

BOARD OF DIRECTORS

Managing Director

Sri N. Hari Hara Prasad

Directors

Sri M.V. Subba Rao

Sri T.H. Sastry

Sri T.V. Chowdary

Sri N.S.R. Chandra Sekhar Rao

Sri T. Ramesh Chandra Bose

Sri N. Bhanu Prasad

Sri S. Srinivas

Smt Jaishree Nallapati

Auditors:

M/s. Rambabu & Co.

Chartered Accountants

31, Pancom Chambers

6-3-1090/1/A, Rajbhavan Road,

Somajiguda, Hyderabad-500482.

BANKERS:

State Bank of Mysore

Andhra Bank

Factory:

Survey No. 432/1& 447,

Narsapur village,

Medak District.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING(AGM) OF THE MEMBERS OF DIVYASHAKTI GRANITES LIMITED (CIN: L99999TG1991PLC012764) WILL BE HELD ON WEDNESDAY THE 30TH SEPTEMBER, 2015 AT 11.00 A.M AT THE INSTITUTION OF ENGINEERS, KHAIRATABAD, HYDERABAD - 500 004 TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31st March, 2015 and Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To Declare Dividend on Equity Shares.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that the vacancy caused by the retirement by rotation of Mr. N. Bhanu Prasad who does not seek re-appointment be not filled at this Meeting or any adjournment thereof and be kept vacant".
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 the ordinary resolution passed by the members at the 23rd Annual General Meeting of the Company and to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 , the appointment of M/s Rambabu & Co., Chartered Accountants, Hyderabad (Firm Registration No: 002976S as Statutory Auditors of the Company for the financial year ending 31st March,2016 at such remuneration as may be approved by the Board of Directors of the company be and is hereby ratified.

For and on behalf of the Board

N. HARI HARA PRASAD
Managing Director

Place: Hyderabad
Date: 28th May, 2015

NOTES

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and a proxy need not be a member of the company. The instrument of Proxy in order to be effective should be deposited at it's Registered Office of the Company not later than forty eight hours before the commencement of the Meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24-09-2015 to 30-09-2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
3. 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, the same will be payable to those Members whose names appear on the Register of Members as on 24.09.2015.
4. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically. Further all the members are requested to dematerialise their shares.o
5. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):
6. **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 logging in for the first time, please enter the User ID and Password provided in enclosed form.
 - 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 the 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.

General Instructions:

- a. The e-voting period commences on September 27, 2015 (9.00 a.m.) and ends on September 29, 2015 (6.00 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 23, 2015, 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 23, 2015 and not casting their

voteelectronically, may only cast their vote at the Annual General Meeting. Mr.Puttaparthi Jagannatham, Advocate, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- d. The Scrutinizer shall, within a period of not exceeding three working days 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.
- e. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 28th August, 2015. 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 24th Annual General Meeting of the Company on Wednesday, September, 30, 2015 and communicated to the BSE Ltd.

THE EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

ITEM NO. 3: Mr. N. Bhanu Prasad who retires by rotation is eligible for re-appointment and has not opted for reappointment . The Company does not propose to fill up the vacancy at this Meeting or any adjournment thereof. Hence as required under Section 152(7)(a) of the Companies Act, 2013, the resolution as contained at Item No.3 of the Notice has been proposed seeking that the vacancy caused by the retirement of Mr. N. Bhanu Prasad be not filled up at this meeting or any adjournment thereof and be kept vacant".

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure to present the 24th Annual Report and the Audited Accounts for the financial year ended 31st March, 2015.

1. FINANCIAL RESULTS

	Year ended 31.03.2015 (Rs. in lakhs)	Year ended 31.03.2014 (Rs. in lakhs)
Sales	6295.93	6078.07
Gross Operating Profit before depreciation and exchange variation	1196.17	1213.06
Profit after depreciation but before exchange variation	1091.32	1109.63
Profit after depreciation, exchange variation and before Exceptional Items	1452.54	1515.94
Profit after Exceptional items	1452.54	1515.94
Profit after Tax	934.60	989.04
Appropriations:		
General Reserves	749.21	808.27
Proposed Dividend	154.03	154.51
Tax on dividend	31.36	26.26
Total	934.60	989.04

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, 2015, aggregating an amount of Rs.154.03 lakhs.

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

The Company has proposes to transfer an amount of Rs. 749.21 lakhs to Reserves during the financial year .

4. Finance:

Cash and cash equivalents as at 31st March, 2015 was Rs. 4272.88 lakhs. The company continues to focus on judicious management of its working capital , receivables, inventories and other working capital parameters and they were kept under strict check through continuous monitoring.

