffirm their commitment to good corporate governance practices. During the year under review, the Company was in compliance with the provisions relating to corporate governance as provided underRegulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The compliance report, together with the Auditors' Certificate on compliance with the conditions of Corporate Governance of the Listing Regulations is enclosed as ***Annexure-IV*** *to this Report.*

The Managing Director and Chief Financial Officer of the Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations and the same forms part of this Report.

28. RISK MANAGEMENT AND INSURANCE

Your Company continuously monitors business and operational risk through business process, re-engineering and reviewing areas such as production, finance, legal and other issues. An exhaustive exercise is underway to bring a model regulating risk management mechanism. Your Company's assets are adequately insured against the risk from fire and earthquake.

There is no identification of risks which in the opinion of the Board may threaten the existence of the Company

29. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed and that there are no material departures;

(b) We have selected such accounting policies in consultation with the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

(c) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The annual accounts have been prepared on a going concern basis;

(e) The Company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. PAYMENT OF LISTING FEE

At present the equity shares of the Company are listed on The Bombay Stock Exchange at Mumbai. The Company confirms that it has paid Annual Listing Fees due to The Bombay Stock Exchange for the year 2022-23.

31. DEPOSITORY SYSTEM

As the Members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the Members are requested to avail the facility of Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is ***INE410G01010.***

The Company is pursuing the shareholders, holding the shares in physical form for dematerialization of their shares.

32. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

There are no loans, guarantees or investments made under section 186 of the Companies Act, 2013.

33. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report as required Regulation 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 With Stock Exchange forms part of this report as ***Annexure-V.***

34. INTERNAL COMPLAINTS COMMITTEE:

The "Internal Complaints Committee" constituted as per Section 4 (1) of Sexual harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013 has the following members.

S.No.	Name of the Member	Designation
1.	Smt Anuradha Anne	Chairman/Preceding Officer
2.	Sri S. Srinivas	Internal Member
3.	Sri J. Narayana Swamy Damodhar	External Member
4.	Smt T. Sujata	Internal Member

During the year under review, no complaints of harassment at the workplace were received by the committee.

35. CHANGE OF COMPANY NAME, LOGO, EQUITY STOCK SHORT NAME AND COMPANY WEBSITE

Subsequent to the Completion and pursuant to the Special Resolution of the Company passed by the shareholders on 12th November 2021 and the issue of the Certificate of Change of Name by the Registrar of Companies on 3rd January, 2022, the name of the Company has been changed from Divyashakti Granites Limited to ***Divyashakti Limited*** *with effect from 3rd January, 2022.*

*In connection with the change of the Company's name, the shares of the Company have been traded on The Bombay Stock Exchange ("BSE") under the new English equity stock short name of "DIVSHKT". The ISIN of the Company remains unchanged as "*INE410G01010*". The Company has also changed its logo to* *and its website to www.divyashakti.com.*

36. ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the financial assistance and support extended by HDFC and State Bank of India. The Directors thank the shareholders for their continued confidence and trust placed by them with the Company. The Board also thanks all categories of employees of the Company for their dedicated and sincere services.

For and on behalf of the Board

Sd/-
(N.HARI HARA PRASAD)
Managing Director
DIN: 00354715

Sd/-
(T.H.SASTRY)
Director
DIN: 01786600

Place: Hyderabad
Date: 25th April 2022

ANNEXURE INDEX

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I	***Secretarial Audit Report-Form MR-3***
II	***Report on CSR Activities***
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IV	***Corporate Governance Report***
V	***Management Discussion and Analysis Report***
VI	***MD and CFO Certification***
VII	***Declaration by MD on Code of Conduct***
VIII	***Certificate on Corporate Governance***

ANNEXURE - I

FORM NO.MR-3
[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]

SECRETARIAL AUDIT REPORT FOR THE FINANCIALYEAR ENDED 31ST MARCH 2022

To
The Members,
Divyashakti Limited (Formerly Known As Divyashakti Granites Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ***Divyashakti Limited (Formerly Known As Divyashakti Granites Limited)*** *(here in after called "the Company"). Secretarial Audit was conducted in a manner that provided us are as on able basis for evaluating the corporate conducts/statutory compliance sand expressing my opinion thereon. Based on our verification of the Company 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 31st March 2022 complied with the statutory provisions listed here under 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 the Company for the financial year ended on 31st March 2022 according to the provisions of:

I. *The Companies Act, 2013 (the Act) and the rules made there under;*

II. *The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;*

III. *The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;*

IV. *Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;*

V. *The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-*

   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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;*

   d. *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;*

e. *The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014;*

f. *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;*

g. *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;*

h. *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;*

i. *The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015*

VI. Other specific laws as applicable to the company are:

a) *Mines Act, 1952*

b) *Mines and Minerals (Development and Regulation) Act, 1957.*

We have also examined compliance with the applicable Clauses of:

a) *The Listing Agreement(s) entered into by the Company with Stock Exchange(s);*

b) *Secretarial Standards issued by The Institute of Company Secretaries of India, to the extent applicable under the Companies Act 2013.*

We further report that the Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed thoroughly in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, regulations, Guidelines, Standards, etc. mentioned above

We 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded

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.

Place: Hyderabad
Date: 25th April, 2022

For Puttaparthi Jagannatham & Co.
Sd/-
CS Navajyoth Puttaparthi,
Partner
FCS No: 9896; C P No.: 16041
UDIN: F009896D000256175

Note: This report is to be read with our letter of even date which is annexed as "Annexure" and forms integral part of this report.
Appendix A:

To
The Members,
Divyashakti Limited
(Formerly Known As Divyashakti Granites Limited)

Our report of even date is to be read 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 the 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. *Wherever 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.*

Place: Hyderabad
Date: 25th April, 2022

For Puttaparthi Jagannatham & Co.
Sd/-
CS Navajyoth Puttaparthi,
Partner
FCS No: 9896; C P No.: 16041
UDIN: F009896D000256175

Annexure – II

Annual Report on CSR Activities
[Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

Divyashakti Limited (Formerly Known As Divyashakti Granites Limited) ('the Company') has been an adopter of Corporate Social Responsibility ('CSR'), the Company's CSR initiatives have played a pivotal role in contributing to the society & driving sustainable economic growth in a holistic manner. Presently, the broad focus areas of the Company are:
a. Education
b. Health
c. Environment
d. Rural Development

Education, Environment and Health are primary focus areas of CSR policy of the Company. The activities under the Education include primary, secondary and higher education, skill development of rural youth, providing scholarships to meritorious students of underprivileged and promoting preventive healthcare activities such as providing safe and healthy drinking water, aiding hospitals etc. Further thematic areas will be prioritized to reach the underserved segments of the population like women, economically and geographically disadvantaged vulnerable and marginalized population. The company also lays emphasis on employee volunteering in all its CSR efforts. Companies Act 2013 mandates qualifying companies to constitute Corporate Social Responsibility Committee to effectively monitor CSR activities. Further the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "CSR Rules") lay down the framework and modalities of carrying out CSR activities which are specified in Schedule VII of the Act.

2. Composition of CSR Committee:

Sl. No.	Name of the Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sri T R C Bose	Independent Director Chairman of the Committee	1	1
2.	Sri T H Sastry	Independent Director And Member of Committee	1	1
3.	Sri S Srinivas	Independent Director And Member of Committee	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: www.divyashakti.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any: Not Applicable.

6. Average Net Profit of the Company as per Section 135(5): Rs. 840.00 Lakhs

7. (a) Two percent of Average Net Profit of the Company as per Section 135(5): Rs. 16.81 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: Nil

(c) Amount required to be set off for the Financial Year, if any: NA

(d) Total CSR obligation for the Financial Year (7a+7b-7c): Rs. 16.81 Lakhs

8. (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (₹ In Lakhs)	Amount unspent (Rs. In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2.81	14.00	25.05.2022	NA	-	-

(b) Details of CSR amount spent against ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the Project		Project duration	Amount allocated for the Project (₹ In Lakhs)	Amount spent in the current Financial Year (₹ In Lakhs)	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) (₹ In Lakhs)	Mode of Implementation - Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	Construction of Building for Patient	(i)	Yes	Hyderabad	Hyderabad	2 years	14.00	--	14.00	No	Sparsh Hospice	CSR00002050

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (Rs. In lakhs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number
1	Medical Equipment for COVID 19 patients	(i)	Yes	Hyderabad	Hyderabad	2.81	No	Narsingh Swain Memorial Trust	CSR00006138

(d) Amount spent in Administrative Overheads: Nil
(e) Amount spent on Impact Assessment, if applicable: Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 2.81 Lakhs
(g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (Rs. In Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	--
(ii)	Total amount spent for the Financial Year	--
(iii)	Excess amount spent for the Financial year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	--
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	--

9. (a) Details of Unspent CSR amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. In Lakhs)	Amount spent in the reporting Financial Year (Rs. In Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial year (Rs. In Lakhs)
				Name of the Fund	Amount (Rs. In Lakhs).	Date of transfer.	
1.	2021-22	14.00	---	---	---	---	14.00
2.	2020-21	15.89	---	PM CARES	10.00	20.04.2022	---
				Clean Ganga	5.89	20.04.2022	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project Id	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (Rs. In Lakhs)	Amount spent on the project in the reporting Financial Year (Rs. In Lakhs)	Cumulative amount spent at the end of reporting Financial Year. (Rs. In Lakhs)	Status of the project - Completed / Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Company is in the process of identifying a trust for CSR implementation directly and hence delayed in identifying the implementing agency.

Sd/-

Hari Hara Prasad Nallapati
Managing Director
DIN: 00354715

Sd/-

Ramesh Chandra Bose Tummala
Independent Director/Chairman of CSR Committee
DIN: 00160630

Place: Hyderabad
Date: 25.04.2022

ANNEXURE -III
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/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1) Details of contracts or arrangements or transactions not at arm's length basis: NIL
2) Details of material contracts or arrangement or transactions at arm's length basis.

S. No.	*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 arrangements or transactions including the value, if any (Rs. in Lakhs)*	*Balance outstanding as on Balance Sheet date (Rs. in Lakhs)*	*Date(s) of approval by the Board*	*Amount paid as advances, if any*
1	*M/s Universal Extrusions Pvt. Ltd. A private company in which Managing Director and Director are Directors*	*Packing wood material (purchase)*	*Ongoing*	*Transaction value: 64 Lakhs*	*47 lakhs (Creditor)*	*---*	*NIL*
2	*M/s Universal Marketing Agencies Pvt. Ltd., A private company in which Managing Director and Director are Directors*	*Polished Granite Slabs (third party exports)*	*Ongoing*	*Transaction value: Nil*	*Nil*	*---*	*NIL*
3	*M/s N.V.Rattaiah & Co., Enterprise in which Managing Director and Director are interested*	*Sale of granite slabs& Loans and Advances*	*Ongoing*	*Transaction value: DTA sales: 40 Lakhs*	*4 Lakhs (Debtor)*	*---*	*NIL*
4	*M/s. Cosmos Granite (West& South East and South West) A enterprise in which Managing Director is interested*	*Supply of Polished Granites Slabs & Engineering Stone Slabs*	*Ongoing*	*Transaction value: 6236 Lakhs*	*6715 Lakhs (Debtor)*	*---*	*NIL*

ANNEXURE - IV

REPORT ON CORPORATE GOVERNANCE:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company attaches immense importance to good Corporate Governance as formulated by the Stock Exchanges/SEBI and other authorities in right earnest. It will be the endeavor of the Board of Directors that the Company is so governed as to maximize the benefits of all stakeholders i.e., shareholders, employees, customers, society and others.

