Tel : +91 -40-23730240 / 23731701 Fax : +91 -40-23730013
E-mail : info@divyashakti.com

DIVYASHAKTI GRANITES LIMITED

Divyashakti Complex, Flat No.301-304, 3rd Floor, 7-1-58, Ameerpet, Hyderabad - 500 016. INDIA

Date: 25.08.2020

To

The Deputy General Manager,
Corporate Relationship Department,
The Stock Exchage, 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 AGM for the Financial Year 2019-2020 under Regulation 34 of Securities and Exchange Board of India (LODR), Regulations, 2015.

****

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 29th Annual General Meeting to be held on 30th September, 2020 at 11: 00 AM through Video Conferencing/Other Audio-Visual mode and the Annual Report for the financial year 2019- 2020.

This is for your information and record.

Thanking You.

Yours faithfully,
FOR DIVYASHAKTI GRANITES LTD

DIVYASHAKTI GRANITES LTD. DSG Hyderabad

N HARI HARA PRASAD
Managing Director
DIN: 00354715

Encl: a/a

DSG
[Divyashakti]

DIVYASHAKTI GRANITES LIMITED
100% E.O.U



29th ANNUAL REPORT 2019-2020

Divyashakti Granites Limited

BOARD OF DIRECTORS	***Managing Director*** ***Sri N. Hari Hara Prasad*** ***Directors:*** ***Sri T.H. Sastry*** ***Sri T.V. Chowdary*** ***Sri T. Ramesh Chandra Bose*** ***Sri S. Srinivas*** ***Smt. Anuradha Anne*** ***Sri. M. Ramakrishna Prasad (w.e.f.27.01.2020)***
AUDITORS:	***M/s. Suryanarayana &Suresh*** ***Chartered Accountants*** ***#8-2-601/B, Flat No.C2*** ***Road No.10, Millenium House*** ***Banjara hills, Hyderabad-500034***
CHIEF FINANCIAL OFFICER	***Smt. Anuradha Anne***
COMPANCY SECRETARY	***Mr. M. Santhosh Kumar***
BANKERS	***State Bank of India*** ***HDFC Bank***
REGISTERED OFFICE	***Flat No.301 to 304, Divyashakti Complex,*** ***7-1-58, Ameerpet, Hyderabad – 500016,*** ***Telangana.***
FACTORY	***Survey No. 432/1& 447,*** ***Narsapur village, Medak District.***
WEBSITE	***www.divyashakti.com***

Divyashakti Granites Limited

NOTICE

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

NOTICE IS HEREBY GIVEN THAT THE 29TH ANNUAL GENERAL MEETING(AGM) OF THE MEMBERS OF DIVYASHAKTI GRANITES LIMITED (CIN: L99999TG1991PLC012764) WILL BE HELD ON WEDNESDAY THE 30TH SEPTEMBER, 2020 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

ORDINARY BUSINESS:

1. *To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.*

2. *To declare dividend of 15% on Equity Shares for the financial year ended 31st March, 2020.*

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*

SPECIAL BUSINESS:

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

   ***"RESOLVED THAT** pursuant to provisions of sections 149, 150, 152, 160, 161 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 and Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Musunuri Ramakrishna Prasad (DIN:01781225), who was appointed as an Additional (Independent) Director with effect from 27.01.2020 pursuant to provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5(five) years from the date of appointment."*

*5. 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 thereunder 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 with effect from 01 October 2020 up to the maximum amounts as stated herein below:*

Sl. No.	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)
01	Export/Supplying Goods /Availing or rendering of any services	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)	Rs.70 crores. Rs.50 crores Rs.25 crores

*"**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."*

*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 thereunder 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 ratification of transactions including Material Related Party Transactions entered into in the ordinary course of business at arms' length price by means of contracts/ arrangements with the related parties in the ordinary course of business and at arm's length upto 31st March, 2020 pursuant to the omnibus approval of Audit Committee at the amounts as stated herein below:*

Divyashakti Granites Limited

Sl. No.	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	Transaction value during the year (Rs. In Crores)
01	Export/Supplying Goods /Availing or rendering of any services	Sri N.Hari Hara Prasad Sri N.Hari Hara Prasad and his relatives are Partners in Firm	Cosmos Granite (South West)	Rs.3.47 Crores

***"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/-

Place: Hyderabad,
Date: 18th June, 2020.

N. HARI HARA PRASAD
Managing Director
DIN: 00354715

N O T E S

1. *In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards-1 & 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be deemed venue of the AGM.*

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 withphysical shares and for ease of portfolio management, members holding shares in physical form arerequested 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 TransferAgents (RTA) of the Company. All communications in respect of share transfers, dematerialization andchange 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 forconsolidation 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 requestedto 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 bythem singly or jointly. Members who hold shares in single name are advised, in their own interest to availthe 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 23-09-2020 to 30-09-2020 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.*

10. *Dividend of Rs.1.50 per Equity Share of Rs.10/- (15%) 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 22.09.2020.*

11. *Members may also note that the Notice of the 29th 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 2019-20 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 2019-20 will also be available on the Company's website atwww.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 2013 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 2012, 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, 2020and 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. Process and Manner for Shareholders opting for e-voting is as under:-

i. Open the internet browser and type the following URL: https://www.evoting.nsdl.com

*ii. Click on **Shareholder-Login***

iii. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password for Login.

iv. 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.

v. The Password Change Menu will appear on your screen. Change to a new Password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your Password confidential.

vi. *Once the e-Voting home page opens, click on e-Voting> Active Voting Cycles.*

vii. *Select the EVEN (E-Voting Event Number) of Divyashakti Granites Limited (the number is provided in enclosed form). Once you enter the number, the Cast Vote page will open. Now you are ready for e-voting.*

viii. *Cast your vote by selecting appropriate option and click on Submit and Also Confirm when prompted. Please note that once your vote is cast on the selected resolution, it cannot be modified.*

ix. *Institutional shareholder (i.e., other than individuals, HUF, NRIs, etc.,) are required to send a scanned copy (PDF / JPG format) of the relevant board resolution/authority letter, etc., together with the attested specimen signature(s) of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer via email at : pjagan123@gmail.com, with a marked to evoting@nsdl.co.in.*

x. *In case of any queries, please refer to the frequently asked Questions (FAQs) for members and the e-voting user manual for members available in the 'Downloads' section of https://www.evoting.nsdl.com. You can also contact NSDL via email at evoting@nsdl.co.in.*

xi. *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.*

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 provide 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* Wednesday, 30 September, 2020 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 September 20, 2020 (9.00 a.m IST) to September 25, 2020 (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 September 20, 2020(9.00 a.m IST) to September 25, 2020 (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. April 1st, 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 21.09.2020

Divyashakti Granites Limited

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 September 26, 2020 (9.00 a.m.) and ends on September 29, 2020 (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 September 22, 2020, 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 September 22, 2020 and not casting their vote electronically, may only cast their vote through ballot enclosed and send to Mr. PuttaparthiJagannatham, 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 September 22, 2020. 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 29th Annual General Meeting of the Company on Monday, September, 30, 2020 and communicated to the BSE Ltd.*

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

ITEM NO .4

The Board of Directors of the Company appointed pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company Shri Musunuri Ramakrishna Prasad as Additional Director of the Company with effect from 27th January, 2020 and in terms of the provisions of Section161(1) of the Act, Shri Musunuri Ramakrishna Prasad would hold office upto the date of the ensuing Annual General Meeting.

The Company has received notices in writing from member along with the deposit of requisite amount under section 160 of the Act proposing the candidatures of Shri Musunuri Ramakrishna Prasad for the office of the Director of the Company.

Shri Musunuri Ramakrishna Prasad is not disqualified from being appointed as a Director in terms of Section 164 of the Act and have given their consent to act as a Directors.

Section 149 of the Act inter alia stipulates the criteria of Independence in a company proposing to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5(five) consecutive years on the Board of the Company and he shall not be included in the total number of directors for retirement by rotation.

The Company has also received declarations from Shri Musunuri Ramakrishna Prasad that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (LODR) Regulations, Shri Musunuri Ramakrishna Prasad possess appropriate skills, experience and knowledge.

In the opinion of the Board, Shri Musunuri Ramakrishna Prasad fulfill the conditions for his appointment as independent Director as specified in the Act and the SEBI (LODR) Regulations. Shri Musunuri Ramakrishna Prasad is independent of management.

Brief resume of Shri Musunuri Ramakrishna Prasad, nature of his expertise in specific functional areas and names of companies in which he hold directorship and memberships/chairmanships of Board Committees, shareholding as stipulated under SEBI (LODR) Regulations with the Stock Exchanges, are forming part of the Annual Report

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Musunuri Ramakrishna Prasad is appointed as Independent Director.

Copy of the draft letter for respective appointment of Shri Musunuri Ramakrishna Prasad as Independent Director setting out the terms and conditions are available for inspection by members at the Registered office of the Company

This statement may also be regarded as a disclosure under SEBI (LODR) Regulations with the Stock Exchange.

ITEM NO .5& 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*

Divyashakti Granites Limited

(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.70 crores.* *Rs.50 crores* *Rs.25 Crores*

As the approval of the members was not obtained for item relating to item no 6 as the Audit Committee has granted omnibus approval for the same at its meeting on 17th January, 2020and without prejudice to the interests of the company, in the previous year, those transactions entered are placed before the members for ratification of the transactions

The details with respect to ratification of Related Party Transactions are furnished below:

Name of the related party	Nature of Transaction	Particulars	Transaction value during the year
Foreign Bodies			
Cosmos Granite (South West)	Export/Sale, Purchase, Supply, availing or rendering of any services	Export/Supply of Polished Granites Slabs & Engineering stone slabs	*Rs.3.47 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/-

Place: Hyderabad,
Date:18th June, 2020.