5. COMPANY'S WORKING DURING THE CURRENT YEAR 2014-2015 AND THE FUTURE PROSPECTS ALONG WITH REASONS WHILE COMPARING WITH PREVIOUS YEAR RESULTS

Your Company has exported polished granite slabs and polished monuments valued at **Rs.6164 lakhs** to U.S.A. during the year under consideration. As regards the Raw Materials, out of the total purchases of Raw Blocks valued at **Rs.1516 lakhs** made during the year, about 16% are imported from Brazil, Finland, Norway etc.

The year closed on a positive note with export orders on hand to the tune of **Rs.220 lakhs** as compared to Rs.260 lakhs of last year. In spite of the problems faced by the Granite Industry and the all-round downward economic slide in the International Arena, your company has managed to improve the performance during the current year. The improvement is to the extent of about Rs. 218 lakhs.

S.No.	Items	Previous year	Current year
1	Sales (Indian)	1,33,58,516	1,31,72,230
2	Sales (Exports)	59,44,48,707	61,64,20,612

6. CHANGE IN NATURE OF BUSINESS:

During the year the company has not changed its business . The Shareholders approved the resolution by postal Ballot for addition of object relating to generation, production and storage of solar, hydel and all other forms of energy.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE 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 safeguard and protected against losses. The Internal Auditors of the company conducts the audit on regular basis and the Audit Committee periodically reviews internal audit reports and effectiveness of internal control systems.

10. DETAILS OF SUBSIDIARY / JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any subsidiaries or Joint Venture or associate companies.

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

Not Applicable

12. DEPOSITS

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

13. AUDITORS AND OBSERVATIONS :

M/s Rambabu & Co, Chartered Accountants, Independent Auditors of the Company were appointed in the last Annual General meeting for a period of three years till conclusion of Twenty sixth Annual General Meeting . The resolution relating to ratification of the appointment is placed before the members in the ensuing Annual general meeting.

14. SECRETARIAL AUDIT REPORT

Pursuant to provisions of section 204 of the Companies Act, 2013 , the Company has appointed Puttaparthi Jagannatham and 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 -1**.

15. EXTRACT OF ANNUAL RETURN :

The extract of the Annual Return is attached as **Annexure 2**

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 utilisation 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 utilisation of energy are not quantitative, its impact on cost cannot be stated accurately.
- d) Details of electricity consumption is as under:

	2014-15	2013-14
1. Electricity		
a) Purchased Units	2675162	2468465
Total Amount (Rs. in lakhs)	207.63	207.94
Average Cost/Unit (Rs./KWH)	7.76	8.42
b) Own Generation Through Diesel Generator		
Total Units	312960	234720
Total Amount (Rs. in lakhs)	53.76	40.53
Units per liter of Diesel Oil	3.26	3.26
Average Cost/Unit (Rs./KWH)	17.18	17.27

(B) Technology Absorption:

No outside technology is being used for manufacturing activities, therefore no technology absorption is required The Company constantly strives for

maintenance and improvement in quality of its products and entire research and development activities are directed to achieve the aforesaid goal.

(C) Foreign exchange earnings and outgo : Details of foreign exchange earnings and outgo are as follows

- a) **Foreign Exchange Earnings** : Rs. 6164.21Lakhs
- b) **Foreign Exchange Outgo** : Rs. 820.24 Lakhs

18. CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

The Company has constituted the CSR committee as per the CSR Policy Rules and has identified the Education, Environment as the broad areas towards providing clean and hygienic water , and health related areas as the focus areas for CSR activities. The Company could not spend the earmarked money because of the problems in identifying the areas and beneficiaries."

19. DIRECTORS

A) Changes in Directors and Key managerial personnel:

In the last AGM held on 29th September 2014, the appointment of Sri T. Ramesh Chandra Bose and Sri S. Srinivas, Reappointed of Sri MV Subba Rao as Independent directors of the Company and the regularization of appointment of Smt. Jaisree Nallapati as whole time Director of the company, were approved.

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Shri N.Bhanu Prasad is due to retire by rotation in the ensuing Annual General Meeting and though eligible, has not so far offered himself for reappointment and hence the vacancy is proposed not to be filled in and be kept vacant.

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.

24. PREVENTION OF INSIDER TRADING:

The Company has adopted a code of conduct 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.

All the Board Members and the designated employees have confirmed compliance with the Code.

25. NOMINATION AND REMUNERATION COMMITTEE:

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

Name of Members	Designation
1. Shri T.V.Chowdary	Chairman
2. Shri M.V.Subba Rao	Member
3. Shri T.H.Sastry	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.

26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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 shall be disclosed in Form No. AOC -2 as **Annexure-3**.

27. 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.

Remuneration to Directors :	2014-15 Rs.	% on total salaries.
(a) Managing Director - Salary	24,00,000	18%
- Perquisites	13,14,749	

- 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 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.

28. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement, a Report on Corporate Governance, forming part of this Report, together with the Auditors' Certificate regarding the compliance of the conditions of Corporate Governance is annexed as **Annexure - 4** to Report.