BOARD OF DIRECTORS

The Board of Directors of the Company comprised of Seven (7) Directors as on 31st March, 2022, out of whom One (1) is Managing Director, and Five (5) are Non-Executive Directors and One (1) is Executive Director. During the year under review, there were in all Four (4) meetings of the Board of Directors and the maximum time gap between any two board meetings was not more than four months and the following is the attendance of the Directors:

Sl. No.	Name of the Director	No. of Meetings attended	Whether attended the last AGM	No. of Directorships in other Boards
1	Sri N. Hari Hara Prasad	4	Yes	4
2	Sri T. H. Sastry	4	Yes	Nil
3	Sri T. R. Chandra Bose	4	Yes	6
4	Sri S. Srinivas	4	Yes	5
5	Smt Anuradha Anne	4	Yes	3
6	Sri M. Rama Krishna Prasad	4	Yes	15
7	Sri Nallapati Sai Venkateshwara Prasad	4	Yes	1

** Sri Thati Venkataswamy Chowdary has resigned as an independent Director on 06th February, 2022*

The dates of Board Meetings held during the year under review are:

i) 01st June, 2021;
ii) 09th August, 2021;
iii) 25th October, 2021; &
iv) 05th February, 2022.

AUDIT COMMITTEE

As per Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company constituted Audit Committee consisting of the following Directors, with the role and responsibilities duly defined and in accordance with the applicable statutory and other requirements.

During the year, Four (4) meetings of the Committee took place and attendance thereat is as under:

Name of the Member	Designation	No. of Meetings Attended	Remarks
Sri T. R. C. Bose	Chairman	4	--
Sri T. H. Sastry	Member	4	--
Sri S. Srinivas	Member	4	--

The dates of Audit Committee Meetings held during the year under review are:

i) 17th May, 2021;
ii) 30th July, 2021;
iii) 18th October, 2021; &
iv) 25th January, 2022.

STAKEHOLDERS RELATIONSHIP COMMITTEE

As per Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 178 of the Companies Act, 2013, the Board of Directors of the Company constituted Stakeholders Relationship Committee with the role and responsibilities duly defined and in accordance with the applicable statutory and other requirements.

During the Financial Year under review, the Committee met once on 5thFebruary, 2022 and attendance is as under:

Name of the Member	Designation	No. of Meetings Attended	Remarks
Sri T.R.C.Bose	Chairman	1	--
Sri S.Srinivas	Member	1	--
Smt Anuradha Anne	Member	1	--

NOMINATION & REMUNERATION COMMITTEE

During the Financial Year under review, the Committee met twice on 01st June, 2021 and 25th October, 2021.

During the year, Sri T. V. Chowdary has tendered his resignation from the post of Chairperson of the Nomination and remuneration committee with effect from 06th February, 2022 due to personal reasons. Consequently, the Nomination and Remuneration Committee of the Company is re-constituted as follows:

S. No.	Name of Members	Designation
1	Sri T. R. C. Bose	Chairman
2	Sri S. Srinivas	Member
3	Sri M.R.K Prasad	Member

REMUNERATION OF DIRECTORS

Other than Managing Director and Whole-Time Executive Directors, no other Director receives any remuneration from the Company except Sitting Fees for attending the Board Meetings. The details of remuneration paid to the Managing and Whole-Time Directors are mentioned in Item No.20 of Notes forming part of the financial statements of the Company.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Remuneration Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

Criteria of selection of Non- Executive Directors

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

i. Qualification, expertise and experience of the Directors in their respective fields;
ii. Personal, Professional or business standing;
iii. Diversity of the Board.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

On evaluation of the performance of the Board, it has been evaluated that

a) Sri N. Hari Hara Prasad as Managing Director of the Company has been playing pivotal role in the operations and the marketing of the company's product and his contribution has been rated as very good.
b) The Non-Executive Directors have given valuable suggestions and their constructive appreciation of the performance has yielded positive results and their contribution has been rated as good.
c) Smt. Anuradha Anne, Woman Director is overseeing the Finance and General welfare of the employees including Women employees and her contribution has been rated very well.
d) Other Independent Directors by their contribution and presence contributed to the corporate governance and discharge of CSR initiatives and their performance has been rated good.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees for each meeting of the Board attended by them, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and for reimbursement of expenses for participation in the Board meetings.

CEO & Managing Director – Criteria for selection / appointment

For the purpose of selection of the CEO& MD, the Remuneration Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (Remuneration Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO& Managing Director comprises only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits.

Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the remuneration committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein above, whilst recommending the annual increment and performance incentive to the remuneration committee for its review and approval.

INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met once on 5th February, 2022.

The Independent Directors have evaluated the performance of the Non-Independent Directors and the Board of Directors as a Whole and were also responsible for evaluating the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors. Further, Independent Directors have evaluated the quality, contents and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

SHAREHOLDERS/INVESTORS GRIEVANCES

The Company attaches utmost attention for resolving shareholders/ investor's grievances/ complaints. Complaints received from shareholders/investors directly or through Stock Exchanges or SEBI are replied to immediately. There are no outstanding or unresolved complaints.

NOTES ON DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT

In accordance with the Companies Act, 2013 and the rules made thereunder and the Articles of Association of the Company, Smt. Anuradha Anne, retires by rotation at the forthcoming Annual General Meeting, and being eligible, has offered herself for reappointment as Director of the Company.

DISCLOSURES

Pecuniary disclosure with regard to interested Directors:

a) *Disclosures on materially significant related party transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, that may have potential conflict with the interests of the Company at large:*

   None of the transactions with any of related parties was in conflict with interest of the Company.

b) *Details of non-compliance by the Company and the penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years:*

   There were no instances of non-compliance of any matter related to Capital Market during the last three years.

c) *Compliance Certificate on corporate governance by the Secretarial Auditors:*

Certificate of the Secretarial Auditor's has been obtained on the compliance of the conditions of Corporate Governance in terms of Regulation 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is annexed to this report as ***Annexure-IX.***

d) *Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.*

The Company has fully complied with the mandatory requirements of Regulation 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has adopted non-mandatory requirement of this clause, viz., and Remuneration committee of the Board which has been constituted to determine the remuneration package of the Executive Director.

e) *The Management Discussion and Analysis is a part of this Annual Report.*

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

M/s. Puttaparthi Jagannatham & Co., Practicing Company Secretaries, Hyderabad, have issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such Statutory Authority. The certificate is enclosed with this section as ***Annexure-A.***

MEANS OF COMMUNICATION:

Quarterly/Half Yearly Financial Results of the Company are forwarded to the Bombay Stock Exchange uploaded on the BSE Listing Center and published most of the times in Financial Express and Mana Telangana. Half Yearly report is not sent to each household of shareholders as the results of the Company are published in the Newspapers.

(i) The results or official news were not displayed in any Website.
(ii) Company has not made any presentations to any Institutional investors/ analysts during the year.
(iii) Management Discussions & Analysis.

Your Company has identified USA, Germany and a few other countries as its market areas for its export market, which has been growing steadily in the last few years. Your Company is one of the leading exporters of Granite Products and it expects to improve its position in future also.

The Company has the mechanism to combat the risks of exposure to Business, Assets and Financial Risks in the form of competition, accidents, natural calamities, obsolescence, and fluctuations in foreign currency etc.

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

GENERALBODY MEETINGS

The last three Annual General Meetings were held as under:

AGM No.	*Location*	*Date*	*Time*	*Whether any special Resolutions were passed*
30th AGM	*Video conferencing*	*30th September, 2021*	*11.00 A.M*	*Yes*
29th AGM	*Video conferencing*	*30th September, 2020*	*11.00 A.M*	*Yes*
28thAGM	*The Institution of Engineers, Khairatabad, Hyderabad.*	*30th September, 2019*	*11.00 A.M*	*Yes*

DEMATERIALIZATION OF SHARES

The shares of the company to the extent of 9858157 have been dematerialized and the shares to the extent of 410713 are held in physical form and the shareholders are advised to contact the depository participants of National Securities Depository Services Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)–ISIN-INE410G01010 for dematerializing the shares held by them in the Company.

GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting	
Day, Date and Time	*Thursday, 18th August, 2022 at 11.00 A. M.*
Venue	*Video Conferencing through Audio video means*
b) Financial Calendar	*1st April to 31st March*
c) Date of Book Closure	*12th August 2022 to 18th August 2022 (both days inclusive)*
d) Dividend Payment Date	*On or before 17th September,2022*
e) Registered Office	*Divyashakti Limited Divyashakti Complex, 3rd Floor, Flat Nos. 301-304, 7-1-58, Ameerpet, Hyderabad-500 016. e-mail: info@divyashakti.com*
f) Listing on Stock Exchange	*The Bombay Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.*
g) Listing Fee	*Annual listing fee for the financial year 2022-23 paid to the Stock Exchange.*
h) Depository Fee	*Annual custody fee for the financial year 2022-23 paid to National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL).*
i) International Securities Identification Number	*INE410G01010*
j)Code/Symbol	*BSE – 526315*

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

k) Market Price Data

Month	BSE		
	High (Rs.)	Low (Rs.)	No. of Shares
April, 21	53.00	44.65	27,478
May, 21	68.00	46.00	1,82,513
June, 21	64.95	51.40	1,80,811
July, 21	69.40	56.00	1,92,018
August,21	92.95	63.00	4,18,782
September, 21	87.25	67.00	2,10,490
October, 21	80.00	63.30	56,545
November, 21	77.65	63.00	50,269
December, 21	83.90	64.25	94,982
January, 22	90.00	66.55	1,15,610
February, 22	84.85	68.20	46,756
March, 22	76.00	61.25	35,328

l) Registrar & Share Transfer Agent (Physical And Electronic) :

Venture Capital and Corporate Investments Pvt. Ltd.
H.No.12-10-167, Bharatnagar,
Hyderabad - 500 018, Telangana.
Phone: 040-23818472/23818476/2386
Fax: 040-23868024,
Email: info@vccilindia.com

m) Share Transfer Systems:

Transfer of Securities in physical form are registered and duly transferred. The share certificates are dispatched within fifteen (15) days of receipt provided the transfer documents are in order.

n) Distribution of Shareholdings (as on 31.03.2022)

Share Holdings	No. of Shareholdings	% of total	No. of Shares	% of total
Up to 500	4282	91.00	532768	5.19
501 - 1000	195	4.15	162756	1.58
1001 - 2000	100	2.13	152673	1.49
2001 - 3000	43	0.91	111763	1.09
3001 - 4000	21	0.45	71864	0.70
4001 - 5000	10	0.21	46013	0.45
5001 – 10000	19	0.40	137904	1.34
10001 & above	35	0.74	9053129	88.16
Total	**4705**	**100.00**	**10268870**	**100.00**

o) Promoters Shareholdings (as on 31.03.2022)

Sl. No	Name of the Promoter Mr./Ms	No. of Shares	% of Total
1	Mr. Nallapati Hari Hara Prasad	2496256	24.31
2	Ms. Jaishree Nallapati	1006983	9.81
3	Mr. Bhanu Prasad Nallapati	335140	3.26
4	Ms. Anuradha Anne	465992	4.54
5	Ms. Umashree Nallapati	842500	8.20
6	Mr. Tejashree Nallapati	744460	7.25
7	Mr. Sai Venkateshwara Prasad Nallapati	1475216	14.37
8	Ms. Bhaskharamma Karumanchi	164760	1.60
	TOTAL	**7531307**	**73.34**

p) Details of shares

Mode	No. of Records	No. of Shares	% to paid up Capital
CDSL	1376	8689395	84.62
NSDL	1321	1168762	11.38
Physical	2008	410713	4.00
Total	**4705**	**10268870**	**100.00**

q) Shareholding pattern as on March 31, 2022

S. No.	Category	No. of Holders	No. of Shares	% to paid up capital
1	**Promoter – (Individuals/HUF/NRI)**	8	7531307	73.34
2.	**Public**-			
a.	Individuals Individual Share Holders holding nominal share capital up to 2Lakh	4612	1336671	13.02
b.	Individual Share Holders holding nominal share capital in excess of 2 Lakh	12	1352660	13.17
c.	Bodies Corporate	17	17404	0.17
d.	Clearing Member	6	293	0.00
e.	Trust	0	0	0
f.	Non-Resident Individuals	50	30535	0.30
g.	Foreign Institutional Investors	0	0	0
h.	Mutual Funds	0	0	0
i.	Banks	0	0	0
	TOTAL	**4705**	**10268870**	**100**

r) *Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion date and likely impact on equity: The Company has not issued any of these instruments.*

s) Plants Locations : *M/s Divyashakti Limited*
(Formerly Known As Divyashakti Granites Limited)
Survey No.432/1 & 447,
Narsapur Village,
Medak District, Telangana.

t) Code of Conduct and Ethics:

The Board of Directors of the Company has formulated a code of conduct and ethics applicable to all the Members of the Board of Directors and Senior Management Personnel of the Company.

A detail declaration along with a certificate of compliance appears in the ***Annexure-VIII*** *to the Corporate Governance Report.*

u) Compliance Officer*:* *Shareholders can correspond at the registered office of the Company at Hyderabad with Ms. Deepika Chawda, Compliance Officer and Company Secretary of the Company.*

For and on behalf of the Board

	Sd/-	***Sd/-***
Place: Hyderabad	***(N.HARI HARA PRASAD)***	***(T.H.SASTRY)***
Date: 25th April 2022	***Managing Director***	***Director***
	DIN: 00354715	***DIN: 01786600***

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Divyashakti Limited
(Formerly Known As Divyashakti Granites Limited)
7-1-58, Divyashakti Apartments,
Ameerpet, Hyderabad – 500016, Telangana.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Divyashakti Limited (Formerly Known As Divyashakti Granites Limited) having CIN L99999TG1991PLC012764 and having registered office at 7-1-58, Divyashakti Apartments, Ameerpet, Hyderabad – 500016, Telangana (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Cessation
1	Sri Hari Hara Prasad Nallapati	00354715	04th June, 1991	--
2	Sri Hanumath Sastry Tadepally	01786600	28th January, 1993	--
3	Sri Thati Venkataswamy Chowdary	00010435	28th January, 1993	06th February, 2022
4	Sri Ramesh Chandra Bose Tummala	00160630	01st November, 2013	--
5	Sri Srinivas Sunkara	00194094	01st November, 2013	--
6	Smt Anuradha Anne	02802437	12th May 2017	--
7	Sri Ramakrishna Prasad Musunuri	01781225	27th January, 2020	--
8	Sri Nallapati Sai Venkateshwara Prasad	07426498	01st June, 2021	--

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 25th April, 2022

For Puttaparthi Jagannatham & Co.
Sd/-
CS Navajyoth Puttaparthi
Partner
FCS No: 9896; C P No.: 16041
UDIN: F009896D000252490

ANNEXURE-V

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

Granite Industry Overview

Granite is one of the most sought-after material among all building stone. In the past, granite pillars and beams were used to support huge structures of temples and palaces and were used for making protective walls. Now with the invention of modern tools of better hardness and polishing ability, use of granite has increased on account of its aesthetic value. Granite is in demand due to its amenability for taking mirror like polish, high compressive strength, longevity and aesthetics. Granite finds application in many areas; accordingly market is segmented among four product categories, namely - Natural stone processing industry - Building Industry - Funerary Industry and - Consumer market.

Economy

Your Company has identified USA and a few other countries as its market areas for its export market, which has been growing steadily in the last few years. Your Company is one of the leading exporters of Granite Products and it expects to improve it's position in future also.

Our Business

Your company is a 100% Export Oriented Unit (EOU), located at Hyderabad, Telangana. Your company exports to more than (2) Two countries. Our business is classified across a Single (One) segment: - Polished Granite Slabs & Tiles and Engineering Stones (Quartz Slabs)

Financial Performance of the Company / Operations

The financial performance for the Company during the financial year 2021-22:

- *Net sales during the year Rs. 63.57 Crores as against Rs. 56.62 Crores in last year.*
- *Net Profits during year Rs7.15 Crores as against Rs. 6.30 Crores in last year.*
- *Basic and diluted earnings per share stood at 6.96 in 2021-22 as against 6.14 in last year.*

Profitability

Your Company's profitability increase due to increase in Currency Fluctuation gains in the financial year 2021-22. Your company had made a gross profit of Rs.9.46 Crores during the year as against the gross profit of Rs. 8.45 Crores of the last year 2020-21.

Results of operations

Your Company generated after-tax profits of Rs. 7.15 Crores in 2021-22, which was higher as compared to Rs. 6.30 Crores generated last year.

Profit before tax and exceptional items stood at Rs. 9.46 Crores as against a profit of Rs.8.45 Crores last year. After reckoning a current and deferred tax liability of Rs. 2.31 Crores, Profit after tax for the current year stood at Rs. 7.15 Crores. The earnings per share increased from Rs. 6.14 in 2020-21 to Rs.6.96 in the current year under review.

Your Company has continued to publish its accounts in line with last year.

Opportunities and Threats to the Industry

Your Company functions in a business environment which is subject to increasing globalization and competition. As such, controlling risk is critical to the businesses performance and your Company by virtue of undertaking diligent monitoring manages the same. The management cautions that the risks outlined hereunder are not exhaustive and are indicative only:

- *Inability to source quality granite blocks for processing continues to remain one of the major difficulties for the granite industry and is expected to continue in the future as well.*
- *Despite being present in multiple markets, the Company derives major proportion of its revenues from United States of America. Any shift in the consumption pattern on account of political or economic events in that market could have a material impact on our business as well.*
- *Our clients are spread across a large geographical area and despite examining their financial health at the time of order acceptance, there is a chance some of them may not be able to honor their commitment on time*
- *Heightened volatility in currency exchange rate following changing economic environment can have a bearing on the Company's financial condition, besides impacting its performance and may affect the comparability of results between the Company's financial periods.*

Risk Management

The Company has the mechanism to combat the risks of exposure to Business, Assets and Financial Risks in the form of competition, accidents, natural calamities, obsolescence, and fluctuations in foreign currency etc.

Internal Control Systems and Adequacy

The Company has an adequate system of internal control implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with all applicable laws.

Human Resources

Your Company recognizes the value addition of its employees and their contribution to the growth and development of the Company. In turn, the Company is committed to train and develop it's people and motivate them. Industrial relations have been cordial and mutually beneficial.

For and on behalf of the Board

	Sd/-	***Sd/-***
Place: Hyderabad	***(N.HARI HARA PRASAD)***	***(T.H.SASTRY)***
Date: 25th April 2022	***Managing Director***	***Director***
	DIN: 00354715	***DIN: 01786600***

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

ANNEXURE-VI

MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATAON

To
Divyashakti Limited
(Formerly Known As Divyashakti Granites Limited)

Dear Sir(s),

Sub: Managing Director (MD) and Chief Financial Officer (CFO) Certification

Pursuant to the provisions of Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have reviewed the financial statements and the cash flow statement of Divyashakti Granites Limited for the year ended March 31, 2022 and that to the best of our knowledge and belief, we state that:

(a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

(ii) These statements together present a true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and the steps they have taken or proposed to be taken to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee:

(i) Significant changes, if any, in internal control over financial reporting during the year;

(ii) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) That there were no instances of significant fraud of which we have become aware.

Sd/-	***Sd/-***
Anuradha Anne	***N.Hari Hara Prasad***
Chief Financial Officer	***Managing Director***
DIN: 02802437	***DIN: 00354715***

Place: Hyderabad
Date: 25th April, 2022

ANNEXURE-VII

DECLARATION BY THE MANAGING DIRECTOR OF THE COMPANY ON CODE OF CONDUCT

I hereby declare that:

1. *The Code of Conduct for the Board Members and Senior Management of the company was approved by the Board of Directors in the Board Meeting and the same was adopted by the Company.*

2. *The Code of Conduct adopted by the Company was circulated to the members of the Board and Senior Management of the Company and is also posted on the website of the Company.*

3. *All the members of the Board and Senior Management of the Company have complied with all the provisions of the Code of Conduct.*

For and on behalf of the Board

Sd/-
N. Hari Hara Prasad
Managing Director
DIN: 00354715

Place: Hyderabad
Date: 25th April, 2022

ANNEXURE-VIII

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Divyashakti Limited
(Formerly Known As Divyashakti Granites Limited)
Hyderabad.