N. HARI HARA PRASAD
Managing Director
DIN: 00354715

Divyashakti Granites Limited

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 25 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 the Managing Director, Shri Hari Hara Prasad Nallapati

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

- *Directorship: Nil*
- *Chairperson/Membership of Board Committees in Divyashakti Granites Limited:*
  Member of Internal Complaints Committee &Stakeholders Relationship Committee,

Shareholding in the Company*: 465992 Equity Shares*

2. Shri Musunuri Ramakrishna Prasad(DIN: 01781225)

Brief Resume:

1	*Name of the Director*	*Shri Musunuri Ramakrishna Prasad*
2	*Father's Name*	*Sri Narasimha Rao Musunuri*
3	*Date of Birth*	*06.09.1967*
4	*Qualifications*	*MBA (Finance)*
5	*Date of Appointment*	*27.01.2020*
6	*Experience*	*Whole time Director in Macro Media Digital Imaging Pvt.Ltd. and Managing Director of Sai Vardhan Associates Pvt.Ltd.*

Nature of Expertise in specific functional areas: ***Working as a Whole Time Director in Macro Media Digital Imaging Pvt.Ltd. and Managing Director of Sai Vardhan Associates Pvt.Ltd.***

Disclosure of inter-se relationships between Directors and Key Managerial Personnel: NIL

Listed entities (other than Divyashakti Granites Limited) in which he holds directorship and Committees membership

- *Directorship: Nil*
- *Chairperson/Membership of Board Committees in Divyashakti Granites Limited: Nil*
- *In other entities: Managing Committee Member in Federation of Telangana Chamber of Commerce & Industry.*

Shareholding in the Company*: NIL*

Divyashakti Granites Limited

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 29th Annual Report and the Audited Accounts for the financial year ended 31st March, 2020.

1. FINANCIAL RESULTS

Particulars	Year ended 31.03.2020 (Rs. in lakhs)	Year ended 31.03.2019 (Rs. in lakhs)
Sales	6013	3340
Gross Operating Profit before depreciation and exchange variation	515	503
Profit after depreciation but before exchange variation	292	344
Profit after depreciation, exchange variation and before Exceptional Items	994	682
Profit after Exceptional items	994	682
Profit after Tax	747	515
Appropriations:		
General Reserves	562	330
Proposed Dividend	154	154
Tax on dividend	31	31
Total	747	514

2. DIVIDEND:

Your Directors are pleased to recommend for your consideration a Dividend of Rs. 1.50 per share (15% of face value Rs.10/-) on the equity capital of the company for the financial year ended 31st March, 2020, aggregating an amount of Rs. 154.03 lakhs.

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

The Company proposes to transfer an amount of Rs.562lakhs to Reserves during the financial year under review.

4. FINANCE:

Cash and cash equivalents as at 31st March, 2020 was Rs. 1054Lakhs.The company continues to focus on judicious management of it's working capital, receivables, inventories and other working capital parameters and they were kept under strict check through continuous monitoring.

5. COMPANY'S WORKING DURING THECURRENT YEAR 2019-2020 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.5923 lakhs** to U.S.A. during the year under consideration. As regards the Raw Materials, out of the total purchases of Raw Blocks & Slabs valued at **Rs.665 lakhs** made during the year, about 8% of Raw blocks & slabs are Traded/ imported from Brazil,*

*The year closed on a positive note with export orders on hand to the tune of **Rs. 260 lakhs** as compared to Rs.250 lakhs of last year.*

Divyashakti Granites Limited

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 sub sidiaries or Joint Venture or associate companies.

11. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINTVENTURE 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, Independent Auditors of the Company were appointed in the Annual General Meeting held on 25thSeptember,2017for a period of Five year till conclusion of Thirty First (31st) Annual General Meeting and no ratification is required based on the amended Section 139 of the Companies Act, 2013 and the ordinary resolution passed at the Annual General Meeting held in the past years. There are no observations in the Audit report which require any comments of the Directors.

14. SECRETARIAL AUDIT REPORT

Pursuant to provisions of section204 of the Companies Act, 2013, the Company has appointed PuttaparthiJagannatham& Co., Company secretaries, a firm of company secretaries to undertake 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/2020/08/DSG_Annual_Return_Extracts_2019_20.pdf

16. SHARE CAPITAL

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:

		2019-20	**2018-19**
1.	**Electricity**		
a)	*Purchased Units*	***2077998***	***1107220***
	Total Amount (Rs. in lakhs)	*178.52*	*88.01*
	Average Cost/Unit (Rs./KWH)	*8.59*	*7.95*
b)	**Own Generation**		
i)	**Through Solar Plant-(w.e.f. Feb.2017)** *Produced Energy (in Units)*	***663861***	***846690***
	Total Value estimated (Rs. in lakhs)	*46.47*	*56.72*
	Average Cost/Unit (Rs./KWH)	*7.00*	*6.70*
ii)	**Through Diesel Generator (Total Units)**	***39990***	***21877***
	Total Amount (Rs. in lakhs)	*8.34*	*4.73*
	Units per liter of Diesel Oil	*3.26*	*3.34*
	Average Cost/Unit (Rs./KWH)	*20.85*	*21.63*

(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.

Divyashakti Granites Limited

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

Details of foreign exchange earnings and outgo are as follows

*a) Foreign Exchange Earnings : **Rs. 5922 Lakhs***
*b) Foreign Exchange Outgo : **Rs. 334 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 once on 17.01.2020 during the financial year ended 31st March, 2020.

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

The Committee reviewed the CSR Policy and has identified the Education and Environment as the broad areas towards providing clean and hygienic water, and health related areas as the focus areas for CSR activities.

The Company allocated an amount of Rs.19.30 lakhs to be spent during the year 2019-20 for Corporate Social Responsibility. However, the Company couldn't spend the amount earmarked for Corporate Social Responsibility in full due to problems in identifying the better areas and beneficiaries as per its approved CSR Policy. However, an amount of Rs. 2.66lakh was spent by the company towards the CSR activities in the field of Education and Environment during the year 2019-20.

*The report on CSR activities is attached as **Annexure II** to 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, Smt. Anuradha Anne, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

ii) Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company, Shri Musunuri Ramakrishna Prasad was appointed as additional Director designated as Independent Director of the Company with effect from 27th January, 2020 and he shall hold the office upto the date of the ensuing Annual General Meeting. The Company has received requisite notices in writing from members proposing the candidature of Shri Musunuri Ramakrishna Prasad for approval and ratification of his appointment as Independent Director.

iii) Mr. Hanumath Sastry Tadepally (DIN: 01786600), Mr. ThatiVenkataswamy Chowdary (DIN: 00010435), Mr. Ramesh Chandra Bose Tummala (DIN: 00160630), Mr. Srinivas Sunkara (DIN: 00194094), Independent Directors of the Company, were re-appointed as Independent Directors of the Company for a period of five years with effect from April 1, 2019 and are not liable to retire by rotation.

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, 2015and that there is no change in their status of Independence.

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 period under review. 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 01.11.2019as 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
Shri T.R.C. Bose	Chairman
Shri T.H.Sastry	Member
Shri 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:

The Nomination and Remuneration Committee consist of the following Directors, with the role and responsibilities duly defined and in accordance with the applicable statutory and other requirements.

Name of the Member	***Designation***
Shri T.V.Chowdary	*Chairman*
Shri S.Srinivas	*Member*
Shri T. R. C. Bose	*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 one time ie. on 27.01.2020.

Divyashakti Granites Limited

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 arms 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:http://www.divyashakti.com/images/8.%20Policy%20on%20Related%20Party%20Transanction.pdf

There were no materially significant transactions with Related Parties during the financial year 2019-20 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:		***2019-20*** *(In Rs.)*	***% on total salaries***
N Hari Hara Prasad (Managing Director)	*Salary*	*48,00,000*	*16.2%*
	Perquisites	*22,67,617*	
Anuradha Anne (Chief Financial Officer)	*Salary*	*6,00,000*	*1.4%*

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 2020-2021

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

Divyashakti Granites Limited

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" reconstituted as per section 4 (1) of Sexual harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013has the following members.

1. *Sri T.R.C.Bose - Chairperson*
2. *Sri S. Sreenivas - Member*
3. *SmtAnuradha Anne - Member*

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

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:18th June, 2020

ANNEXURE INDEX

ANNEXURE	CONTENTS
I	*Secretarial Audit Report-Form MR-3*
II	*Report on CSR Activities*
III	*Related Party Transactions –Form AOC-2*
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*

Divyashakti Granites Limited

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 FINANCIAL YEAR ENDED 31ST MARCH 2020

To

The Members,
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 Granites Limited*** *(hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.*

Based on our verification of the Divyashakti Granites Limited's 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 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Divyashakti Granites Limited ("the Company") for the financial year ended on 31st March 2020 according to the provisions of:

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

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

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

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

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

   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:

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

(ii) *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 except to the extent as mentioned below:

(i) *The Prescribed CSR expenditure of 2% of average net profit of the last three years allocated for 2019-2020 amounting to Rs. 19.30 Lakhs was not fully spent due to the problems in identifying the areas and beneficiaries. However, an amount of Rs.2.66 lakhs has been spent during the year.*

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.