29. 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

30. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and 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 and loss of the company for that period;

- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors, in the case of a listed 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.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. FORFEITURE OF PARTLY PAID SHARES:

As per Clause 36(7)(V) of the Listing Agreement, and as per the Provisions of the Companies Act, 2013 the Company has forfeited 81,200 partly paid up equity shares on which the final call money of Rs. 5/- per share was not paid by due date of final notice as per the regulations on the subject and consequently the paid up share capital of the Company stands reduced by Rs. 4.06 lakhs, and hence the total paid up capital as at end of the year is Rs.1026.89 lakhs.

32. ALTERATION / ADDITION OF OBJECTS CLAUSE OF MEMORANDUM OF ASSOCIATION:

Your Directors are pleased to inform that in accordance with the provisions of Section 4,13 and all other applicable provisions, if any, of Companies Act,

2013, the Objects Clause of the Memorandum of association was altered to enable the company to setup solar power plant for captive consumption and further, exploring the possibility of generation/production, storage, transmission/ distribution/supply and sale of electricity by way of conventional or non-conventional sources of energy such as solar, hydel, fuel cells, thermal, atomic, gas, wind, tidal and all form of energy for own use/consumption.

33 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 2015-2016.

34. 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 share holders, including the promoters, holding the shares in physical form for dematerialization of their shares.

35. 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

36. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report as required under 49 of the listing agreement with stock exchange forms part of this report.

37. INTERNAL COMPLAINTS COMMITTEE:

The company has constituted "Internal Complaints Committee" as required under section 4 (1) of Sexual harassment of women at work place (prevention, prohibition and redressal) act, 2013.

This committee consists of following members:

1. Smt. Jaishree Nallapati
2. Sri S. Srinivas
3. Sri N.S.R.C.Sekhara Rao

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 State Bank of Mysore. 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

(N.HARI HARA PRASAD)
Managing Director

(T.H.SASTRY)
Director

Place : Hyderabad,
Date : 28th May, 2015.

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 2015

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 2015 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 2015 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, 1992;
 - 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - 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;
- 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:

- (i) The Listing Agreements 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) As required by the Companies Act 2013 and the listing Agreement , the Company Secretary has not been appointed.
- (ii) The Prescribed CSR expenditure of 2% of average net profit of the last three years has not been spent by the company
- (iii) During the period covered under audit, one form MGT -14 for registration of resolution for Approval of Annual Accounts for the year 2013-2014 passed on 30.05.2014 was filed late.

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.

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.

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

We further report that during the period under the review, the company has conducted postal ballot for obtaining members approval under section 180 (1) (a) and 180 (1) (c).

Place : Hyderabad

Date : 27.05.2015

Signature:

Rama Bandaru
Partner
ACS No: 19456
C P No.: 7739

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

Appendix A:

To

The Members,

Divyashakti Granites Limited

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

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

Place : Hyderabad

Date : 27.05.2015

Signature:

Rama Bandaru
Partner
ACS No: 19456
C P No.: 7739

ANNEXURE-2

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : **L99999AP1991PLC012764**
- ii) Registration Date : 04-06-1991
- iii) Name of the Company : **DIVYASHAKTI GRANITES LIMITED**
- iv) Category / Sub-Category of the Company : Public Company, Limited by shares
- v) Address of the Registered office and contact details : 7-1-58, Divyashakthi Apartments
Ameerpet, Hyderabad.
Phone: 040-23730240, 23731701
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar : Venture capital & corporate investments
Private Limited
120-10-167, Bhartnagar, Hyderabad

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture & Export Of Polished Granites Slabs, Tiles & Monuments	68022390	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
1	NA		

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% of Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3450988	2033843	5484831	52.99	3956971	1587260	5544231	53.99	
b) Central Govt	0	0	0	0	0	0	0	0	
c) State Govt(s)	0	0	0	0	0	0	0	0	
d) Bodies Corp.	0	0	0	0	0	0	0	0	
e) Banks / FI	0	0	0	0	0	0	0	0	
f) Any other	0	0	0	0	0	0	0	0	
Sub-total (A)(1):-	3450988	2033843	5484831	52.99	3956971	1587260	5544231	53.99	
(2) Foreign									
a)Individuals(Non-Resident Individuals /Foreign Individuals)	0	164760	164760	1.59	0	0	164760	1.60	
b) Bodies Corporate	0	0	0	0	0	0	0	0	
c) Institutions	0	0	0	0	0	0	0	0	
d) Any other	0	0	0	0	0	0	0	0	
Sub-total (A)(2):-	0	164760	164760	1.59	0	164760	164760	1.60	
Total shareholding of Promoter (A)	3450988	2198603	5649591	54.58	3956971	1752020	5708991	55.59	
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	
a) Mutual Funds	0	0	0	0	0	0	0	0	
b) Banks / FI	0	0	0	0	0	0	0	0	
c) Central Govt	0	0	0	0	0	0	0	0	
d) State Govt(s)	0	0	0	0	0	0	0	0	
e) Venture Capital Funds	0	0	0	0	0	0	0	0	
f) Insurance Companies	0	0	0	0	0	0	0	0	
g) FIs	0	0	0	0	0	0	0	0	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
i) Others (specify)	0	0	0	0	0	0	0	0	
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	