We have examined the compliance of conditions of Corporate Governance by M/s. Divyashakti s Limited (Formerly Known As Divyashakti Granites Limited) for year ended 31st March, 2022 as stipulated in Regulation 27 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Bombay Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in The Listing Agreements and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 25th April, 2022

For Puttaparthi Jagannatham & Co.
Sd/-
CS Navajyoth Puttaparthi
Partner
FCS No: 9896; C P No.: 16041
UDIN: F009896D000252897

Independent Auditor's Report

To the Members of DIVYASHAKTI LIMITED (Formerly known as DIVYASHAKTI GRANITES LIMITED)
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ***DIVYASHAKTI LIMITED*** *(the "Company")which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.*

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board of Director's report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cashflows 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. 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 that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company'sability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- *Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.*

- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.*

- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.*

- *Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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 our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.*

- *Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.*

- *For the other branches included in the financial statements, which have been audited by branch auditors, such branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.*

  We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

  From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. *As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.*

2. *(A) 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account and with the audited returns received from the branches not visited by us.*

d) *In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.*

e) *On the basis of the written representations received from the directors as on 31 March 2022 and 01 April 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".*

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

a) *There are no pending litigations which would impact its financial position in its financial statements as at 31.03.2022.*

b) *The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.*

c) *There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.*

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- *directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or*
- *provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.*

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- *directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or*
- *provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.*

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

(C) *With respect to the matter to be included in the Auditors' Report under section 197(16):*

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

Place: Hyderabad
Date: 25.04.2022

For Suryanarayana & Suresh
Chartered Accountants
Reg. No.006631S
SD/-
V Nagendra Rao
Partner
M.No.227679

UDIN : 22227679AJXCRW9400

Annexure "A" to the Independent Auditors' report on the financial statement of DIVYASHAKTI LIMITED for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

The Annexure A referred to in the Independent Auditors' Report of even date, on the Financial Statements, to the Members of DIVYASHAKTI LIMITED ('the Company') for the year ended 31 March 2022. We report that:

i. *(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.*

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us the company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noted on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. *(a) The inventories have been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.*

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

iii. *The company has not made any investments, provided guarantee or security, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year. The Company has not granted loans and advances in the nature of loans, secured or unsecured, to other parties. Hence, other sub clauses under this clause are not applicable.*

iv. *According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Act ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.*

v. *The Company has not accepted any deposits or amounts which are deemed to be deposits from the public and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules,2015 with regard to the deposits accepted from the Public are not applicable.*

vi. *According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products sold and services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable.*

vii. *(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, duty of Customs, duty of Excise, Cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As informed to us, the Company did not have any dues on account of duty of Excise.*

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable. As informed to us, the Company did not have any dues on account of duty of Excise.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

viii. *According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.*

ix.*(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.*

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any funds on short-term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has no subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year on pledge of securities held in its securities held in its Subsidiaries, Joint ventures or Associate Companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. *(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.*

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi. *(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or material fraud on the Company has been noticed or reported during the course of the audit.*

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) Based on the information and explanations provided to us, the Company is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

xii. *According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) (a),(b) and(c) of the Order is not applicable.*

xiii. *In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.*

xiv. *(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has internal audit system commensurate with the size and nature of its business.*

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. *In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.*

xvi. *(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a)& (b) of the Order is not applicable.*

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(c) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvii. *The Company has not incurred cash losses in the current and in the immediately preceding financial year.*

xviii. *There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.*

xix. *According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.*

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year

Place: Hyderabad
Date: 25..04.2022

For Suryanarayana & Suresh
Chartered Accountants
Reg. No.006631S

SD/-
V Nagendra Rao
Partner
M.No.227679

UDIN : 22227679AJXCRW9400

Annexure B to the Independent Auditors' report on the financial statements of DIVYASHAKTI LIMITEDfor the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of ***DIVYASHAKTILIMITED****("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.*

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022 based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, 2022, 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".

Place: Hyderabad
Date: 25.04.2022

For Suryanarayana & Suresh
Chartered Accountants
Reg. No.006631S

SD/-
V Nagendra Rao
Partner
M.No.227679

UDIN : 22227679AJXCRW9400

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

BALANCE SHEET AS AT 31ST MARCH, 2022

(Rupees in Lakhs)

Sl. No.	Particulars	Note No.	AS AT 31.03.2022	AS AT 31.03.2021
	1	2	3	4
	ASSETS			
1	**Non-current assets**			
	(a) Property, Plant and Equipment	1	2,973.40	3,011.19
	(b) Capital Work -in -Progress			
	i) Plant & Equipment	2	-	36.00
	(c) Financial assets			
	i) Other Financial assets	3	39.10	33.71
	Total Non Current Assets		3,012.50	3,080.90
2	**Current assets**			
	(a) Inventories	4	1,301.15	729.08
	(b) Financial assets			
	(i) Trade receivables	5	6,734.83	6,912.46
	(ii) Cash and cash equivalents	6	1,114.94	1,482.65
	(iii) Bank balances other than(ii) above	7	888.38	525.09
	(c) Other current assets	8	193.84	147.33
	Total Current Assets		10,233.14	9,796.62
	TOTAL ASSETS		**13,245.64**	**12,877.52**
	EQUITY AND LIABILITIES			
1	**EQUITY**			
	(a) Equity Share capital	9(a)	1,026.89	1,026.89
	(b) Other Equity	9(b)	10,729.56	10,169.05
	Total Equity		11,756.45	11,195.94
	LIABILITIES			
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	10	27.25	-
	(b) Deferred tax liabilities (Net)	11	220.42	210.92
	Total Non Current Liabilities		247.67	210.92
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Trade payables	12		
	(A) Total outstanding dues of micro enterprises and small enterprises		11.35	0.51
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		1,035.46	1,048.88
	(b) Other current liabilities	13	140.25	370.59
	(c) Provisions	14	54.46	50.69
	Total Current Liabilities		1,241.52	1,470.67
	TOTAL EQUITY & LIABILITIES		**13,245.64**	**12,877.53**

As per our Report of even date attached
For SURYANARAYANA & SURESH
Chartered Accountants
Firm Reg. No. 006631S

SD/-
V.NAGENDRA RAO
Partner
Membership No.227679

For and on Behalf of the Board

SD/-
ANNE ANURADHA
Director &
Chief Financial Officer
DIN: 02802437

SD/-
N.HARI HARA PRASAD
Managing Direct
DIN: 00354715

Sd/-
T.H.SASTRY
Director
DIN: 01786600

Sd/-
S.SRINIVAS
Director
DIN: 00194094

Place : HYDERABAD,
Date : 25.04.2022.

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2022

(Rupees in Lakhs)

Sl. No.	PARTICULARS	Note No.	For the Year ended 31.03.2022	For the Year ended 31.03.2021
I	**REVENUE FROM OPERATIONS**	15	6,392.62	5,688.45
II	**OTHER INCOME**	16	311.62	21.47
III	**TOTAL INCOME (I+II)**		**6,704.24**	**5,709.92**
IV	**EXPENSES**			
a	Cost of Materials Consumed	17	3,839.29	2,183.93
b	Purchases of Stock in Trade	18	659.07	955.54
c	Change of Inventories of Finished goods Work-in-progress - (accretion) / decretion	19	(481.53)	79.30
d	Employees benefit expenses	20	458.08	377.61
e	Finance Cost	21	0.13	0.85
f	Depreciation and amortization expenses	1	239.70	235.28
g	Other Expenses	22	1,043.11	1,032.35
IV	**Total Expenses**		**5,757.85**	**4,864.85**
V	**Profit before Exceptional items and Tax (I - IV)**		**946.39**	**845.07**
VI	Tax Expenses			
	(1) Current Tax	**23**	220.12	190.33
	(2) Tax expenses relating to earlier years		1.80	-
	(3) Deferred Tax (Liability)	**11**	9.49	24.67
VII	**Profit /(Loss) for the period (V - VI)**		**714.98**	**630.07**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or (loss)		(0.44)	1.97
XI	**Total Comprehensive Income (VII+VIII)**		**714.54**	**632.04**
XII	**Earning per equity share**			
	(Par value per share Rs.10/-each)			
	i) Basic		6.96	6.14
	ii) Diluted		6.96	6.14

As per our Report of even date attached
For SURYANARAYANA & SURESH
Chartered Accountants
Firm Reg. No. 006631S

SD/-
V.NAGENDRA RAO
Partner
Membership No.227679

Place : HYDERABAD,
Date : 25.04.2022

For and on Behalf of the Board

SD/-
ANNE ANURADHA
Director &
Chief Financial Officer
DIN: 02802437

SD/-
N.HARI HARA PRASAD
Managing Director
DIN: 00354715

SD/-
T.H.SASTRY
Director
DIN: 01786600

SD/-
S.SRINIVAS
Director
DIN: 00194094

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(Rupees in lakhs)

PARTICULARS	***31.03.2022***	*31.03.2021*	***Year ended 31.03.2022***	*Year ended 31.03.2021*
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net profit before tax and extraordinary items			***946.40***	*845.07*
Adjustments for :-				
Depreciation	***239.70***	*235.28*		
Profit on sale of Property, Plant & Equipment	***(2.88)***	*-*		
Interest Income	***(35.84)***	*(21.47)*		
Interest Expenditure	***0.13***	*-*		
			201.11	*213.81*
Operating profit before working capital changes			***1,147.51***	***1,058.88***
Working capital Adjustments for :-				
Trade and other Receivables	***131.12***	*189.48*		
Inventories	***(572.07)***	*224.29*		
Trade Payable	***(2.58)***	*(319.55)*		
Provisions and Other liabilities	***(232.97)***			
			(676.50)	*94.21*
Cash generated from operations			***471.00***	*1,153*
Income Tax Paid	***(226.41)***	*(105.10)*		
Income Tax of earlier period (other than tax on Dividend)	***(1.80)***	*-*	***(228.21)***	*(105.10)*
Net cash inflow from operating activities			***242.80***	*1,047.99*
B. CASH FROM INVESTING ACTIVITIES:-				
Mutual Funds	***-***	*-*		
F. E. Fluctuations - Capital items.	***-***	*-*		
Interest received	***35.84***	*21.47*		
Purchase/Sale of fixed assets	***(163.03)***	*(79.51)*		
Deposit of Margin Money	***(360.00)***	*(370.00)*		
Unpaid Dividends Account	***(3.29)***	*-*		
Capital Work-in-progress	***-***	*(36.00)*		
Net cash flow from investing activities			***(490.48)***	*(464.04)*

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(Rupees in Lakhs)

PARTICULARS	***31.03.2022***	*31.03.2021*	***Year ended 31.03.2022***	*Year ended 31.03.2021*
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Issue of Share capital	-	-		
Calls in arrears received	-	-		
Subsidy	-	-		
Interest paid	***(0.13)***	-		
Dividend paid	***(154.03)***	***(150.75)***		
Tax on Dividend paid	-	-		
Proceeds from long term borrowings	***34.11***	***(4.86)***		
Net Cash flow from financing activities			***(120.06)***	*(155.62)*
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)			***(367.74)***	*428.33*
Cash and cash equivalents as at 01.04.2021			***1,482.68***	*1,054.34*
Cash and cash equivalents as at 31.03.2022			***1,114.95***	***1,482.67***

Significant Accounting Policies & Notes forming part of the Financial Statements.