Signature:
SD/-
For Puttaparthi Jagannatham& Co.
Navajyoth Puttaparthi
Partner
FCS No: 9896; C P No.: 16041
UDIN: F009896B000353954

Place : Hyderabad
Date : 18.06.2020

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

<u>Appendix A:</u>

To

The Members,
Divyashakti Granites Limited

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

1. *Maintenanceofsecretarialrecordistheresponsibilityofthemanagementofthecompany.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.*

Signature: SD/-
For PuttaparthiJagannatham & Co.
NavajyothPuttaparthi
Partner
FCS No: 9896; C P No.: 16041
UDIN: F009896B000353954

Place: Hyderabad
Date: 18.06.2020

Divyashakti Granites Limited

ANNEXURE –II

Report on CSR Activities undertaken by the Company pursuant to Section 135 of the Companies Act, 2013 for the year 2019-20

1. A brief outline of the company's CSR policy

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 Divyashakti. 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

The CSR Committee consists of the following directors:

- Shri T. R. C. Bose
- Shti T. H. Sastry
- Shri S. Srinivas

3. Details of the CSR expenditure

Average net profit of the company for last three financial years	Rs. 965.06 Lakhs
Prescribed CSR expenditure (two percent of the amount stated above)	Rs. 19.30 Lakhs
Details of the CSR spent during the financial year	
(i) Total amount to be spent for the financial year	Rs. 19.30 Lakhs
(ii) Total amount spent during the financial year	Rs.2.66 Lakhs
Amount unspent, if any	Rs. 16.64 Lakhs
In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	Due to problems in identifyi the better areas and beneficiaries as per its approved CSR Policy

Divyashakti Granites Limited

4. Manner, in which the amount has been spent during the financial year, is detailed below:

INFORMATION SHEET ON CSR DATA

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
NAME OF THE COMPANY	CIN	COMPANY CLASS (PUBLIC LIMITED/ PRIVATE LIMITED)	COMPANY TYPE (GOVERNMENT / NON-GOVERNMENT)	DATE OF INCORPORATION / REGISTRATION	ROC	ADDRESS OF REGISTERED OFFICE	MAIN BUSINESS ACTIVTY OF THE COMPANY	PRESCRIBED CSR BUDGET (2% OF AVERAGE NET PROFIT F.Y., 2016-17, 2017-18& 2018-19)	ALLOCATED CSR BUDGET	ACTUAL CSR SPENT IN F.Y. 2019-20	ADMINISTRATIVE OVERHEAD EXPENSES	REASON FOR UNDERSPENDING/ NOT SPENDING (IF ANY)	DETAILS OF CSR PROGRAMME/PROJECTS / ACTIVITIES*	PROJECT DESCRIPTION	SECTORS COVERES WITHIN SCHEDULE VII	GEAOGRAPHICAL AREAS WHERE PROJECTS WERE IMPLEMENTED	STATES WHERE UNDERTAKEN	DISTRICT WHERE UNDERTAKEN	OUTLAY (PROGRAMME/ PROJECT WISE)	EXPENDITURE ON PROGRAMME OR PROJECT	MODE OF IMPLEMENTATION (DIRECT OR THROUGH IMPLEMENTING AGENCIES)	DETAILS OF IMPLEMENTING AGENCIES
DIVYASHAKTI GRANITES LIMITED	*L99999TG1991PLC012764*	PUBLIC LIMITED	NON GOVERNMENT	04.06.1994	ROC ANDHRA PRADESH & TELANGANA	FLAT NO.1-301 TO 304 , DIVASHAKTI COMPLEX, 7-1-58, AMEERPET HYDERABAD-500016 TELANGANA	PROCESSING & EXPORT OF POLISHED GRANITE SLABS, TILES & MONUMENTS.	Rs. 24.98 lakhs allocated in the year 2018-19 towards CSR Activities	Rs. 19.30 lakhs allocated in the year 2019-20	RS..2.66LAKHS	NIL	The Board of directors noted the amount lying unspent on the CSR and confirms that due to problems in identifying the areas and beneficiaries, it couldn't spend the remaining amount of Rs. 16.64 lakhs.	1.RURAL EDUCATION 2.PROVIDING CLEAN AND HYGIENIC WATER IN RURAL AREAS	1.AMENITIES PROVIDED IN RURAL SCHOOLS 2.PROVIDING WATER PURIFYNG SYSTEM IN RURAL AREAS	YES 1.Education 2.Rural development projects	RAMACHANDRAPUR VILLEGE, NAGULAPALLI VILLEGE , RUSTUMPET VILLAGE ,& MOOSAPET VILLAGE - NARSAPUR MANDAL.	TELANGANA	MEDAK DISTRICT	1. Rural Education : Rs.2.66 Lakhs. .	Rs. 2.66 Lakhs	DIRECT	NA

5. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report – The Company couldn't spend the amount earmarked for Corporate Social Responsibility in full due to problems in identifying the better areas and beneficiaries as per its approved CSR Policy.

6. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

The responsibilities of the CSR Committee include:

- Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken,
- Reviewing periodically the amount of expenditure for the CSR activities, and
- Monitoring CSR activities from time to time

Divyashakti Granites Limited

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 company in which Managing Director and Director are Directors	Packing wood material (purchase)	Ongoing	Transaction value: 62.95 lakhs	62.09 lakhs (Creditor)	---	NIL
2	M/s Universal Marketing Agencies Pvt. Ltd., A company in which Managing Director and Director are Directors	Polished Granite Slabs (third party exports)	Ongoing	Transaction value: 57.50 lakhs	48.14 lakhs (Creditor)	---	NIL
3	M/s N.V.Rattaiah& Co., A company in which Managing Director and Director are Directors	Sale of granite slabs	Ongoing	Transaction value: 342.97 lakhs	215.03 lakhs (Creditor)	---	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: 5830.18 lakhs	7126.23 lakhs (Debtor)	---	NIL

Divyashakti Granites Limited

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, 2020, 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	Shri N.Hari Hara Prasad	4	Yes	3
2	Shri T.H.Sastry	4	Yes	Nil
3	Shri T.V.Chowdary	4	Yes	7
4	Shri T.R.Chandra Bose	4	No	6
5	Shri S.Srinivas	2	Yes	2
6	Smt Anuradha Anne	4	Yes	3
7	Shri M.Rama Krishna Praad	Nil *	Not Applicable	9

- *Additional Director appointed during the financial year w.e.f.27.01.2020*

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

i) 14th May, 2019
ii) 03rd August, 2019
iii) 01stNovember, 2019
iv) 27th January,2020

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
Shri T.R.C.Bose	Chairman	4	--
Shri T.H.Sastry	Member	4	--
Shri S.Srinivas	Member	4	--

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

i) 02ndMay, 2019
ii) 22ndJuly, 2019
iii) 23rd October, 2019
iv) 17th January, 2020

Divyashakti Granites Limited

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 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***
Shri T.R.C.Bose	*Chairman*	*4*	*--*
Shri S.Srinivas	*Member*	*2*	*--*
Smt.Anuradha Anne	*Member*	*4*	*--*

During the Financial Year under review, the Committee met 4 times on 14.05.2019, 03.08.2019, 01.11.2019 and 27.01.2020.

NOMINATION & REMUNERATION COMMITTEE

The Board of Directors of the Company constituted a Remuneration Committee consisting of the following Directors, with the role and responsibilities duly defined and in accordance with the applicable statutory and other requirements.

S. No.	***Name of Members***	***Designation***
1	*Shri T.V.Chowdary*	*Chairman*
2	*Shri S.Srinivas*	*Member*
3	*ShriT.R.C.Bose*	*Member*

During the Financial Year under review, the Committee met once on 27.01.2020.

REMUNERATION OF DIRECTORS

Other than whole-time Executive Directors, no other Director receives any remuneration from the Company excepting Sitting Fees for attending the Board Meetings. The details of remuneration paid to the Managing and whole-time Directors is mentioned in Item No.21 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) *Mr. 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) *Mrs. 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 feesfor 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 One time ie. on 01.11.2019, inter alia, to discuss:

1. *Evaluation of the performance of the Non Independent Directors and the Board of Directors as a Whole;*
2. *Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors;*
3. *Evaluation of 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.*

All the Independent Directors were present at the meeting.

SHAREHOLDERS/INVESTORS GRIEVANCES

The Company attaches utmost attention for resolving shareholders/ investors 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

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

ii) *In accordance with the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to the recommendation of the Nomination & Remuneration Committee, the Board of Directors subject to approval of shareholders at the ensuing Annual General Meeting, appointed Sri Musunuri Ramakrishna Prasad (DIN: 01781225), as additional Director in Independent category of the Company to hold office w.e.f. 27.01.2020 till the conclusion of ensuing Annual General meeting and being eligible, has offered himself for appointment 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. PuttaparthiJagannatham & Co., Practicing Company Secretaries, has 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 Andhra Prabha . 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 Granites Limited

GENERALBODY MEETINGS

The last three Annual General Meetings were held as under:

AGM No.	*Location*	*Date*	*Time*	*Whether any special Resolutions were passed*
26thAGM	*The Institution of Engineers, Khairatabad, Hyderabad.*	*25.09.2017*	*11.00 A.M*	*yes*
27thAGM	*- do -*	*29.09.2018*	*11.00 A.M*	*Yes*
28th AGM	*- do -*	*30.09.2019*	*11.00 A.M*	*Yes*