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2. Non-Institutions									
a) Bodies Corp.									
i) Indian	59981	5600	65581	0.63	100106	5600	105706	1.03	
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	751985	639113	1391098	13.44	790318	536613	1326931	12.92	
ii) Individual share holders holding nominal share capital in excess of Rs 1 lakh	875258	2329230	3204488	30.96	808157	2269830	3077987	29.97	
c) Others (specify)									
Non Resident Indians	22554	10700	33254	0.32	16519	10700	27219	0.27	
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	
Foreign Nationals	0	0	0	0	0	0	0	0	
Clearing Members	6058	0	6058	0.06	22036	0	22036	0.21	
Trusts	0	0	0	0	0	0	0	0	
Foreign Bodies - D R	0	0	0	0	0	0	0	0	
Sub-total (B)(2):-	1715836	2984643	4700479	45.41	1737136	2822743	4559879	44.40	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1715836	2984643	4700479	45.41	1737136	2822743	4559879	44.40	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	
Grand Total (A+B+C)	5166824	5183246	10350070	100	5694107	4574763	10268870	100	

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B) Shareholding of Promoters-

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Share of the company	%of Shares Pledged / encumbered to total Shares	
1	Nallapati Vamsee Mohan	230500	2.24	0	82000	2.24	0	
2	Bhaskharamma Karumanchi	164760	1.60	0	164760	1.60	0	
3	Jaishree Nallapati	505983	4.93	0				
4	Nallapati Hari Hara Prasad	2332256	22.71	0	2332256	22.71	0	
5	N V Rattaiah	10520	0.10	0	10520	0.10	0	
6	Bhanu Prasad Nallapati	324620	3.16	0	324620	3.16	0	
7	Nalapati Siva Rama Chandra Sekhar Rao	157760	1.53	0	137760	1.53		
8	Anuradha Anne	465992	4.54	0	465992	4.54	0	
9	Nallapati Rama Chandra Prasad	83000	0.81	0	83000	0.81	0	
10	A Bhavani Prasad	295900	2.88	0	295900	2.88	0	\
11	G V Krishna	411900	4.01	0	411900	4.01	0	
12	G Rama Krishna	408100	3.97	0	408100	3.97	0	
13	Uma Shree Nallapati	317700	3.09	0	317700	3.09	0	

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	5649591	54.59	5708991	55.60
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	13.06.2014 Transfer of shares			
	At the end of the year	5708991	55.60		

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**D) Shareholding Pattern of top ten Shareholders:
(other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Are Venkateswara Rao				
	At the beginning of the year	398200	3.85	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	
	At the end of the year	398200	3.88	—	
2	Lakshmi Lavanya Narra				
	At the beginning of the year	291800	2.82	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	
	At the end of the year	291800	2.84	—	
3	N Ramatarakam				
	At the beginning of the year	242300	2.34	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	
	At the end of the year	242300	2.36	—	
4	Nagendram Nallapati				
	At the beginning of the year	233600	2.26	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	
	At the end of the year	233600	2.27	—	
5	N Lakshminarayana				
	At the beginning of the year	233000	2.25	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	
	At the end of the year	233000	2.27	—	

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

6	Sangeetha S				
	At the beginning of the year	173630	1.68	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	24170	0.25		
	At the end of the year	197800	1.93	—	
7	A Sarada				
	At the beginning of the year	192830	1.86	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	
	At the end of the year	192830	1.88	—	
8	Amita Kirtikumar Vora Kirtikumar Fulchand Vora				
	At the beginning of the year	179255	1.73	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	
	At the end of the year	179255	1.74	—	
9	G Laxmi Sowjanya				
	At the beginning of the year	175000	1.69	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	
	At the end of the year	175000	1.70	—	
10	Narayana Swami Daamodhar Jijibai				
	At the beginning of the year	150000	1.45	—	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	
	At the end of the year	150000	1.46	—	

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E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the
1	Thati Venkataswamy Chowdary	NIL			
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				
2	Rameshchandra Bose Tummula	NIL			
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				
3	Sunkara Srinivas				
	At the beginning of the year	48200	48200	0.47	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year	48200	48200	0.47	
4	Tadepalli Hanumath Sastry	NIL			
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				
5	Movva Subbarao Venkata	NIL			
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment : NIL

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD Sri N.HARI HARA PRASAD				Total Amount
		—	—	—	—	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2400000				2400000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1314749				1314749
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify...					
5	Others, please specify					
	Total (A)					3714749
	Ceiling as per the Act					