As per our Report of even date attached
For Suryanarayana & Suresh
Chartered Accountants
Firm Reg. No. 006631S

SD/-
V.NAGENDRA RAO
Partner
Membership No.227679

For and on Behalf of the Board

SD/-
ANNE ANURADHA
Director &
Chief Financial Officer
DIN: 02802437

SD/-
N.HARI HARA PRASAD
Managing Director
DIN: 00354715

SD/-
T.H.SASTRY
Director
DIN: 01786600

SD/-
S.SRINIVAS
Director
DIN: 00194094

Place : HYDERABAD,
Date : 25.04.2022.

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

Note No.9(a)

STATEMENT OF CHANGES IN EQUITY : Current Reporting Period

(Figures in Lakhs)

Balance at the beginning of the current reporting period	*Changes in Equity Share Capital due to prior period errors*	*Restated balance at the beginning of the current reporting period*	*Changes in equity share capital during the current year*	*Balance at the end of the current reporting period*
1,026.89	-	1,026.89	-	1,026.89

STATEMENT OF CHANGES IN EQUITY : Previous Reporting Period

(Figures in Lakhs)

Balance at the beginning of the current reporting period	*Changes in Equity Share Capital due to prior period errors*	*Restated balance at the beginning of the current reporting period*	*Changes in equity share capital during the current year*	*Balance at the end of the current reporting period*
1,026.89	-	*1,026.89*	-	*1,026.89*

STATEMENT OF CHANGES IN OTHER EQUITY : Current Reporting Period

(Rupees in Lakhs)

Particulars	***Other Equity***				***Total Equity attributable to equity holders of the Company***
	Reserves and Surplus				
	Capital reserve	***General reserve***	***Retained earnings***	***Other Comphrensive Income***	
Balance at 1st April, 2021	***19.06***	***10,002.94***	***154.03***	***(6.98)***	***10,169.05***
Less: Dividend paid for the year 2020-21			*(154.03)*		*(154.03)*
Add: Net Profit / Movements during the year			*714.98*	*(0.44)*	*714.54*
Profit transferred to General reserve		*509.60*	*(509.60)*		-
Balance as at 31st March, 2022	***19.06***	***10,512.54***	***205.38***	***(7.42)***	***10,729.56***

DIVYASHAKTI LIMITED
(Formerly Divyashakti Granites Ltd)

Note No.9(b)

STATEMENT OF CHANGES IN OTHER EQUITY : Previous Reporting Period

(Rupees in Lakhs)

Particulars	***Other Equity***				***Total Equity attributable to equity holders of the Company***
	Reserves and Surplus				
	Capital reserve	***General reserve***	***Retained earnings***	***Other Comphrensive Income***	
Balance at 1st April, 2020	***19.06***	***9,526.91***	***154.03***	***(8.95)***	***9,691.05***
Less: Dividend paid for the year 2019-20			*(154.03)*		*(154.03)*
Add: Net Profit / Movements during the year			*630.07*	*1.97*	*632.03*
Profit transferred to General reserve		*476.03*	*(476.03)*		*-*
Balance as at 31st March, 2021	***19.06***	***10,002.94***	***154.03***	***(6.98)***	***10,169.05***

As per our Report of even date attached

For SURYANARAYANA & SURESH

Chartered Accountants
Firm Reg. No. 006631S

SD/-
V.NAGENDRA RAO
Partner
Membership No.227679

Place : HYDERABAD,
Date : 25.04.2022

For and on Behalf of the Board

SD/-
ANNE ANURADHA
Director & Chief Financial Officer
DIN 02802437

SD/-
T.H.SASTRY
Director
DIN: 01786600

SD/-
N.HARI HARA PRASAD
Managing Director
DIN: 00354715

SD/-
S.SRINIVAS
Director
DIN: 00194094

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

I. Corporate information:

Divyashakti Limited (Formerly Divyashakti Granite Limited) was incorporated on 4th June, 1991 in the state of Andhra Pradesh (i.e., Undivided Andhra Pradesh). The Company is engaged in the manufacture and export of polished granite slabs, tiles, monuments and Quartz Slabs. The Company undertook to set up a 100% Export Oriented Unit (EOU) at Narsapur Village, Medak District, Telangana State and it's Reg. Office at 7-1-58, Divyashakti Complex, Ameerpet, Hyderabad, Telangana, Divyashakti Limited (Formerly Divyashakti Granite Limited), ever since its inception in 1991, has carved a niche for itself for producing world-class Quartz Slabs and Granite slabs. Despite its brief presence, the company has grown into one of the Country's largest 100% Export Oriented Granite Processing Units in a wide spectrum of colours, textures and finish, to customers world-wide. The company is a Public Limited Company Listed on Bombay Stock Exchange (BSE).

2. Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated

2.1 Basis of preparation and measurement

The financial statements are prepared in accordance with and in compliance, in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with Companies (Indian Accounting Standards) Rules, as amended and other relevant provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

(b). Basis of Measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and noncurrent generally based on the criteria of realisation/ settlement within a twelve-month period from the balance sheet date.

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

i) Certain financial assets and liabilities
ii) Defined benefit plans – plan assets

(c). Current v/s Non Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 its realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3. Key accounting Judgement, estimates and assumptions:

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Depreciation methods, estimated useful lives and residual value Depreciation is provided on a pro-rata basis on the Straight-Line method (SLM) over the estimated useful lives of assets, based on the rates prescribed under Schedule II to the Companies Act, 2013, as applicable on the last date of accounting period. The useful life of assets has been used as per Schedule - II of the Companies Act 2013.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Assets	Estimated useful life (Years)
Factory Building	30
Building Other Than Facotry	60
Computers	3
Plant & Machinery	15
Electrical Equipment	10
Furniture & Fixtures	10
Office Equipment	5
Vehicles	8

The asset's useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount of the asset. These are included in profit or loss within other income.

4. Impairment of non- financial assets – property, plant and equipment

The carrying amounts of assets are reviewed at each balance sheet date to see if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. There coverable amount is the greater of the assets net selling price and value in use. 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 risks specific to the asset.

5. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost.

However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

7. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Revenue from sale of goods

Revenue from the sale of goods is recognized, when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discounts, volume rebates. Accordingly, revenues from sale of goods are stated gross of GST, GST are not received by the Company on its own account but collected on behalf of the Government and accordingly, are excluded from revenue.

Accordingly export and domestic revenue is recognized when the performance obligations in our contracts are fulfilled.

(ii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest on Fixed Deposits with banks is accounted on accrual basis. The amounts due are however credited by the Banks as and when the deposits matured. Interest income is included under the head “other income” in the statement of profit and loss

(iii) Dividends

Dividend income is recognized when the company’s right to receive dividend has been established by the reporting date.

8. Financial Instruments

(iv) Financial Assets

(a). Initial recognition and measurement:

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(b). Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

Financial assets at fair value
Financial assets at amortized cost

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(C). Classification:

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d). Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling of financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(e). Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to the cash flows that are solely payments of principal and interest on the principal amount outstanding.

(f). Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL.

(v) Financial liabilities

(a). Initial recognition and measurement:

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

(b). Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

9. Inventory Valuation

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, where considered necessary.

Cost of raw materials, Stores and Spares, Consumables, packing materials and traded goods are valued at Cost on First-In-First-Out (FIFO) basis. The cost includes all charges in bringing the goods to the point of sale, including inward freight and other incidental expenses, transit insurance and receiving charges.

The net realizable value of materials in process is determined with reference to the selling prices of related finished goods include appropriate proportion of overheads and taxes wherever applicable.

Traded Goods are valued on actual cost. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

9. Foreign currency translation

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

10. Retirement and other employee benefits

(i) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund.

(ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(iii) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

(iv) Re-measurement of defined benefit plans in respect of post-employment benefits are charged to other comprehensive income

The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11. Tax Expense

Tax expense for the period comprises current tax and deferred tax. Current and deferred Tax are recognised in Statement of Profit and Loss except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- **Current tax**
  Current tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities, based on the tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- **Deferred tax**
  Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

  Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

12. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

13. Provisions

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

DIVYASHAKTI LIMITED

(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 1 The changes in the carrying value of property, plant and equipment for the year ended March 31, 2022 are as follows:

Rupees in lakhs

Particulars	*Land and Site Development*	*Buildings*	*Office Buildings*	*Plant & Machinery*	*Furniture and Fixtures*	*Office Equipment*	*Computers*	*Electrical Equipment*	*Solar Power Plant*	*Generator Set*	*Motor Car/Van*	*Motor Cycle/ Mopeds*	*Transformers*	*Total*
Gross carrying value as at April 1, 2021	***101.48***	***1014.79***	***28.42***	***4267.87***	***2.74***	***9.71***	***14.45***	***25.86***	***269.49***	***76.90***	***100.12***	***5.06***	***49.21***	***5966.10***
Additions	*0.00*	*0.00*	*0.00*	*136.24*	*0.00*	*0.00*	*0.00*	*0.00*	*36.00*	*0.00*	*30.60*	*0.00*	*0.00*	*202.84*
Deletions	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*46.87*	*0.00*	*0.00*	*46.87*
Gross carrying value as at March 31, 2022	***101.48***	***1014.79***	***28.42***	***4404.11***	***2.74***	***9.71***	***14.45***	***25.86***	***305.49***	***76.90***	***83.85***	***5.06***	***49.21***	***6122.07***
Accumulated depreciation as at April 1, 2021	***0.00***	***359.27***	***12.41***	***2315.53***	***2.60***	***9.23***	***4.64***	***24.57***	***70.99***	***30.14***	***75.03***	***3.85***	***46.68***	***2954.94***
Depreciation	*0.00*	*33.89*	*0.46*	*173.35*	*0.00*	*0.00*	*4.58*	*0.00*	*19.34*	*3.65*	*4.21*	*0.22*	*0.00*	*239.70*
Accumulated depreciation on deletions	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*45.93*	*0.00*	*0.00*	*45.93*
Accumulated depreciation as at March 31, 2022	***0.00***	***393.16***	***12.87***	***2488.88***	***2.60***	***9.23***	***9.22***	***24.57***	***90.33***	***33.79***	***33.31***	***4.07***	***46.68***	***3148.71***
Carrying value as at April 1, 2021	***101.48***	***655.52***	***16.01***	***1952.34***	***0.14***	***0.48***	***9.81***	***1.29***	***198.50***	***46.77***	***25.09***	***1.21***	***2.54***	***3011.19***
Carrying value as at March 31, 2022	***101.48***	***621.63***	***15.55***	***1915.24***	***0.14***	***0.48***	***5.24***	***1.29***	***215.16***	***43.11***	***50.55***	***0.99***	***2.54***	***2973.40***