DEMATERIALIZATION OF SHARES

The shares of the company to the extent of 9795357 have been dematerialized and the shares to the extent of 473513are 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	*Wednesday, 30thSeptember, 2020 at 11.00 A. M.*
Venue	*The Institution of Engineers, Khairatabad, Hyderabad*
b) Financial Calendar	*1st April to 31st March*
c) Date of Book Closure	*23-09-2020 to 30-09-2020 (both days inclusive)*
d) Dividend Payment Date	*On or before 30.10.2020*
e) Registered Office	*DIVYASHAKTI GRANITES 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* *PhirozeJeejeebhoyTowers,* *Dalal Street, Mumbai-400 001.*
g) Listing Fee	*Annual listing fee for the financial year 2020-21 paid to the Stock Exchange.*
h) Depository Fee	*Annual custody fee for the financial year 2020-21 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 Granites Limited

k) Market Price Data

Month	BSE		
	High (Rs.)	Low (Rs.)	No. of Shares
April, 19	100.00	87.00	3,881
May, 19	92.95	73.15	5,982
June, 19	86.70	73.15	2,322
July, 19	85.75	66.50	30,982
August,19	72.00	58.00	64,929
September, 19	83.00	68.10	53,649
October, 19	81.00	58.20	18,809
November, 19	76.40	48.15	86,582
December, 19	58.80	45.20	15,906
January, 20	63.80	37.45	65,218
February, 20	39.80	30.35	28,458
March, 20	32.00	19.40	46,810

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

VENTURE CAPITAL AND CORPORATE INVESTMENTS PVT. LTD.
H.No.12-10-167, Bharatnagar,
Hyderabad - 500 018.
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 31.03.2020)

Share Holdings	No. of Shareholdings	% of total	No. of Shares	% of total
Up to 500	3858	89.02	516862	5.03
501 - 1000	205	4.73	171125	1.67
1001 - 2000	111	2.56	168341	1.64
2001 - 3000	55	1.27	141937	1.38
3001 - 4000	22	0.51	78064	0.76
4001 - 5000	16	0.37	74186	0.72
5001 – 10000	29	0.67	218459	2.13
10001 & above	38	0.87	8899896	86.67
Total	4334	100.00	10268870	100.00

Divyashakti Granites Limited

o) Promoters Shareholdings (as on 31.03.2020)

Sl. No	Name of the Promoter Mr./Ms	No. of Shares	% of Total
1	NALLAPATI HARI HARA PRASAD	2332256	22.72
2	JAISHREE NALLAPATI	1006983	9.81
3	BHANU PRASAD NALLAPATI	335140	3.26
4	ANURADHA ANNE	465992	4.54
5	UMASHREE NALLAPATI	842500	8.20
6	TEJASHREE NALLAPATI	744460	7.25
7	SAI VENKATESHWARA PRASAD NALLAPATI	720500	7.02
8	BHASKHARAMMA KARUMANCHI	164760	1.60
9	VENKATA KRISHNA GUTTA	155000	1.50
10	RAMA KRISHNA GUTTA	164000	1.60
	TOTAL	**6931591**	**67.50**

p) Details of shares

Mode	No. of Records	No. of Shares	% to paid up Capital
CDSL	962	8707401	84.80
NSDL	1315	1087956	10.59
Physical	2060	473513	4.61
Total	**4337**	**10268870**	**100.00**

q) Shareholding pattern as on March 31, 2020

S. No.	Category	No. of Holders	No. of Shares	% to paid up capital
1	**Promoter – (Individuals/HUF/NRI)**	10	6931591	67.50
2.	**Public**-			
a.	Individuals Individual Share Holders holding nominal share capital up to 2Lakh	4226	1471283	14.33
b.	Individual Share Holders holding nominal share capital in excess of 2 Lakh	14	1767438	17.20
c.	Bodies Corporate	24	65217	0.64
d.	Clearing Member	6	953	0.01
e.	Trust	0	0	0
f.	Non Resident Individuals	54	32388	0.32
g.	Foreign Institutional Investors	0	0	0
h.	Mutual Funds	0	0	0
i.	Banks	0	0	0
	TOTAL	**4334**	**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 : *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 Mr. M.Santhosh Kumar, Compliance Officer*

Divyashakti Granites Limited

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 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 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, 2020 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***
1	*Hari Hara Prasad Nallapati*	*00354715*	*04/06/1991*
2	*Hanumath Sastry Tadepally*	*01786600*	*28/01/1993*
3	*ThatiVenkataswamy Chowdary*	*00010435*	*28/01/1993*
4	*Ramesh Chandra Bose Tummala*	*00160630*	*01/11/2013*
5	*Srinivas Sunkara*	*00194094*	*01/11/2013*
6	*Anuradha Anne*	*02802437*	*12/05/2017*
7	*Ramakrishna Prasad Musunuri*	*01781225*	*27/01/2020*

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.

For PUTTAPARTHI JAGANNATHAM & CO.,
COMPANY SECRETARIES
SD/-
NAVAJYOTH PUTTAPARTHI
PARTNER
FCS No.9896, CP NO 16041
UDIN: ***F009896B000354075***

Place:Hyderabad
Date: 18/06/2020

Divyashakti Granites Limited

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 2019-20:

- *Net sales during the year Rs. 60.13 crores as against Rs.33.40 crores in last year.*
- *Net Profits during year Rs.7.47 crores as against Rs.5.15 crores in last year.*
- *Basic and diluted earnings per share stood at 7.28 in 2019-20 as against 5.01 in last year.*

Profitability

Your Company's profitability decreased due to increase in Currency Fluctuation losses in the financial year 2019-20. Your company had made a gross profit of Rs. 9.94 crores during the year as against the gross profit of Rs. 6.82 crores of the last year 2018-19.

Results of operations

Your Company generated an after tax profits of Rs. 7.47 crores in 2019-20 which was higher as compared to Rs.5.15 crores generated last year.

Profit before tax and exceptional items stood at Rs. 9.94 crore as against a profit of Rs. 6.82 crore last year. After reckoning a current and deferred tax liability of Rs. 1.86 crores, Profit after tax for the current year stood at Rs. 7.47 crores. The earnings per share increased from Rs.5.01 in 2019-20 to Rs.7.28 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.

Divyashakti Granites Limited

ANNEXURE-VI

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

To
The Board of Directors
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, 2020 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/-
ANURADHA ANNE
Chief Financial Officer
DIN: 02802437

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

Place : Hyderabad,
Date:18-06-2020.

Divyashakti Granites Limited

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/-

Place: HYDERABAD,
Date: 18-06-2020

N. HARI HARA PRASAD
Managing Director
DIN: 00354715

Divyashakti Granites Limited

ANNEXURE-VIII

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of
Divyashakti Granites Limited
Hyderabad.

We have examined the compliance of conditions of Corporate Governance by ***M/s. Divyashakti Granites Limited*** *for year ended 31st March, 2020 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.

For PUTTAPARTHI JAGANNATHAM & CO.,
COMPANY SECRETARIES

SD/-
NAVAJYOTH PUTTAPARTHI
PARTNER
CP NO 16041, M. NO F9896
UDIN: F009896B000354086

Place:Hyderabad
Date: 18-06-2020.

Divyashakti Granites Limited

INDEPENDENT AUDITORS' REPORT

To the Members of *DIVYASHAKTI GRANITES LIMITED*

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ***DIVYASHAKTI GRANITES LIMITED*** ("the Company"), which comprise the balance sheet as at 31 March 2020, 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 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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at
31 March 2020, and 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 Companies Act, 2013 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Response to key audit matter
Revenue recognition – accounting for sale of goods. The Company recognizes revenue from sale of goods after net of returns and trade discounts on transfer of significant risks and rewards to the buyer which generally coincides with the delivery of goods to customers. Further the Company has a contractual right to payment for the goods sold and delivered within the due date.	Our procedures includes the following: - We have obtained an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls in relation to revenue recognition.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is 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 cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Those Board of Directors are 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 made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in 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 auditors' 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.

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 for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(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.

Divyashakti Granites Limited

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts to the financial statements;

(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. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place: Hyderabad
Date: 18-06-2020

For SURYANARAYANA & SURESH
Chartered Accountants
Firm Reg.No: 006631S

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

UDIN: 20227679AAAADT4011

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

2) In respect of Inventories:

a) As explained to us the inventories have been physically verified during the year by the management at reasonable intervals.

b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.

c) In our opinion and according to the information and explanations given to us the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India 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.

6) We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government of India under Section 148(1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

c) In our opinion there are no amounts required to be transferred to Investor Education and Protection Fund by the company.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institution or banks. The Company has not issued any debentures.

Divyashakti Granites Limited

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Hyderabad
Date: 18-06-2020

For SURYANARAYANA & SURESH
Chartered Accountants
Firm Reg.No: 006631S

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

UDIN: 20227679AAAADT4011

"Annexure B to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of ***DIVYASHAKTI GRANITES LIMITED*** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management responsible for establishing and maintaining internal financial controls base 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2)Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

Divyashakti Granites Limited

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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: 18-06-2020

For SURYANARAYANA & SURESH
Chartered Accountants
Firm Reg.No: 006631S

SD/-

V.NAGENDRA RAO
Partner
M.No.227679

UDIN: 20227679AAAADT4011

Divyashakti Granites Limited

BALANCE SHEET AS AT 31ST MARCH, 2020

(Rupees)

Sl. No.	Particulars	Note No.	AS AT 31.03.2020	AS AT 31.03.2019
1	2	3	4	5
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, Plant and Equiptment	1	31,66,95,802	31,43,31,303
	(b) Capital Work -in -Progress			
	i) Factory Buildings	1A	-	34,02,339
	ii) Plant & Machinery	1B	-	3,23,31,496
	(c) Other Financial assets	2	33,86,460	34,26,460
	(d) Long Term Loans and Advances	3	84,33,883	1,79,83,330
2	**Current assets**			
	(a) Inventories	4	9,53,35,879	16,71,89,521
	(b) Financial assets			
	(i) Investments	5	-	-
	(ii) Trade receivables	6	71,26,23,069	44,62,91,021
	(iii) Cash and cash equivalents	7	10,54,34,043	25,33,72,233
	(iv) Bank balances other than(iii) above	8	1,51,81,328	3,64,67,797
	(c) Other current assets	9	1,22,89,119	2,18,65,182
	TOTAL ASSETS		**1,26,93,79,583**	**1,29,66,60,682**
II	**EQUITY AND LIABILITIES**			
	EQUITY			
	(a) Equity Share capital	10	10,26,88,700	10,26,88,700
	(b) Other Equity	11	96,91,05,113	91,33,98,103
	LIABILITIES			
1	**Non-current liabilities**	12		
	(a) Borrowings		4,86,423	13,98,245
	(b) Deferred tax liabilities (Net)		1,86,25,507	1,67,10,233
2	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade payables	13	11,97,10,410	20,07,94,078
	(b) Other current liabilities	14	5,39,95,347	5,77,73,582
	(c) Provisions	15	47,68,083	38,97,741
	TOTAL EQUITY & LIABILITIES		**1,26,93,79,583**	**1,29,66,60,682**

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/-
T.V.CHOWDARY
Director
DIN: 00010435

Place : HYDERABAD,
Date : 18.06.2020.