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

B. Remuneration to other directors: NIL

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		—	—	—	—	
1.	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN.	Particulars of Remuneration	Key Managerial Personal			
		CEO	CS	CFO	Total
1	Gross salary	—	—	—	—
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit others, specify...				
5	Others, please specify				
	Total				

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE -3

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-
Date of meeting in which approved : 30th May 2014

- | | | | | |
|----|--|---|---|---------------------------|
| a) | Name of the party | : | M/s Universal Extrusions Pvt.Ltd., | |
| | Relationship | : | A company in which Managing Director and Director are Directors | |
| | Nature of Transaction | : | Packing wood material (purchase) | |
| | | | 2014-15 | 2013-14 |
| | Transaction Value | : | Rs. 53,32,792/- | Rs.46,81,811/- |
| | Balance outstanding as on Balance Sheet date | : | Rs.27,73,559/- (Creditor) | Rs.10,60,767/- (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. ,67,82,620/- | Rs. 12,67,493/- |
| | Balance outstanding as on Balance Sheet date | : | Rs. 17,00,000/- (Debtor) | Rs. NIL |
| | Amount Written off/Back | : | NIL | NIL |
| c) | Name of the party | : | M/s N.V.Rattaiah & Co., | |
| | Relationship | : | A company in which Managing Director and Director are Partners | |
| | Nature of Transaction | : | Sale of granite slabs | |
| | Transaction Value | : | Rs. 82,01,697/- | Rs.21,63,577/- |
| | Balance outstanding as on Balance Sheet date | : | Rs. 56,68,844/- (Debtor) | Rs. 3,75,148/- |
| | 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 | |
| | Transaction Value | : | NIL | NIL |
| | Balance outstanding as on Balance Sheet date | : | NIL | NIL |
| | Amount Written off/Back | : | NIL | NIL |

ANNEXURE - 4

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 is at present composed of Nine (9) Directors, out of whom One (1) is Managing Director and Eight are Non-Executive Directors. During the year under review, there were in all Five (5) 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 ast AGM	No .of Directorships in other Boards
1	Shri N.Hari Hara Prasad	5	Yes	5
2	Shri T.H.Sastry	4	Yes	Nil
3	Shri T.V.Chowdary	4	Yes	8
4	Shri M.V.Subba Rao	1	No	Nil
5	Shri N.S.R.C.Sekhar Rao	2	No	1
6	Shri N.Bhanu Prasad	Nil	No	4
7	Shri T.R.Chandra Bose	5	Yes	6
8	Shri S.Srinivas	5	Yes	1
9	Smt Jaishree Nallapa ti	3*	Yes	1

* Joined the Board on 01.06.2014.

The dates of Board Meetings held during the year under review are: 30.05.2014, 31.07.2014, 30.10.2014, 30.01.2014 and 02.03.2015.

AUDIT COMMITTEE

As per clause 49 of the Listing Agreement, 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, in all, 4 meetings of the Committee took place and attendance thereat is as under:

Name of the Member	Designation	No. of Meetings Attended	Remarks
Shri M.V.Subba Rao	Chairman	Nil	—
Shri T.H.Sastry	Member	4	—
Shri N.S.R.C.Sekhara Rao	Member	4	—

REMUNERATION COMMITTEE

The Board of Directors of the Company has 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.

Name of Members	Designation
1. Shri T.V.Chowdary	Chairman
2. Shri M.V.Subba Rao	Member
3. Shri T.H.Sastry	Member

REMUNERATION OF DIRECTORS

Other than whole-time 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.2.07 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 companies 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. Jaishree Nallapati, Woman Director is overseeing the Finance and General welfare of the employees including Women employees and her contribution has been rated very good.
- d) Other independent Directors by their contribution and presence contributed to the corporate governance and discharge of CSR initiatives and their performance has been rated good.

Remuneration

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings.

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, 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;

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.

e) PERFORMANCE EVALUATION COMMITTEE

The company has formed a performance evaluation committee consisting of the following members from 30.10.2014.

Name of the Member	Designation
Shri T.R.C.Bose	Chairman
Shri N.S.R.C.Sekhara Rao	Member
Shri S.Srinivas	Member

The committee met 2 times during the financial year ended March 31, 2015. The attendance record of the members at the meeting were as follows

Name of the Member	Designation	No. of Meetings Attended
Shri T.R.C.Bose	Chairman	2
Shri N.S.R.C.Sekhara Rao	Member	1
Shri S.Srinivas	Member	2

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Appointment and Remuneration Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

f) The company has formed a business risk evaluation/management committee consisting of the following members.

Name of the Member	Designation	No. of Meetings Attended
Sri T.H.Sastry Independent Director	Chairman	2
Sri T.V Chowdhary Independent Director	Member	2
S. Srinivas Independent Director	Member	2
Jaishree Nallapati Whole Time Director, C.F.O.	Member	2

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Business Risk Evaluation and Management is ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks and also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of

1. Oversight of risk management performed by the executive management;
2. Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
3. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks;

Within its overall scope as aforesaid, the Committee shall review risks trends, exposure and po-tential impact analysis and mitigation plan.

INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met on 02.03.2015, 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

In accordance with the Companies Act, 2013, Shri N.Bhanu Prasad is due to retire by rotation in the ensuing Annual General Meeting and though eligible, has not offered himself for reappointment.

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 of the Auditors:*

Certificate of the Statutory Auditor's has been obtained on the compliance of the conditions of Corporate Governance in terms of Clause 49 of the Listing Agreement with stock exchanges and the same is annexed.

- 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 Clause 49 of the listing agreement of the stock exchange. Further, the Company has adopted non-mandatory requirement of Clause 49 of the listing agreement, viz., 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.*

MEANS OF COMMUNICATION

Quarterly/Half Yearly Financial Results of the Company are forwarded to the Bombay Stock Exchanges 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 it's 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, fluctuations in foreign currency etc.

May be good idea to detail

GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

AGM No.	Location	Date	Time	Whether any special Resolutions were passed
21 st AGM	The Institution of Engineers, Khairatabad, Hyderabad.	26.09.2012	10.00 a.m	No
22 nd AGM	- DO -	30.09.2013	11.00 a.m	Yes
23 rd AGM	- DO -	30.09.2014	11.00 a.m	Yes

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

DEMATERIALIZATION OF SHARES

The shares of the company to the extent of 5696107 have been dematerialized and the share to the extent of 4572763 of the shareholders who have not yet dematerialized, the share held by them in physical form and they 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 : 24th AGM
Date : 30th September, 2015
Time : 11.00 a.m
Venue : The Institution of Engineers
Khairatabad, Hyderabad-500 004
- b) Financial Calendar : 1st April to 31st March
- c) Date of Book Closure : 24-09-2015 TO 30-09-2015
- d) Dividend Payment Date : ON OR BEFORE 30.10.2015
- 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 Stock Exchange, Mumbai
Phiroze Jeejeebhoy towers,
Dalal Street, MUMBAI-400 001.
- g) International Securities
Identification Number : INE410G01010
- h) Code/Symbol : BSE - 526315
- i) Market Price Data :

Month	BSE High (Rs.)	Low (Rs.)	No. of Shares
April, 14	28.00	24.40	21227
May, 14	31.10	25.05	48295
June, 14	32.55	25.95	46099
July, 14	33.50	26.20	38672
August, 14	37.25	30.75	77381
September, 14	44.00	35.40	92359
October, 14	41.00	36.30	19511
November, 14	57.00	36.55	212667
December, 14	50.10	41.75	60869
January, 15	53.50	45.85	120138
February, 15	55.15	46.40	119409
March, 15	55.00	44.65	62182

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

- j) Registrar & Share Transfer Agent : **VENTURE CAPITAL AND CORPORATE INVESTMENTS PVT. LTD.**
(Physical and Electronic) H.No.12-10-167, Bharatnagar,
Hyderabad - 500 018.
Phone: 040-23818472/23818476/2386
Fax: 040-23868024,
Email: info@vccilindia.com

k) Share Transfer Systems :

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

l) Distribution of Shareholdings (As on 31.03.2015)

Share Holdings	No. of Shareholdings	% of total	No. of Shares	% of total
Up to 500	4221	88.53	626144	6.10
501 - 1000	261	5.47	220339	2.15
1001 - 2000	132	2.77	204977	2.00
2001 - 3000	55	1.15	140802	1.37
3001 - 4000	10	0.21	36096	0.35
4001 - 5000	15	0.31	71517	0.70
5001 - 10000	21	0.44	135872	1.32
10001 & above	53	1.11	8833123	86.02
Total	4768	100.00	10268870	100.00

m) Promoters Shareholdings (As on 31.03.2015)

Sl. No	Name of the Promoter Mr./Ms	No. of Shares	% of Total
1	NALLAPATI VAMSEE MOHAN	230500	2.24
2	BHASKHARAMMA KARUMANCHI	164760	1.60
3	JAISHREE NALLAPATI	505983	4.93
4	NALLAPATI HARI HARA PRASAD	2332256	22.71
5	N V RATTAIAH	10520	0.10
6	BHANU PRASAD NALLAPATI	324620	3.16
7	NALLAPATI SIVA RAMA CHANDRA SEKHARA RAO	157760	1.53
8	ANURADHA ANNE	465992	4.54
9	NALLAPATI RAMA CHANDRA PRASAD	83000	0.81
10	A BHAVANI PRASAD	295900	2.88
11	G V KRISHNA	411900	4.01
12	G RAMA KRISHNA	408100	3.97
13	UMA SHREE NALLAPATI	317700	3.09
	TOTAL	5708991	55.60