DIVYASHAKTI LIMITED

(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 1 The changes in the carrying value of property, plant and equipment for the year ended March 31, 2021 are as follows:

Rupees in lakhs

Particulars	*Land and Site Development*	*Buildings*	*Office Buildings*	*Plant & Machinery*	*Furniture and Fixtures*	*Office Equipment*	*Computers*	*Electrical Equipment*	*Solar Power Plant*	*Generator Set*	*Motor Car/Van*	*Motor Cycle/ Mopeds*	*Transformers*	*Total*
Gross carrying value as at April 1, 2020	***101.48***	***979.31***	***28.42***	***4227.24***	***2.74***	***9.71***	***11.05***	***25.86***	***269.49***	***76.90***	***100.12***	***5.06***	***49.21***	***5886.59***
Additions	*0.00*	*35.48*	*0.00*	*40.63*	*0.00*	*0.00*	*3.40*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*79.51*
Deletions	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
Gross carrying value as at March 31, 2021	***101.48***	***1014.79***	***28.42***	***4267.87***	***2.74***	***9.71***	***14.45***	***25.86***	***269.49***	***76.90***	***100.12***	***5.06***	***49.21***	***5966.10***
Accumulated depreciation as at April 1, 2020	***0.00***	***326.27***	***11.95***	***2147.02***	***2.60***	***9.23***	***0.87***	***24.57***	***53.93***	***26.48***	***66.42***	***3.63***	***46.68***	***2719.65***
Depreciation	*0.00*	*33.00*	*0.46*	*168.51*	*0.00*	*0.00*	*3.77*	*0.00*	*17.06*	*3.65*	*8.60*	*0.22*	*0.00*	*235.27*
Accumulated depreciation on deletions	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
Accumulated depreciation as at March 31, 2021	***0.00***	***359.27***	***12.41***	***2315.53***	***2.60***	***9.23***	***4.64***	***24.57***	***70.99***	***30.13***	***75.02***	***3.85***	***46.68***	***2954.92***
Carrying value as at April 1, 2020	***101.48***	***653.04***	***16.47***	***2080.22***	***0.14***	***0.48***	***10.18***	***1.29***	***215.56***	***50.42***	***33.70***	***1.43***	***2.54***	***3166.95***
Carrying value as at March 31, 2021	***101.48***	***655.52***	***16.01***	***1952.34***	***0.14***	***0.48***	***9.81***	***1.29***	***198.50***	***46.77***	***25.09***	***1.21***	***2.54***	***3011.19***

** Depreciation restricted to 95% of Asset Value.*

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rupees in lakhs

Note No.	*PARTICULARS*	*AS AT 31.03.2022*	*AS AT 31.03.2021*
2	***CAPITAL WORK IN PROGRESS (Factory Expansion)***		
	Plant & Equipment (Quartz plant)		
	Solar plant	**-**	***36.00***

Capital work-in-progress ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows:

Particulars	*Less than 1 year*	*More than 1 Year*
Solar plant work in progress Current reporting period	**-**	**-**
Solar plant work in progress Previous reporting period	***36.00***	**-**

3	***OTHER FINANCIAL ASSETS***		
	Non Current		
	(a) Security Deposits (unsecured, considered good)	*33.71*	*33.71*
	(b) Advance Tax (Net of Provision for tax)	*5.39*	**-**
	Total	***39.10***	***33.71***
4	***INVENTORIES (as valued & certified by Management)***		
	(a) Raw Materials	*477.70*	*428.95*
	(b) Work-in-Progress	*83.41*	*42.22*
	(c) Finished Goods	*598.80*	*158.47*
	(d) Stores and Spares	*141.24*	*99.44*
	TOTAL	***1,301.15***	***729.08***
5	***TRADE RECEIVABLES***		
	(i) Trade receivables considered good - Unsecured	*6,734.83*	*6,912.46*
	Less: Allowance for expected credit risk	**-**	**-**
	TOTAL	***6,734.83***	***6,912.46***

(ii) (a) Trade receivable of Rs. 6,716.20/- (in Lakhs) is receivable from Cosmos Granite (west),(south east) and (South West) in which Managing Director is a Director.

(iii) (b) Trade receivables includes an amount of Rs.4.01/- (in Lakhs) receivable from N.V.Rattaiah & Co. a firm in which Manging Director & Director are partners

Particulars	*Outstanding for following periods from due date of Payment*	
	Not Due	***Less than 6 Months***
(a) Trade receivables considered good - Unsecured	*4,922.10*	*1,812.73*
Less: Allowance for expected credit risk	**-**	**-**
TOTAL	***4,922.10***	***1,812.73***

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE No.	Particulars	As at 31.03.2022	As at 31.03.2021
6	***(i) CASH AND CASH EQUIVALENTS***		
	a) Balance with scheduled Banks:		
	- in current accounts	3.66	33.49
	-Term Deposit	639.60	830.00
	- E.E.F.C. Account with SBI	7.09	6.87
	- E.E.F.C. Account with HDFC	445.60	608.71
	- CSR Unspent account	15.90	-
	b) Cash and Cash equivalents:		
	- Cash on Hand	3.09	3.60
	TOTAL	***1,114.94***	***1,482.67***
	Note: Investments in term deposits (with original maturity of less than twelve months)		
7	***(ii) Bank balances other than cash and cash equivalents as above***		
	(a) Unclaimed Dividend accounts	28.38	25.09
	(b) Margin Money Deposit for L.C.	860.00	500.00
	TOTAL	***888.38***	***525.09***
	Note: Investments in Margin Money deposits (with original maturity of less than twelve months)		
8	***OTHER CURRENT ASSETS***		
	(i) Other Advances:		
	(a) Material suppliers	34.35	54.98
	(b) Staff	11.28	8.35
	(c) GST Input Credit/Cenvat Credit	75.55	46.31
	(d) Prepaid Expenses	3.33	2.90
	(e) Accrued Interest on Margin Money	69.33	34.79
	TOTAL	***193.84***	***147.33***

EQUITY AND LIABILITIES

9(a) EQUITY SHARE CAPITAL

(Figures in Lakhs)

	Particulars	No. of Shares	AS AT 31.03.2022	No. of Shares	AS AT 31.03.2021
A.	***Authorised Capital:***				
	Equity Shares of ₹ 10/- par value	140.00	1,400.00	140.00	1,400.00
B.	***Issued, Subscribed and Paid up Capital:***				
	Equity Shares of ₹ 10/- par value				
	At the beginning of the year	102.69	1,026.89	102.69	1,026.89
	Add: Movement during the year	-	-	-	-
	At the end of the year	***102.69***	***1,026.89***	***102.69***	***1,026.89***

The Company has only one class of shares referred to as equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist currently.

In the period of five years immediately preceding March 31, 2022:
The Company has not allotted any fully paid-up shares.

i) The Details of Share holders, holding more than 5% shares

	As on 31.03.2022		*As on 31.03.2021*	
Name of the Promoter	***No. of Shares***	***% held***	***No. of Shares***	***% held***
NALLAPATI HARI HARA PRASAD	*24,96,256*	*24.31*	*24,96,256*	*24.31*
JAISHREE NALLAPATI	*10,06,983*	*9.81*	*10,06,983*	*9.81*
UMASHREE NALLAPATI	*8,42,500*	*8.20*	*8,42,500*	*8.20*
TEJASHREE NALLAPATI	*7,44,460*	*7.25*	*7,44,460*	*7.25*
SAI VENKATESHWARA PRASAD NALLAPATI	*14,75,216*	*14.37*	*10,67,150*	*10.39*
TOTAL	***65,65,415***	***63.94***	***6157349.00***	*59.96*

ii) Shareholding of promoter

Shares held by the promoters at March 31, 2022:

Name of the Promoter	***No. of Shares***	***% of Total***	***% Of Change***
NALLAPATI HARI HARA PRASAD	*24,96,256*	*24.31*	*0.00*
JAISHREE NALLAPATI	*10,06,983*	*9.81*	*0.00*
BHANU PRASAD NALLAPATI	*3,35,140*	*3.26*	*0.00*
ANURADHA ANNE	*4,65,992*	*4.54*	*0.00*
UMASHREE NALLAPATI	*8,42,500*	*8.20*	*0.00*
TEJASHREE NALLAPATI	*7,44,460*	*7.25*	*0.00*
SAI VENKATESHWARA PRASAD NALLAPATI	*14,75,216*	*14.37*	*3.98*
BHASKHARAMMA KARUMANCHI	*1,64,760*	*1.60*	*0.00*
TOTAL	***75,31,307***	***73.34***	***3.98***

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lakhs)

Note No.	PARTICULARS	AS AT 31.03.2022	AS AT 31.03.2021
	Non -current Liabilities:		
10	***(a) Borrowings - Excavator Loan (Refer 10.1)***	27.25	-
11	***(b) Deferred tax liability(net)***		
	Opening Balance	210.93	186.26
	Add/(Less) for the year	9.49	24.67
	Total	***220.42***	***210.93***

10 *i) Excavator loan of Rs.38.97 lakhs from HDFC Bank Ltd. is carrying interest at 6.43% p.a. The loan is repayable in 37 equal monthly instalments of Rs.1.18 lakhs/ each from 5th April, 2022.*

ii) The loan is secured by way of hypothecation of the Vehicle for which finance is provided by the lender.

12 ***Trade Payables:***

(A) Total outstanding dues of micro enterprises and small enterprises; and	11.35	0.51
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises. (Refer.12.1)	1,035.46	1,048.88
Total	***1,046.82***	***1,049.39***

12.1 *Sundry creditors other than micro enterprises and small enterprises includes an amount of Rs.47,33 lakhs payable to Universal Extrusions Pvt. Ltd a related party for material supplies.*

Particulars	Outstanding for following periods from due date of Payment	
	Less than 6 months	6 months - 1 year
Outstanding dues to MSME	11.35	-
Others	972.21	63.26
Total	***983.56***	***63.26***

13	***Other Current Liabilities***		
	(a) Excavator loan (Current Maturities)		
	HDFC Bank Ltd. (Refer 12.1)	11.72	-
	(b) Vehicle Loan	-	4.87
	(c) Advances received from Customers	53.50	295.62
	(d) Unclaimed Dividend	28.38	25.09
	(e)Other Outstanding Liabilities	46.65	45.01
	Total	***140.25***	***370.59***
15	***Provisions***		
	(a) Provision for Employee benefits		
	(i) Provision for Gratuity	54.46	49.80
	(b) Provision for others		
	(i) Provision for Tax (Net of prepaid Taxes)	-	0.89
	Total	***54.46***	***50.69***

DIVYASHAKTI LIMITED
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RATIOS:

The following are the analytical ratios for the year ended 31st March 2022 and 31st March 2021

Particulars	*Numerator*	*Denominator*	*31st March 2022*	*31st March 2021*	*Variance*
Current Ratio	*Current Assets*	*Current Liabilities*	*8.21*	*6.66*	*23%*
Debt Equity Ratio	*Total Debt*	*Share Holder Equity*	*0.04*	*0.00*	*700%*
Debt Service Coverage Ratio	*Earnings available for Debt Service*	*Debt Service*	*237.28*	*108.48*	*118.74%*
Return on Equity	*Net Profit after Taxes*	*Average Share Holders equity*	*70%*	*61%*	*14.75%*
Inventory Turnover Ratio	*Cost of Goods Sold*	*Average Inventory*	*4.47*	*4.35*	*3%*
Trade Receivables Turnover Ratio	*Net Credit Sales*	*Average Trade Receivables*	*0.93*	*0.81*	*14.81%*
Trade Payable Turnover Ratio	*Net Credit Purchases*	*Average Trade Payables*	*4.38*	*2.68*	*63.43%*
Net Capital Turnover Ratio	*Net Sales*	*Working Capital*	*0.71*	*0.68*	*4%*
Net Profit Ratio	*Net Profit*	*Net Sales*	*0.11*	*0.11*	*1%*
Return on Capital Employed	*Earnings before interest & tax*	*Capital Employed*	*8%*	*7%*	*14.28%*
Return on Investments	*No Investments*				

Notes :

1). During the current reporting period the company has made capital additions through secured loan as against own funds. This has resulted in variation of more than 25% in debt equity ratio.