Divyashakti Granites Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2020

(Rupees)

Sl. No.	PARTICULARS	Note No.	For the Year ended 31.03.2020	For the Year ended 31.03.2019
I	**REVENUE FROM OPERATIONS**	16		
	Sale of Products (Exports)		54,75,84,713	26,80,37,435
	Sale of Products (DTA sales)		90,24,125	1,44,96,164
	Sale of Traded goods (Exports)		4,46,65,203	5,15,03,967
			60,12,74,041	**33,40,37,566**
II	**OTHER INCOME**	17	7,26,43,917	4,09,11,106
III	**TOTAL REVENUE (I+II)**		**67,39,17,958**	**37,49,48,672**
IV	**EXPENSES**			
a	Cost of Materials Consumed	18	34,81,36,148	15,18,37,770
b	Purchases of Stock in Trade	19	3,72,63,849	4,32,56,206
c	Change of Inventories of finished goods work-in-progress - (acretion) / decretion	20	73,17,592	(2,23,54,043)
d	Employees benefit expenses	21	4,36,93,441	3,56,13,661
e	Finance Cost	22	16,70,664	15,54,840
f	Depreciation and amortization expenses	1	2,23,00,224	1,59,19,107
g	Other Expenses	23	11,41,00,770	8,09,44,395
	Total Expenses		57,44,82,688	30,67,71,936
V	**Profit before Exceptional items and Tax (III - IV)**		**9,94,35,270**	**6,81,76,736**
VI	Net (gain)/loss on Foregin Exchange Fluctuations	23	-	-
VII	**Profit before exceptional items and Tax (V - VI)**		**9,94,35,270**	**6,81,76,736**
VIII	Exceptional Items		----	----
IX	**Profit/(Loss) before Tax (VII-VIII)**		**9,94,35,270**	**6,81,76,736**
X	Tax Expenses			
	(1) Current Tax		1,76,14,000	1,40,35,500
	(2) MAT Credit Entitlement		-	(28,40,160)
	(3) Tax expenses relating to earlier years		51,67,208	56,592
	(4) Deferred Tax (Asset)	**12**	19,15,274	54,40,446
XI	**Profit /(Loss) for the period (IX-X)**		**7,47,38,788**	**5,14,84,358**
XII	**Other Comprehensive Income**			
A	(i) Items that will not be reclassified to profit or loss		(4,92,668)	(4,73,770)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XIII	**Total Comprehensive Income (XI+XII)**		**7,42,46,120**	**5,10,10,588**
XIV	**Earning per equity share** (Par value per share Rs.10/-each)			
	i) Basic		7.28	5.01
	ii) Diluted		7.28	5.01

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 : 18.06.2020.

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/-
T.V.CHOWDARY
Director
DIN: 00010435

Divyashakti Granites Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(Rupees)

PARTICULARS	***31.03.2020 Rs.***	*31.03.2019 Rs.*	***Year ended 31.03.2020 Rs.***	*Year ended 31.03.2019 Rs.*
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net profit before tax and extraordinary items			***9,94,35,270***	*6,81,76,736*
Adjustments for :-				
Depreciation	***2,23,00,224***	*1,59,19,107*		
Exceptional Items	***----***	*----*		
Interest Income	***(16,28,151)***	*(43,78,761)*		
Miscellaneous expenses written off	***----***	*----*		
			2,06,72,073	*1,15,40,346*
Operating profit before working capital changes			***12,01,07,343***	*7,97,17,082*
Working capital Adjustments for :-				
Trade and other Receivables	***(25,67,15,985)***	*10,08,61,737*		
Inventories	***7,18,53,642***	*(3,64,92,642)*		
Trade Payable	***(8,63,67,435)***	*4,85,52,906*		
			(27,12,29,778)	*11,29,22,001*
Cash generated from operations			***(15,11,22,435)***	*19,26,39,083*
Income Tax Paid	***(1,32,31,761)***	*(2,00,56,242)*		
Income Tax of earlier period (other than tax on Dividend)	***----***	***----***	***(1,32,31,761)***	*(2,00,56,242)*
Net cash inflow from operating activities			***(16,43,54,196)***	*17,25,82,841*
B. CASH FROM INVESTING ACTIVITIES:-				
Mutual Funds	***----***	*15,96,02,473*		
F. E. Fluctuations - Capital items.	***----***	*----*		
Interest received	***16,28,151***	*43,78,761*		
Purchase/Sale of fixed assets	***(2,46,64,723)***	*(25,62,01,285)*		
Deposit of Margin Money	***2,22,28,072***	*(1,61,00,001)*		
Realisation of Margin Money	***----***	*----*		
Capiatal Work-in-progress	***3,57,33,835***	*6,19,42,645*		
Net cash flow from investing activities			***3,49,25,335***	*(4,63,77,407)*

Divyashakti Granites Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(Rupees)

PARTICULARS	31.03.2020 Rs.	31.03.2019 Rs.	Year ended 31.03.2020 Rs.	Year ended 31.03.2019 Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Issue of Share capital	----	----		
Calls in arrears received	----	----		
Subsidy	----	----		
Interest paid	----	----		
Dividend paid	(1,44,61,702)	(1,54,58,701)		
Tax on Dividend paid	(31,35,805)	(31,35,805)		
Proceeds from long term borrowings	(9,11,822)	13,98,245		
Net Cash flow from financing activities			(1,85,09,329)	(1,71,96,261)
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)			(14,79,38,190)	10,90,09,173
Cash and cash equivalents as at 01.04.2019			25,33,72,233	14,43,63,060
Cash and cash equivalents as at 31.03.2020			10,54,34,043	25,33,72,233

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

For and on Behalf of the Board

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

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

SD/-
N.HARI HARA PRASAD
Managing Director
DIN: 0354715

SD/-
T.H.SASTRY
Director
DIN: 1786600

SD/-
T.V.CHOWDARY
Director
DIN: 0010435

Place : HYDERABAD,
Date : 18.06.2020

Divyashakti Granites Limited

STATEMENT OF CHANGES IN EQUITY

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

Particulars	Equity Share Capital	Other Equity				Total Equity attributable to equity holders of the Company
		Reserves and Surplus				
		Capital reserve	General reserve	Retained earnings	Other Comphrensive Income	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance at 1st April, 2019	**10,26,88,700**	**19,06,000**	**89,33,55,040**	**1,85,39,110**	**(4,02,047)**	**91,33,98,103**
Less: Dividend paid for the year 2018-19				(1,85,39,110)		(1,85,39,110)
Add: Net Profit / Movements during the year				7,47,38,788	(4,92,668)	7,42,46,120
Profit transferred to General reserve			5,93,35,483	(5,93,35,483)	-	-
Balance as at 31st March, 2020	**10,26,88,700**	**19,06,000**	**95,26,90,523**	**1,54,03,305**	**(8,94,715)**	**96,91,05,113**

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/-
T.V.CHOWDARY
Director
DIN: 00010435

Place : HYDERABAD,
Date : 18.06.2020

Divyashakti Granites Limited

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

I. Corporate information:

Divyashakti Granite Limited was Incorporated on 4th June, 1991 in the state of Andhra Pradesh. The Company's objectives are manufacture 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 Granites Limited, ever since its inception in 1991, has carved a niche for itself for producing world-class granite. 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 colors, textures and finish, to customers world-wide.

II. Significant Accounting Policies

1. Basis of preparation

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

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ("Ind AS"), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company's financial statements are presented in Indian Rupees, which is also its functional currency.

2. Use of estimates

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, net of recoverable taxes, trade discount and rebate 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.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

Sales are recognized net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

(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 is established by the reporting date.

Financial Instruments

A. Financial Assets

i. 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.

ii. Subsequent measurement

a) 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.

b) 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.

c) 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.

iii. Financial liabilities

i. 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.

ii. 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.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

8. 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 includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and Finished goods include appropriate proportion of overheads and, where applicable, excise duty.