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

- n) **Statement showing holding of shares of persons belonging to the category "Public" and more than 1% of the total number of shares.**

Sl. No	Name of the Promoter Mr./Ms	No. of Shares	% of Total
1	AMEETA KIRTIKUMAR VORA KIRTIKUMAR FULCHAND VORA	179255	1.75
2	SANGEETHA S	197800	1.93
3	N RAMATARAKAM	242300	2.36
4	G PRAMEELA	148500	1.45
5	A SARADA	192830	1.88
6	G LAXMI SOWJANYA	175000	1.70
7	NARAYANA SWAMY DAAMODHAR JIJIBAI	150000	1.46
8	ARE VENKATESWARA RAO	398200	3.88
9	N LAKSHMINARAYANA	233000	2.27
10	NAGENDRAM NALLAPATI	233600	2.27
11	LAKSHMI LAVANYA NARRA	291800	2.84
	TOTAL	2442285	23.78

- o) 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.

- p) **Plants Locations** : DIVYASHAKTI GRANITES LIMITED
Survey No.432/1 & 447,
Narsapur Village, Medak District, A.P.

- q) **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 to the Corporate Governance Report.

- r) **Compliance Officer** : Shareholders can correspond at the
Registered office of the Company at
Hyderabad with **Mr. D.N. Satyanarayana**
Compliance Officer.

**MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER (CEO)
CERTIFICATAON**

To

The Board of Directors' of Divyashakti Granites Limited.

Dear Sirs,

Sub: Managing Director/Chief Executive Officer (CEO) Certification

Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges:

We have reviewed the financial statements and the cash flow statement of Divyashakti Granites Limited for the year ended March 31, 2015 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.

Place: Hyderabad,
Date: 28.05.2015.

N.HARI HARA PRASAD
Managing Director/CEO

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

Place: HYDERABAD
Date: 28.05.2015

N. HARI HARA PRASAD
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

**To
The Members of,
DIVYASHAKTI GRANITES LIMITED
HYDERABAD.**

We have examined the compliance of conditions of Corporate Governance by Divyashakti Granites Limited for year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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 above mentioned listing agreements(s).

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**

**RAMA BANDARU
PARTNER
CP NO 7739**

Place: Hyderabad.
Date: 28.05.2015

INDEPENDENT AUDITORS' REPORT

To The Members of
DIVYASHAKTHI GRANITES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of DIVYASHAKTHI GRANITES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the 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 the 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 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.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under, to the extent applicable.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements of The Institute of Chartered Accountants Of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management as well as evaluating the overall presentation of the financial statements.

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion:

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2015, and its profit and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - 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 written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31st March, 2015 on its financial position in its financial statements as referred to in note 3.01 to the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and required on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2015.

Place: Hyderabad
Date: 28-05-2015

FOR RAMBABU & Co.,
Chartered Accountants
FRN: 02976S.

Ravi Rambabu
Partner
M.No.018541

The Annexure referred to in the Independent Auditors' Report of even date on the Financial Statements to the Members of Divyashakthi Granites Limited for the year ended 31 March 2015. We report that:

i. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particular 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.

ii. In respect of Inventories:

- ii. a) As explained to us, the inventories except goods in transit and stocks lying with third parties 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.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence we have not reported on the related matters of this clause and sub-clauses.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. 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

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

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.

- vii. According to the information and explanations given to us in respect of statutory dues:
- a) The Company has been regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and any other material statutory dues applicable to it.
 - b) There were no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues in arrears as at 31st March 2015 for a period more than of six months from the date they became payable.
 - c) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute.
 - d) The Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act 2013 and the Rules made thereunder.
- viii. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses during the financial year covered by audit and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xi. In our opinion and according to the information and explanations given to us, during the financial year the Company has not raised any fresh term loans.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

Place: Hyderabad
Date: 28-05-2015

FOR RAMBABU & Co.,
Chartered Accountants
FRN: 002976S

Ravi Rambabu
Partner
M.No.018541

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

BALANCE SHEET AS AT 31ST MARCH, 2015

(Rupees)

PARTICULARS	Note No.	AS AT 31.03.2015	AS AT 31.03.2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	1.01	10,26,88,700	10,30,08,200
(b) Reserves & Surplus	1.02	67,19,30,062	59,66,02,970
(2) Non-current Liabilities			
(a) Deferred Tax liabilities (Net)	1.03	92,54,219	73,82,495
(3) Current Liabilities			
(a) Trade Payables	1.04	3,43,39,482	3,99,95,312
(b) Other Current Liabilities	1.05	3,57,83,334	5,15,60,023
(c) Short-Term Provisions	1.06	2,02,98,984	2,30,73,294
TOTAL		87,42,94,781	82,16,22,294
II ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
Tangible Assets	1.07	7,41,62,922	7,35,81,420
(b) Long term loans and advances	1.08	33,89,260	34,64,260
(2) Current Assets			
(a) Inventories	1.09	7,59,56,776	12,57,47,771
(b) Trade receivables	1.10	28,31,49,511	29,94,62,412
(c) Cash & Cash equivalents	1.11	42,72,87,574	31,25,97,815
(d) Short-term loans and advances	1.12	90,21,238	54,92,847
(e) Other current assets	1.13	13,27,500	12,75,769
Significant Accounting Policies & Notes forming part of the Financial Statements.			
TOTAL		87,42,94,781	82,16,22,294