2). During the current reporting period the company has paid outstanding vehicle loan of Rs.4.87 Lakhs for which interest is Rs.0.13 Lakhs. Also, the company has obtained excavator loan from HDFC Bank Ltd which is carrying interest rate 6.43% p.a. However Excavator loan repayment schedule from 5th April, 2022 (i.e., FY 2022-23)

3). During the current period the company has cleared long outstanding dues to creditors

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lakhs)

Note No.	PARTICULARS	For the Year ended 31.03.2022	For the Year ended 31.03.2021
15	**REVENUE FROM OPERATIONS**		
	(a) Sale of products		
	Sale of Products (Granite Exports)	575.29	731.27
	Sale of Products (Quartz Exports)	4,946.76	3,777.27
	Sale of Products (DTA sales)	61.41	41.43
	Sale of Traded Goods (Granite Exports)	773.32	955.50
	Sale of Traded Goods (Quartz Exports)	-	156.17
	(b) Other operating revenues		
	Interest on Margin Money - Accrued and due	34.55	25.52
	Interest on Electricity Deposit -Accurued&due	1.29	1.29
	TOTAL	**6,392.63**	**5,688.45**
16	**OTHER INCOME**		
	(a) Other Non Operative Income		
	Profit on Sale of Property, Plant and Equipment	2.88	-
	CST Reimbursement	8.17	-
	Interest on Term Deposits - Received	24.13	17.40
	Interest on It Refunds	-	4.07
	Exchange Variation- on export realisations	37.09	-
	Exchange Variation- on import	3.50	-
	Exchange Variation- on currency	5.40	-
	Exchange Variation- on Trade receivables	230.45	-
	TOTAL	311.62	21.47
17	**COST OF MATERIAL CONSUMED**		
	(a) CONSUMPTION OF RAW BLOCKS RAW MATERIAL		
	Opening Stock of Raw Blocks	194.12	268.77
	Add: Purchases during the year	299.32	153.91
		493.44	422.68
	Less: Closing Stock	215.32	194.13
	Consumption Sub Total (a)	**278.12**	**228.55**
	(b) CONSUMPTION OF STORES, SPARES & CONSUMABLES		
	Opening Stock	84.46	119.52
	Add: Purchases during the year	96.02	102.48
		180.48	222.00
	Less: Closing Stock	86.66	84.46
	Stores, Spares & Consumables consumed Sub Total (b)	**93.82**	**137.54**
	TOTAL (a + b)	**371.94**	**366.09**
	(c) CONSUMPTION OF QUARZ RAW MATERIALS		
	Opening Stock of Quaz Material	164.78	162.34
	Add: Purchases during the year	3,214.13	1,712.04
		3,378.91	1,874.38
	Less: Closing Stock	198.90	164.78
	Consumption Sub Total (c)	3,180.01	1,709.60

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lakhs)

Note No.	PARTICULARS	For the Year ended 31.03.2022	For the Year ended 31.03.2021
	(d) CONSUMPTION OF QUARTZ CONSUMABLES & STORES,SPARES		
	Opening Stock	*14.98*	37.70
	Add: Purchases during the year	*326.94*	*85.52*
		341.92	*123.22*
	Less: Closing Stock	*54.58*	*14.98*
	Stores, Spares & Consumables consumed Sub Total (d)	***287.34***	*108.24*
	TOTAL (c+ d)	***3,467.35***	***1,817.84***
	TOTAL (a+b+c+ d)	***3,839.29***	***2,183.93***
18	***PURCHASE OF TRADED GOODS***		
	Opening Stock	-	-
	Add: Purchases during the year	*659.07*	*955.54*
	(including packing charges)	*659.07*	*955.54*
	Less: Closing Stock	-	-
	TOTAL	***659.07***	***955.54***
19	***CHANGE IN STOCK***		
	Closing Stock		
	Finished Goods	*598.80*	*158.47*
	Work-in-process	*83.41*	*42.21*
	Sub Total	***682.21***	***200.68***
	Opening Stock		
	Finished Goods	*158.47*	*210.22*
	Work-in-process	*42.21*	*69.76*
	Sub Total	***200.68***	***279.98***
	Net change in Stock- Accretion/(Decretion)	***481.53***	***(79.30)***
20	***EMPLOYEES' BENEFIT EXPENSES***		
	(a)Salaries & Wages	*338.41*	*280.02*
	(b)Contribution to Provident Fund	*5.89*	*5.70*
	(c)ESI Contribution	*3.11*	*2.57*
	(d)Provision for Gratuity	*4.22*	*4.09*
	(e)Workmen Compensation - Insurance Premiums	*1.84*	*1.61*
	(f) Staff Welfare Expenses	*20.58*	*15.47*
	(g)Directors Remuneration	*84.03*	*68.15*
	TOTAL	***458.08***	***377.61***
21	***FINANCE COST***		
	(a) Interest on vehicle Loans	*0.13*	*0.85*
22	***OTHER EXPENSES***		
	Manufacturing Expenses:		
	Power & Fuel	*156.29*	*143.36*
	Transport and Freight - Inward (On raw blocks consumed)	*180.03*	*160.39*
	Repairs & Maintenance:		
	-Factory Buildings	*13.35*	*25.74*
	-Plant Property & Equipment	*74.13*	*38.97*
	-Generators	*0.53*	*0.37*
	Packing Material	*99.80*	*74.27*
	Sub Total	***524.13***	***443.10***

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees in Lakhs)

Note No.	PARTICULARS	For the Year ended 31.03.2022	For the Year ended 31.03.2021
	Rates and Taxes	*33.71*	*10.39*
	GST paid	*109.14*	*-*
	Travelling Expenses :		
	- Inland	*8.50*	*10.45*
	-Foreign	*9.36*	*3.94*
	Insurance	*11.79*	*9.39*
	Bank Charges	*5.57*	*6.66*
	Printing and Stationery	*2.30*	*2.29*
	Postage, Telephones, Fax & Telex	*2.74*	*2.33*
	Advertisement Charges	*0.67*	*0.63*
	Internal Audit Fee	*0.50*	*0.50*
	Business Promotion Expenses	*5.35*	*1.53*
	Transport & Freight - Outward	*269.66*	*241.84*
	Repairs & Maintenance:		
	- Office	*7.70*	*7.86*
	- Vehicles	*7.56*	*7.08*
	C.S.R. Activity Expenses	*2.81*	*0.00*
	Audit Fees		
	Auditor - Statutory Audit	*3.25*	*3.25*
	Taxation Matters	*0.75*	*0.75*
	Secretarial Audit Fees	*1.25*	*1.25*
	Bad Debts Written Off	*-*	*117.58*
	Other Misc. expenses	*36.37*	*27.75*
	Sub total	***1,043.11***	***898.57***
	Net loss on foreign currency transactions	*-*	*133.77*
	TOTAL	***1,043.11***	***1,032.35***

Note: ***Details of Net loss/(gain) on foreign currency transactions***

Exchange Variation- on export realisations	*(37.08)*	*20.05*
Exchange Variation- on import	*(3.50)*	*3.74*
Exchange Variation- on currency	*(5.40)*	*7.42*
Exchange Variation- on Trade receivables	*(230.45)*	*102.30*
Exchange Variation- on current liabilities	*-*	*0.26*
TOTAL	*(276.43)*	*133.77*

Note: *Corporate Social Responsibility (CSR)*

(i) Amount required to be spent by the comp during the year	*16.81*
(ii) Amount of expenditure incurred	*2.81*
(iii) Shortfall at the end of the year	*14.00*
(iv) Total of previous years shortfall	*15.90*

Reason For Shortfall in the current reporting period: *The company is planning to open specific bank account to deposit the unspent amount which is to be spent for eligible ongoing CSR activity approved under CSR policy.*

Reason For Shortfall in the previous reporting period: *The company has already transferred the previous year shortfall to the CSR specific account and the same is spent towards the eligible CSR activities during the month of April, 2022.*

(v) Nature of CSR activities

The company has spent its CSR funds towards COVID -19 medical life saving equipment's.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE	Particulars		
23	***Employee benefit plans***		
A	***Defined contribution plans***		
	The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.5.89 lakhs (Year ended 31 March, 2021 Rs. 5.70 lakhs) for Provident Fund contributions and Rs.3.11 lakhs (Year ended 31 March, 2021 Rs. 2.57 lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.		
B	*The Company offers the Gratuity scheme to its employees. The following table sets out the unfunded status of the Gratuity scheme and the amount recognised in the financial statements:*		
		(Rupees in lakhs)	
	Particulars	*31.03.2022*	*31.03.2021*
		Rs.	***Rs.***
	Components of employer expense		
	Current service cost	*1.57*	*1.56*
	Interest cost	*2.65*	*2.52*
	Expected return on plan assets	-	-
	Curtailment cost / (credit)	-	-
	Settlement cost / (credit)	-	-
	Past service cost	-	-
	Actuarial losses/(gains)	-	-
	Total expense recognised in the Statement of Profit and Loss	***4.22***	***4.08***
	Actual contribution and benefit payments for year		
	Actual benefit payments	-	-
	Actual contributions	-	-
	Net asset / (liability) recognised in the Balance Sheet		
	Opening Net Liability	*49.80*	*47.68*
	Fair value of plan assets	-	-
	Expenses as above	*4.22*	*4.09*
	Settlements made	-	-
		54.02	***51.77***
	Change in defined benefit obligations (DBO) during the year		
	Present value of DBO at beginning of the year	*49.80*	*47.68*
	Current service cost	*1.57*	*1.56*
	Interest cost	*2.65*	*2.52*
	Curtailment cost / (credit)	-	-
	Settlement cost / (credit)	-	-
	Plan amendments	-	-
	Acquisitions	-	-
	Actuarial (gains) / losses	*0.44*	*(1.96)*
	Past service cost	-	-
	Benefits paid		-
	Net asset / (liability) recognised in the Balance Sheet	***54.46***	***49.80***