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

(v) 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. Tax is 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 Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
NOTE: 1 FIXED ASSETS

S.No.	Name of the Asset	GROSS BLOCK						DEPRECIATION					NET BLOCK	
		As At 01-04-2019	Additions		Disposals / Claims	As At 31-03-2020		Balance As At 31-03-2019	Eliminatio on disposal of Asset		Depreciation amortisation for the year	Balance As At 31-03-2020	As At 31-03-2020	As At 31-03-2019
			Rs.		Rs.	Rs.		Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
I	**Tangible Assets**													
1	Land and Site Development	1,01,48,215	----		----	1,01,48,215		----	----		----	----	1,01,48,215	1,01,48,215
2	a) Factory Buildings	4,11,73,513	----		----	4,11,73,513		2,85,13,679	----		13,75,195	2,98,88,874	1,12,84,639	1,26,59,834
	b) Factory Buildings (Quartz)	4,92,15,914	75,42,055		----	5,67,57,969		10,94,373	----		16,43,812	27,38,185	5,40,19,784	4,81,21,541
3	Office Premises	28,42,278	----		----	28,42,278		11,48,705	----		46,329	11,95,034	16,47,244	16,93,573
4	a) Plant and Machinery	20,56,24,348	----		----	20,56,24,348		18,96,31,281	----	***	6,67,800	19,02,99,081	1,53,25,267	1,59,93,067
	b) Plant and Machinery (Quartz)	20,20,88,866	3,45,23,243	****	1,95,12,065	21,71,00,044		98,83,631	10,06,490		1,55,25,956	2,44,03,097	19,26,96,947	19,22,05,235
5	Furniture and Fixtures	2,73,875	----		----	2,73,875		2,60,181	----	*	----	2,60,181	13,694	13,694
6	Office Equipment	7,65,225	----		----	7,65,225		7,26,964	----	*	----	7,26,964	38,261	38,261
	Computers	----	11,05,000		----	11,05,000		----	----		87,249	87,249	10,17,751	----
7	Electrical Equipment	25,86,402	----		----	25,86,402		24,57,082	----	*	----	24,57,082	1,29,320	1,29,320
8	Solar Power Plant	2,69,48,939	----		----	2,69,48,939		36,87,479	----		17,05,868	53,93,347	2,15,55,592	2,32,61,460
9	Air Conditioners	2,06,240	----		----	2,06,240		1,95,928	----	*	----	1,95,928	10,312	10,312
10	Generator Set	76,90,400	----		----	76,90,400		22,83,088	----		3,65,294	26,48,382	50,42,018	54,07,312
11	Motor Car	95,15,851	----		----	95,15,851		53,11,041	----	**	8,60,376	61,71,417	33,44,434	42,04,810
12	Motor Cycle/Mopeds	5,06,377	----		----	5,06,377		3,40,212	----	**	22,345	3,62,557	1,43,820	1,66,165
13	Motor Vehicle - Van	4,96,000	----		----	4,96,000		4,71,200	----	*	----	4,71,200	24,800	24,800
14	Transformers	49,21,236	----		----	49,21,236		46,67,532	----	*	----	46,67,532	2,53,704	2,53,704
	Total	**56,50,03,679**	**4,31,70,298**		**1,95,12,06**	**58,86,61,912**		**25,06,72,37**	**10,06,490**		**2,23,00,224**	**27,19,66,11**	**31,66,95,802**	**31,43,31,303**
	Previous year	**30,89,12,412**	**25,66,17,034**		**14,85,767**	**56,50,03,679**		**23,58,23,28**	**10,70,018**		**1,59,19,107**	**25,06,72,37**	**31,43,31,303**	**----**
II	**Intangible Assets**	Nil	Nil		Nil	Nil		Nil	Nil		Nil	Nil	Nil	Nil
	Total	------	----		----	----		-----	----		-----	-----	-----	----
	Previous year	------	----		-----	----		-----	----		-----	-----	-----	----

* Depreciation restricted to 95% of Asset Value.

** Depreciation already restricted to 95% in respect of Assets Value of (item no.10) Rs.4,59,254/- & (item no.11) Rs.2,71,172/-. Hence now provided in respect of balance value only.

*** Depreciation already restricted to 95% in respect of Asset Value of Rs.19,66,24,348/-. Hence now provided in respect of balance value only.

**** Represent the amount of Rs.1,19,75,259/- (out of Rs.1,95,12,065) received from National Insurance Company Ltd., towards claim for damaged asset.

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	PARTICULARS	AS AT 31.03.2020 Rs.	AS AT 31.03.2019 Rs.
1.A	**CAPITAL WORK IN PROGRESS (Factory Expansion)**		
	Factory Buildings: (Quartz Plant)	NIL	NIL
	Metal	-	61,711
	Roads – Concreate Ready Mix	-	32,06,503
	BOREWEL	-	1,34,125
	TOTAL	**-**	**34,02,339**
1.B	**CAPITAL WORK IN PROGRESS (Plant & Machinery)**		
	Plant & Machinery (Quartz plant)	-	2,75,53,750
	Cranes	-	10,12,196
	Ocean freight for Import Machinery	-	8,58,018
	Foundation works:	-	
	Steel	-	5,12,531
	Electrical materials	-	5,84,520
	Fabrication work	-	3,85,000
	Machinery Spares	-	5,70,132
	Technician Charges	-	6,45,109
	Other foundation work expenses	-	2,10,240
	TOTAL	**-**	**3,23,31,496**
2	**OTHER FINANCIAL ASSETS**		
	(a) Security Deposits (unsecured, considered good)	33,86,460	34,26,460
	TOTAL	**33,86,460**	**34,26,460**
3	**LONG TERM LOANS AND ADVANCES**		
	(a) Advance Tax (Net of Provision for tax)	55,93,723	1,51,43,170
	(b) MAT Credit Entitlement	28,40,160	28,40,160
	TOTAL	**84,33,883**	**1,79,83,330**
4	**INVENTORIES (as valued & certified by Management)**		
	(a) Raw Materials	2,68,76,590	7,22,42,962
	(b) Proportionate freight on closing stock of raw	85,05,250	2,19,90,939
	(c) Work-in-Process	69,76,491	1,36,59,033
	(d) Finished Goods	2,10,21,649	216,56,699
	(e) Stores and Consumables	1,19,52,221	1,48,03,444
	(f) Quartz Raw Materials	1,62,33,791	1,86,78,461
	(g) Quartz Consumables	37,69,887	41,57,983
	TOTAL	**9,53,35,879**	**16,71,89,521**

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	PARTICULARS	AS AT 31.03.2020 Rs.	AS AT 31.03.2019 Rs.
5	***INVESTMENTS***	*Nil*	*Nil*
6	***TRADE RECEIVABLES*** *(Unsecured, considered good)*		
	(a) Trade receivables outstanding for a period exceeding six months from the date they were due for repayment	*44,08,37,015*	*26,07,88,027*
	(b) Trade receivables outstanding for a period not exceeding six months from the date they were due for repayment	*27,17,86,054*	*18,55,02,994*
	TOTAL	***71,26,23,069***	***44,62,91,021***
6.1	*Trade receivable of Rs. 71,26,23,069/- is receivable from Cosmos Granite (west & south east and South West) a related party.*		
7	***CASH AND CASH EQUIVALENTS***		
	a) Cash and Cash equivalents:		
	- Cash on Hand	*3,52,240*	*2,81,850*
	b) Balance with scheduled Banks:		
	- in current accounts	*17,13,163*	*34,41,059*
	-Term Deposit	*7,10,00,000*	*-*
	- E.E.F.C. Account with SBI	*7,05,441*	*6,47,282*
	- E.E.F.C. Account with HDFC	*3,16,63,199*	*24,90,02,042*
	TOTAL (a)	***10,54,34,043***	***25,33,72,233***
8	***Other Bank Balances:***		
	- Unclaimed Dividend accounts	*21,81,328*	*12,39,725*
	- Margin Money Deposit for L.C.	*1,30,00,000*	*3,52,28,072*
	TOTAL (b)	***1,51,81,328***	***3,64,67,797***
	TOTAL(a+b)	***12,06,15,371***	***28,98,40,030***

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	PARTICULARS	AS AT 31.03.2020 Rs.	AS AT 31.03.2019 Rs.
9	**OTHER CURRENT ASSETS**		
	(Advance Recoverable in cash value to be considered)		
	Advances (unsecured,		
	(a) Machinery suppliers	-	-
	(b) Material suppliers	41,56,725	18,30,253
	(c) Staff	8,83,050	3,38,500
	(d) GST Input Credit/Cenvat	58,05,313	1,72,14,700
	(e) Prepaid Expenses	3,35,659	1,52,983
	(f) Accrued Interest on	11,08,372	23,28,746
	TOTAL	**1,22,89,119**	**2,18,65,182**

II EQUITY AND LIABILITIES

10 EQUITY SHARE CAPITAL

Particulars	No. of	AS AT 31.03.2020 Rs.	No. of Shares	AS AT 31.03.2019 Rs.
At the beginning of the year	1,02,68,870	10,26,88,700	1,02,68,870	10,26,88,700
Add: Movement during the	-	-	-	-
At the end of the year	1,02,68,870	10,26,88,700	1,02,68,870	10,26,88,700

11 OTHER EQUITY

Reserves and Surplus as at 31.03.2020

Particulars	Capital Rs.	General Rs.	Retained Rs.	Other Rs.	Total Equity Rs.
Balance at the beginning of	19,06,000	89,33,55,040	1,85,39,110	(4,02,047)	**91,33,98,103**
Less: Dividend paid for the				-	
Add: Net Profit / Movements			7,47,38,788	(4,92,668)	**7,42,46,120**
Profit transferred to General		5,93,35,483		-	-
Balance at the end of the	**19,06,000**	**95,26,90,523**	**1,54,03,305**	**(8,94,715)**	**96,91,05,113**

Reserves and Surplus as at 31.03.2019

Particulars	Capital Rs.	General Rs.	Retained Rs.	Other Rs.	Total equity Rs.
Balance at the beginning of	19,06,000	86,04,09,792	1,85,39,110	71,723	**88,09,26,625**
Less: Dividend paid for the					
Add: Net Profit / Movements			5,14,84,358	(4,73,770)	**5,10,10,588**
Profit transferred to General		3,29,45,248			-
Balance at the end of the	**19,06,000**	**89,33,55,040**	**1,85,39,110**	**(4,02,047)**	**91,33,98,103**

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	PARTICULARS	AS AT 31.03.2020 Rs.	AS AT 31.03.2019 Rs.
12	**Non -current Liabilities:**		
	(a) Borrowings - Vehicle Loan (Refer 12.1)	4,86,423	13,98,245
	(b) Deferred tax liability(net)		
	Opening Balance	1,67,10,233	1,12,69,787
	Add/(Less) for the quarter	19,15,274	54,40,446
	Total	**1,86,25,507**	**1,67,10,233**
12	i) Vehicle loan from HDFC Bank Ltd. is carrying interest at 8.33% p.a. The loan is repayable in 36 equal monthly instalments of Rs.83,140/- each from 7th October, 2018. ii) The loan is secured by way of hypothecation of the Vehicle for which finance is provided by the lender.		
13	**Trade Payables:**		
	i) Sundry Creditors for Materiel Supplies (Refer 13.1)	9,68,49,797	6,99,25,907
	ii) Sundry Creditors for Services	1,23,20,093	1,32,01,743
	iii) Sundry Creditors for Capital goods	61,35,491	11,47,34,401
	iv) Sundry Creditors for Consumables	44,05,029	29,32,027
	Total	**11,97,10,410**	**20,07,94,078**
13	Sundry creditors for material supplies includes an amount of Rs.62,08,132/- payable to Universal Extrusions Pvt. Ltd a related party.		
14	**Other Current Liabilities**		
	(a) Vehicle loans (Current Maturities)		
	HDFC Bank Ltd. (Refer 12.1)	9,11,822	8,36,108
	(b) Outstanding Liabilities - Volume rebate on sales	1,37,61,987	1,26,27,402
	(c) Advances received from Customers (Refer 14.1)	3,30,73,663	3,93,06,830
	(d) Unclaimed Dividend	21,81,328	12,39,725
	(e)Other Outstanding Liabilities	40,66,547	37,63,517
	Total	**5,39,95,347**	**5,77,73,582**
14.1	Advances received from Customers includes an amount of Rs.2,15,03,128/- payable to N.V.Rattaiah & Co., and Rs.48,14,315/- payable to Universal Marketing Agencies Pvt. Ltd., are a related parties.		
15	**Provisions**		
	(a) Provision for Employee benefits		
	(i) Provision for Gratuity	47,68,083	38,97,741
	(b) Provision for others	-	-
	Total	**47,68,083**	**38,97,741**

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	PARTICULARS	For the Year ended 31.03.2020 Rs.	For the Year ended 31.03.2019 Rs.
16	**REVENUE FROM OPERATIONS**		
	Sale of Products (Granite Exports)	15,59,63,272	14,01,50,120
	Sale of Products (Quartz Exports)	39,16,21,441	12,78,87,315
	Sale of Products (DTA sales)	90,24,125	1,44,96,164
	Sale of Traded Goods (Exports)	4,46,65,203	5,15,03,967
	TOTAL	**60,12,74,041**	**33,40,37,566**
17	**OTHER INCOME**		
	(a) Other Operational Income		
	Interest on Margin Money - Received	-	-
	- Accrued and due	6,74,713	24,66,038
	Interest on Electricity Deposit - Accrued &due	1,89,609	2,11,330
	TOTAL (a)	**8,64,322**	**26,77,368**
	(b) Non Operative Income		
	Miscellaneous Income	44,090	14,475
	Profit on Sale of Vehicle	-	3,34,251
	Dividend on HDFC Prudence funds	-	33,82,925
	Gain on Mutual Funds (Marked to Market value)	-	14,645
	Interest on Term Deposits - Received	5,78,480	6,32,465
	Interest on It Refunds	10,05,581	-
	TOTAL (b)	**16,28,151**	43,78,761
	(c) Net gains/(loss) on foreign currency transactions & translation		
	Exchange Variation- on export realisations	62,72,125	(70,975)
	Exchange Variation- on import	10,34,140	85,001
	Exchange Variation- on currency	57,59,312	89,54,765
	Exchange Variation- on Trade receivables	5,82,20,452	3,09,12,202
	Exchange Variation- on current liabilities	(11,34,585)	(60,26,016)
	TOTAL (c)	7,01,51,444	3,38,54,977
	TOTAL (a+b+c)	**7,26,43,917**	**4,09,11,106**
18	**COST OF MATERIAL CONSUMED**		
	(a) CONSUMPTION OF RAW BLOCKS RAW MATERIAL		
	Opening Stock of Raw Blocks	7,22,42,962	7,27,76,612
	Add: Purchases during the year	2,92,75,622	4,02,01,056
		10,15,18,584	11,29,77,668
	Less: Closing Stock	2,68,76,590	7,22,42,962
	Consumption Sub Total (a)	**7,46,41,994**	**4,07,34,706**
	(b) CONSUMPTION OF STORES, SPARES & CONSUMABLES		
	Opening Stock	1,48,03,444	1,38,46,969
	Add: Purchases during the year	2,06,06,370	2,24,19,756
		3,54,09,814	3,62,66,725
	Less: Closing Stock	1,19,52,221	1,48,03,444
	Stores, Spares & Consumables consumed Sub Total (b)	**2,34,57,593**	**2,14,63,281**
	TOTAL (a + b)	**9,80,99,587**	**6,21,97,987**

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	PARTICULARS	For the Year ended 31.03.2020	For theYear ended 31.03.2019
	(c) CONSUMPTION OF QUARTZ RAW MATERIALS		
	Opening Stock of Quartz Material	1,86,78,461	36,88,538
	Add: Purchases during the year	22,29,57,141	9,75,67,924
		24,16,35,602	10,12,56,462
	Less: Closing Stock	1,62,33,791	1,86,78,461
	Consumption Sub Total (c)	22,54,01,811	8,25,78,001
	(d) CONSUMPTION OF QUARTZ CONSUMABLES & STORES,SPARES		
	Opening Stock	41,57,983	-
	Add: Purchases during the year	2,42,46,654	1,12,19,765
		2,84,04,637	1,12,19,765
	Less: Closing Stock	37,69,887	41,57,983
	Stores, Spares & Consumables consumed Sub Total (d)	**2,46,34,750**	70,61,782
	TOTAL (c+ d)	**25,00,36,561**	**8,96,39,783**
	TOTAL (a+b+c+ d)	**34,81,36,148**	**15,18,37,770**
19	**PURCHASE OF TRADED GOODS**		
	Opening Stock	----	----
	Add: Purchases during the year	3,72,63,849	4,32,56,206
	(including packing charges)	3,72,63,849	4,32,56,206
	Less: Closing Stock	----	----
	TOTAL	**3,72,63,849**	**4,32,56,206**
20	**CHANGE IN STOCK**		
	Closing Stock		
	Finished Goods	2,10,21,649	2,16,56,699
	Work-in-process	69,76,491	1,36,59,033
	Sub Total	**2,79,98,140**	**3,53,15,732**
	Opening Stock		
	Finished Goods	2,16,56,699	41,08,666
	Work-in-process	1,36,59,033	88,53,023
	Sub Total	**3,53,15,732**	**1,29,61,689**
	Net change in Stock- Accretion/(Decretion)	**(73,17,592)**	**2,23,54,043**
21	**EMPLOYEES' BENEFIT EXPENSES**		
	(a)Salaries & Wages	2,32,71,978	1,48,78,843
	(b)Salaries & Wages (Quartz)	91,19,094	95,12,703
	(c)Contribution to Provident Fund	5,78,651	6,01,077
	(d)ESI Contribution	3,04,024	4,16,732
	(e)Provision for Gratuity	3,77,674	2,91,391
	(f)Workmen and Staff Welfare	23,74,403	23,02,915
	(g)Directors Remuneration	76,67,617	76,10,000
	TOTAL	**4,36,93,441**	**3,56,13,661**