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 23	*Particulars*	*31.03.2022* ***Rs.***	*31.03.2021* ***Rs.***
	Change in fair value of assets during the year *		
	Plan assets at beginning of the year	-	-
	Expected return on plan assets	-	-
	Actual company contributions	-	-
	Actuarial gain / (loss)	-	-
	Benefits paid	-	-
	Actuarial assumptions		
	Discount rate	*6.20%*	*5.71%*
	*Expected return on plan assets **		
	Salary escalation	*5.00%*	*5.00%*
	Attrition	*12.00%*	*12.00%*
	Mortality tables	*IALM(2012-14)Ult*	*IALM(2006-08)Ult*
	Expected average remaining service	*4.92%*	*4.72%*
	Estimate of amount of contribution in the immediate next year	-	-
	Asset Information		
	** As the scheme is unfunded, other disclosures under Accounting Standard 15 are stated as Nil*		
	Experience adjustments		
	Present value at the end of the period	*54.46*	*49.80*
	Funded status	*(54.46)*	*(49.803)*
	Experience gain / (loss) adjustments on plan liabilities	-	-
	Experience gain / (loss) adjustments on plan assets	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.01 Contingent Liabilities.

Rs. in lakhs.

Sl. No.	Particulars	**2021-22**	2020-21
i	Foreign /Indian Letters of Credit opened in favour of Suppliers for which goods are yet to be received.	664	269
ii	Guarantees given by Bank (BG)	----	---

3.02 The Company has entered into sale agreement for the purchase of office premises at Ameerpet, Hyderabad with M/s N.V.Rattaiah & Co, at a sale price of Rs.28,42,278/- on 2nd April, 1993. The Conveyance deed has not yet been executed.

3.03 Confirmation letters have been sent in respect of sundry debtors/creditors and loans and advances. In view of all confirmations not having been received, the balances are subject to reconciliation and adjustments if any.

3.04 The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company, regarding the status of registration of such vendor under the said Act, as per the intimation received from them on the request made by the company. Consequently the amount payable to such parties during the year is Rs. 11.35 lakhs.

3.05 The company's business during the reporting period consists of single reportable segment i.e. manufacturing and sale of Polished Granite only. Hence no separate disclosure pertaining to segment reporting as per IND AS 108 as issued by ICAI is made.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.06 Deferred Tax provision has been made as per IND AS -12 of Institute of Chartered Accountants of India.

3.07 Information related to Related party Transactions:

Disclosure as required by Ind AS 24 "Related Party Disclosures" for the year ended 31st March,2022 are as follows:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

i) Key Management Personnel (KMP) : MR. N. HARI HARA PRASAD
Managing Director.

ii) Associated Companies and transactions:

a) Name of the party : M/s Universal Extrusions Pvt. Ltd.,
Relationship : A company in which Managing Director and a Director are Directors
Nature of Transaction : Packing wood material (purchase)

		2021-22	2020-21
Transaction Value	:	Rs.64,26,086/-	Rs. 54,35,425/-
Balance outstanding as on Balance Sheet date	:	Rs.47,32,758/- (Creditor)	Rs. 75,97,322/- (Creditor)
Amount Written off/Back	:	NIL	NIL

b) Name of the party : M/s Universal Marketing Agencies Pvt. Ltd.,
Relationship : A company in which Managing Director and Director are directors
Nature of Transaction : Polished Granite Slabs (third party exports)

Transaction Value	:	Rs. Nil	Rs. 1,25,000/-
Balance outstanding as on Balance Sheet date	:	Rs. Nil	Rs. 46,89,315/- (Creditor)
Amount Written off/Back	:	NIL	NIL

c) Name of the party : M/s N.V.Rattaiah & Co.,
Relationship : A company in which Managing Director and Director are Partners
Nature of Transaction : Sale of granite slabs and Loans & Advances received

Transaction Value			
DTA Sales	:	Rs. 40,09,676/-	Rs. 29,75,666/-
Balance outstanding as on Balance Sheet date	:	Rs. 4,01,295/- (Debtor)	Rs. 1,82,24,990/- Creditor)
Amount Written off/Back	:	NIL	NIL

d) Name of the party : M/s Divyashakti Housing Constructions Limited,
Relationship : A company in which Managing Director and Director are Directors.

Nature of Transaction	:	NIL	NIL
Transaction Value	:	NIL	NIL
Balance outstanding as on Balance Sheet date	:	NIL	NIL
Amount Written off/Back	:	NIL	NIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

e)	Name of the party	:	M/s Cosmos Granite (West) M/s Cosmos Granite (South East) M/s Cosmos Granite (South West)	
	Relationship	:	A company in which Managing Director is a Director	
	Nature of Transaction	:	Export of Polished Granite slabs & Quartz Slabs	
	Sales	:	Rs. 62,35,85,189/-	Rs. 55,34,71,700/-
	Balance outstanding as on Balance Sheet date	:	Rs. 67,16,20,038/	Rs. 69,00,18,111/- (Debtors)
	Amount Written off/Back	:	NIL	NIL

3.08 CORPORATE SOCIAL RESPONSIBILITY

As per section 135(1) of Companies Act, 2013 the provision of Corporate Social Responsibility are applicable to the Company. The Company constituted CSR Committee and framed CSR Policy. The Company allocated an amount of Rs.16.81 lakhs to be spent during the year 2021-22 for Corporate Social Responsibility. However, the Company couldn't spend the amount earmarked for Corporate Social Responsibility. During the year 2021-22 an amount of Rs.2.81 lakhs was spent by the Company towards CST activities in the field of supply of Medical equipments for Covid Treatment. The Company is identifying the better areas and beneficiaries as per its approved CSR Policy.

3.09 Expenditure in Foreign Currency:	**2021-22** Rs.	2020-21 Rs.
(i) Foreign Travelling & Commissions	9,35,707	3,94,136
(ii) CIF/Fob Values of Imports:		
Raw Material	1,09,68,061	39,68,237
Finished Slabs	Nil	Nil
Capital Goods	76,27,500	Nil
Consumables & Spares	1,30,00,850	67,63,012
(iii) Earnings in Foreign Currency: (FOB Values of Exports)	62,95,36,883	56,20,20,458

3.10 Consumption of Materials:	**2021-22**		2020-21	
	Value Rs.	**%**	**Value** Rs.	**%**
a) Raw Material & Slabs				
i) Imports – Raw Blocks	Nil	--	37,77,784	1.31
- Quartz material	1,09,68,061	2.66	32,67,676	1.13
- Finished slabs	Nil	--	Nil	--
ii) Indigenous-Raw Blocks	2,78,12,244	6.76	1,90,77,109	6.59
- Finished Slabs	6,59,06,808	16.01	8,07,49,640	27.90
iii) Quartz Raw Material	30,70,33,301	74.57	16,76,92,102	57.95
- Finished Slabs	Nil	--	1,48,04,648	5.12
b) Consumables &Spares				
i) Import	94,10,548	24.69	1,02,36,070	41.65
ii) Indigenous	21,34,214	5.60	35,18,278	14.31
iii) Quartz Consumables	2,65,71,622	69.71	1,08,23,951	44.04

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.11 (a) Particulars of production , sales and closing stocks.

		2021-22 (Sq.Mts.)	2020-21 (Sq.Mts.)
i) Production		139556	99229
ii) Sales	- From Factory	124212	100227
	- Direct Dispatches (Bought out)	21284	30500
iii) Closing Stocks		24219	8875

(b) CONSUMPTION	**2021-22**			2020-21		
	Quantity		**Value (Rs.)**	Quantity		Value (Rs.)
i) Granite Raw Blocks	683	Cu.Mt	2,78,12,244	584	Cu.Mt.	2,28,54,893
ii) Finished Slabs & Tiles	21284	Sq.Mt	6,59,06,808	30500	Sq.mt.	9,55,54,288
iii) Quartz Raw Materials	----		31,80,01,362	----		17,09,59,778
iv) Others -Consumables	----		3,81,16,384	----		2,45,78,299

3.12 Figures in the Balance Sheet and Statement of Profit and Loss have been rounded off to the nearest rupee.

3.13 Previous year figures have been regrouped and reclassified wherever necessary.

3.14. Notes 1 to 24 and 3.01 to 3.14 form part of Balance Sheet and Statement of Profit and Loss and have been authenticated.

For and on Behalf of the Board

SD/-
ANURADHA ANNE
Director & Chief Financial Officer
DIN: 02802437

SD/-
N.HARI HARA PRASAD
Managing Director
DIN: 00354715

For Suryanarayana & Suresh
Chartered Accountants
Firm Reg. No. 006631S

SD/-
V.NAGEDNRA RAO,
Partner
Membership No.227679

SD/-
T.H.SASTRY
Director
DIN: 01786600

PLACE : HYDERABAD,
DATE : 25.04.2022.

SD/-
S.SRINIVAS
Director
DIN: 00194094

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No. : 01-12764 State Code : 01
Balance Sheet : 31 - 03 - 2022
Date Month Year

II. Capital raised during the Year (Amount in Rs. Thousands)

Public Issue	Rights Issue	Business Issue	Private Issue
- Nil -	- Nil -	- Nil -	- Nil -

III. Position of mobilisation and Development of Funds (Amount in Rs. In Lakhs)

Total Liabilities	Total Assets
13245.64	13245.64

Sources of Funds

Paid-Up Capital	Reserves & Surplus	Non Current liabilities	Current liabilities/ Others
1026.89	10729.56	247.67	124.52

Application of Funds

Net Fixed Assets	Investments/ Loans	Non Current Assets	Net Current Assets	Accumulated losses/Misc. expenses
2973.40	Nil	39.10	10233.14	---

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	Total Expenditure	+/- Profit/loss Before Exceptional items	+/- Profit/Loss Before Tax	+/- Profit/Loss After Tax
6704.24	5757.85	+ 946.39	+ 946.39	+ 714.98

Earning Per Share	Dividend rate %
Rs. 6.96	15%

V. Generic Names of Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC CODE): 680223.01

Product Description: GRANITE POLISHED SLABS , TILES AND MONUMENTS

On behalf of the Board

SD/-
N.HARI HARA PRASAD
Managing Director.
DIN: 00354715

Place: Hyderabad,
Date : 25.04.2022.

DIVYASHAKTI LIMITED
(Formerly known as Divyashakti Granites Limited)