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No.	PARTICULARS	For the Year ended 31.03.2020	For the Year ended 31.03.2019
22	**FINANCE COST**		
	(a) Interest on vehicle Loans	1,61,572	1,07,193
	(b) Bank Charges	15,09,092	14,47,647
	TOTAL	**16,70,664**	**15,54,840**
23	**OTHER EXPENSES**		
i	**Manufacturing Expenses:**		
	Power & Fuel	2,00,70,471	1,14,64,948
	Transport and Freight - Inward (On raw blocks consumed)	3,84,67,978	2,40,23,093
	Maintenance:		
	Factory Buildings	30,27,387	23,50,025
	Plant & Machinery	39,29,031	61,45,381
	Generators	94,136	36,000
	Packing Material	98,05,543	49,94,632
	Sub Total	**7,53,94,546**	**4,90,14,079**
ii	Rates and Taxes	15,39,013	16,21,212
iii	Travelling Expenses :		
	Inland	10,28,705	9,68,331
	Foreign	14,46,639	16,19,597
iv	Insurance	10,93,937	9,26,619
v	Printing and Stationery	3,66,334	18,12,028
vi	Postage, Telephones, Fax & Telex	3,56,601	5,08,546
vii	Advertisement Charges	82,544	63,882
viii	Professional charges	50,000	1,00,000
viii	Business Promotion Expenses	16,83,908	26,704
ix	Transport & Freight - Outward	2,64,17,105	1,70,97,436
x	Maintenance:		
	Office	8,55,013	12,61,672
	Vehicles	5,19,740	5,48,176
xii	C.S.R. Expenses	2,66,392	1,00,000
xiii	Audit Fees		
	Statutory Audit	3,25,000	3,25,000
	Tax Audit	75,000	75,000
	Secretarial Audit Fees	1,25,000	1,25,000
xiv	Other Misc. expenses	24,75,293	47,51,113
	Sub total	**11,41,00,770**	**8,09,44,395**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE	Particulars		
24	***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.5.79 lakhs (Year ended 31 March, 2019 Rs. 6.01 lakhs) for Provident Fund contributions and Rs.3.04 lakhs (Year ended 31 March, 2019 Rs. 4.17 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:*		
	Particulars	*31.03.2020*	*31.03.2019*
		Rs.	***Rs.***
	Components of employer expense		
	Current service cost	*1,27,054*	*84,641*
	Interest cost	*2,50,620*	*2,06,750*
	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	***3,77,674***	***2,91,391***
	Actual contribution and benefit payments for year		
	Actual benefit payments	-	-
	Actual contributions	-	-
	Net asset / (liability) recognised in the Balance Sheet		
	Opening Net Liability	*38,97,741*	*31,32,580*
	Fair value of plan assets	-	-
	Expenses as above	*3,77,674*	*2,91,391*
	Settlements made	-	-
	Net asset / (liability) recognised in the Balance Sheet	***42,75,415***	***34,23,971***
	Change in defined benefit obligations (DBO) during the year		
	Present value of DBO at beginning of the year	*38,97,741*	*31,32,580*
	Current service cost	*1,27,054*	*84,641*
	Interest cost	*2,50,620*	*2,06,750*
	Curtailment cost / (credit)	-	-
	Settlement cost / (credit)	-	-
	Plan amendments	-	-
	Acquisitions	-	-
	Actuarial (gains) / losses	*4,92,668*	*4,73,770*
	Past service cost	-	-
	Benefits paid		-
		47,68,083	***38,97,741***

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 24	Particulars	31.03.2020 Rs.	31.03.2019 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	*5.68%*	*6.94%*
	*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	*5.02%*	*5.33%*
	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	*47,68,083*	*38,97,741*
	Funded status	*(47,68,083)*	*(38,97,741)*
	Experience gain / (loss) adjustments on plan liabilities	-	-
	Experience gain / (loss) adjustments on plan assets	-	-

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.01 Contingent Liabilities.

Rs. in lakhs.

Sl. No.	Particulars	**2019-20**	2018-19
i	Foreign Letters of Credit opened in favour of Suppliers for which goods are yet to be received.	1276.14	1210.66
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 Company has not received any Memorandum as required to be filed by the suppliers with the notified authority under the Micro, Small & Medium Enterprises Development Act, 2006) to claim their status as micro, small & medium enterprises. Consequently the amount paid/payable to such parties during the year is NIL.

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 AS 108 as issued by ICAI is made.

3.06 Deferred Tax provision has been made as per Accounting Standard No.22 of Institute of Chartered Accountants of India.

3.07 Related party disclosure :
Disclosure as required by Accounting Standard 18 (AS -18) "Related Party Disclosures" are as follows:

i) Key Management Personnel (KMP) : 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)

	2019-20	2018-19
Transaction Value	: Rs.62,95,596/-	Rs. 30,40,124/-
Balance outstanding as on Balance Sheet date	: Rs.62,08,932/- (Creditor)	Rs. 30,88,336/-(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.57,49,941/-	NIL
Balance outstanding as on Balance Sheet date	: Rs.48,14,315/- (Creditor)	NIL
Amount Written off/Back	: NIL	NIL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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	
	Transaction Value	:	Rs. 3,42,97,907/-	Rs.12,39,63,500/-
	Balance outstanding as on Balance Sheet date	:	Rs. 2,15,03,128/- (Creditor)	Rs. 2,31,67,726/-(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
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 granite slabs	
	Transaction Value	:	Rs. 58,30,18,364/-	Rs. 29,71,63,032/-
	Balance outstanding as on Balance Sheet date	:	Rs. 71,26,23,068/-	Rs. 43,91,52,939/- (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.19.30 lakhs to be spent during the year 2019-20 for Corporate Social Responsibility. However, the Company couldn't spend the amount earmarked for Corporate Social Responsibility. During the year 2019-20, an amount of Rs.2.66 lakhs was spent by the company towards the CSR activities in the field of Education and Environment. The Company is identifying the better areas and beneficiaries as per its approved CSR Policy.

3.09 Expenditure in Foreign Currency:	**2019-20** Rs.	2018-19 Rs.
(i) Foreign Travelling & Commissions	14,46,639	16,19,597
(ii) CIF Values of Imports:		
Raw Material	1,63,39,844	2,46,70,967
Finished Slabs	1,60,76,263	1,60,76,263
Capital Goods	Nil	15,68,34,463
Consumables & Spares	1,56,55,559	1,74,01,677
(iii) Earnings in Foreign Currency: (FOB Values of Exports)	59,22,49,916	31,95,41,402

3.10 Consumption of Materials:	**2019-20**		2018-19	
	Value Rs.	**%**	**Value** Rs.	**%**
a) Raw Material & Slabs				
i) Imports –Raw Blocks	1,25,62,042	3.76	2,17,62,679	13.07
- Finished slabs	Nil	--	1,60,76,263	9.65
ii) Indigenous-Raw Blocks	5,89,19,913	17.63	1,89,72,027	11.39
- Finished Slabs	3,72,63,849	11.65	2,71,79,943	16.32
iii) Quartz Raw Material	22,54,01,811	67.46	8,25,78,001	49.57

Divyashakti Granites Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

b) Consumables &Spares				
i) Import	1,85,50,739	38.58	1,65,56,777	58.04
ii) Indigenous	49,06,854	10.20	49,06,504	17.20
iii) Quartz Consumables	2,46,34,750	51.22	70,61,782	24.76

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

	2019-20 (Sq.Mts.)	2018-19 (Sq.Mts.)
i) Production	131854	83797
ii) Sales - From Factory	137882	75950
- Direct Dispatches (Bought out)	12036	12349
iii) Closing Stocks	9873	15901

(b) CONSUMPTION	**2019-20**		2018-19	
	Quantity	**Value (Rs.)**	Quantity	Value (Rs.)
i) Granite Raw Blocks	1805 Cu.Mt	7,14,81,994	1025 Cu.Mt.	4,07,34,706
ii) Finished Slabs & Tiles	9699 Sq.Mt	3,72,63,849	12349 Sq.mt.	4,32,56,206
iii) Quartz Raw Materials	----	22,54,01,811	----	8,25,78,001
iv) Others -Consumables	----	4,80,92,343	----	2,85,25,063

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

SD/-

T.V.CHOWDARY
Director
DIN: 00010435

PLACE : HYDERABAD,
DATE : 18.06.2020.

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 - 2020

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. Thousands)

Total Liabilities	Total Assets
1269379	1269379

Sources of Funds

Paid-Up Capital	Reserves & Surplus	Non Current liabilities	Current liabilities/ Others
102689	969105	19112	178473

Application of Funds

Net Fixed Assets	Investments/ Loans	Non Current Assets	Net Current Assets	Accumulated losses/Misc. expenses
316696	Nil	11820	940863	---

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

Turnover	Total Expenditure	+/- Profit/loss Before Exceptional items	+/- Profit/Loss Before Tax	+/- Profit/Loss After Tax
673918	574483	+ 99435	+ 99435	+ 74739

Earning Per Share	Dividend rate %
Rs. 7.28	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/-

Place: Hyderabad,
Date : 18th June, 2020.

N.HARI HARA PRASAD
Managing Director.
DIN: 00354715

Divyashakti Granites Limited

DIVYASHAKTI GRANITES LIMITED
(CIN: L99999TG1991PLC012764)
Regd. Office: 7-1-58, Divyashakti Complex, Ameerpet, Hyderabad - 500 016.

BALLOT FORM

The members who are not able to attend the Annual General Meeting can send their assent or dissent in writing in respect of the resolutions as set out in the notice by sending the duly filled and signed Ballot Form to the Scrutinizer Mr.PuttaparthiJagannatham, Advocate, by e-mail at corporateadvocatejagan@gmai.com or at Flat No.315, Bhanu Enclave, Adj.ESI Hospital, Erragadda, Hyderabad-500038 so as to reach him on or before 5.00 PM on September 29, 2020.

Sl.No.	Particulars	Details
1.	Name of the first named Shareholder (in Block Letters)	
2	Postal Address	
3.	Folio No/ DP ID & Client ID No.	
4.	Number of Shares held	

I/We hereby exercise my/our vote in respect of Ordinary/Special Resolution enumerated below by recording my/our assent or dissent to the said resolution by placing tick ( ) mark at the appropriate box below:

Item	Resolutions	For (Assent)	Against (Dissent)
1.	Consideration and adoption of Audited Financial Statement, Reports of the Board of Directors and Auditors		
2.	Declaration of Dividend on Equity Shares		
3.	Re-appointment of Smt. Anuradha Anne who retires by rotation		
4.	Appointment of Mr.Musunuri Ramakrishna Prasad (DIN: 01781225) as Independent Director of the Company		
5.	Approval for entering into related party transactions		
6.	Ratification for related party transactions		

Place:

Date :

(Signature of the Shareholder)


Printed Matter
Book - Post
www.divyashakti.com
If undelivered, please return to:
Divyashakti Granites Limited
Flat No.: 1-301 to 304 3rd Floor
7-1-58 Divyashakti Complex
Ameerpet Hyderabad - 500 628
Telangana, India.
T: +91 40 2373 0240 / 1701
F: +91 40 2373 0013
E: info@divyashakti.com