As per our Report of even date attached
For RAMBABU & Co.,
Chartered Accountants
Firm Reg. No. 002976 S

RAVI RAMBABU
Partner
Membership No.18541

Place : Hyderabad.
Date : 28.05.2015

For and on Behalf of the Board

JAISHREE NALLAPATI
Chief Financial Officer

N.HARI HARA PRASAD
Managing Director

T.H.SASTRY
Director

T.V.CHOWDARY
Director

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rupees)

PARTICULARS	Note No.	For the Year ended 31.03.2015	For the Year ended 31.03.2014
I REVENUE FROM OPERATIONS	2.01		
Sale of Products (Exports)		44,98,04,457	51,97,85,901
Sale of Products (DTA sales)		1,48,47,295	1,53,34,062
Sale of Traded goods (Exports)		16,66,16,155	7,46,62,806
		63,12,67,907	60,97,82,769
Less: Excise Duty		16,75,065	19,75,546
REVENUE FROM OPERATIONS (Net)		62,95,92,842	60,78,07,223
II OTHER INCOME	2.02	6,79,93,674	5,22,48,880
III TOTAL REVENUE (I+II)		69,75,86,516	66,00,56,103
IV EXPENSES			
(a) Cost of Materials Consumed	2.03	24,72,93,773	27,99,44,254
(b) Purchases of Traded goods	2.04	14,23,21,119	5,80,13,399
(c) Change of Inventories of finished goods work-in-progress (accretion)/decretion	2.05	1,71,968	(22,11,513)
(d) Manufacturing Expenses	2.06	9,78,89,812	11,12,60,593
(e) Employees benefit expenses	2.07	2,08,74,514	1,79,53,363
(f) Finance Cost	2.08	6,71,496	8,98,788
(g) Depreciation and amortization expenses	1.08	1,04,85,224	1,03,43,490
(h) Other Expenses	2.09	3,26,24,344	3,22,59,966
Total Expenses		55,23,32,250	50,84,62,340
V Profit before exceptional items (III - IV)	(A - B)	14,52,54,266	15,15,93,763
VI Exceptional Items		—	—
VII Profit before Tax		14,52,54,266	15,15,93,763
VIII Tax Expenses			
(1) Current Tax		5,08,13,000	4,95,90,000
(2) Tax expenses relating to earlier years		(8,90,660)	44,65,140
(3) Deferred Tax (Asset)		18,71,724	(13,65,585)
IX Net Profit for the year		9,34,60,202	9,89,04,208
X Earning per share	2.10		
(Par value per share Rs.10/-each)			
i) Basic		9.10	9.60
ii) Diluted		9.10	9.60

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

As per our Report of even date attached

For RAMBABU & Co.,
Chartered Accountants
Firm Reg. No. 002976 S

RAVI RAMBABU
Partner
Membership No.18541

Place : Hyderabad.
Date : 28.05.2015

For and on Behalf of the Board

JAISHREE NALLAPATI **N.HARI HARA PRASAD**
Chief Financial Officer Managing Director

T.H.SASTRY
Director

T.V.CHOWDARY
Director

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

(Rupees)

PARTICULARS	31.03.2015	31.03.2014	Year ended 31.03.2015	Year ended 31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net profit before tax and extraordinary items			14,52,54,266	15,15,93,763
Adjustments for :-				
Depreciation	1,04,85,224	1,03,43,490		
Exceptional Items	—	—		
Interest Income	(14,07,188)	(10,48,245)		
Miscellaneous expenses written off	—	—		
			90,78,036	92,95,245
Operating profit before working capital changes			15,43,32,302	16,08,89,008
Working capital Adjustments for :-				
Trade and other Receivables	1,28,07,779	3,10,64,421		
Inventories	4,97,90,995	(167,90,846)		
Trade Payable	(2,27,86,796)	(1,78,88,426)		
			3,98,11,978	(36,14,851)
Cash generated from operations			19,41,44,280	15,72,74,157
Income Tax Paid	(5,43,33,776)	(4,82,31,946)		
Income Tax of earlier period (other than tax on Dividend)	8,90,660	(44,65,140)		
			(5,34,43,116)	(5,26,97,086)
Net cash inflow from operating activities			14,07,01,164	10,45,77,071
B. CASH FROM INVESTING ACTIVITIES:-				
F. E. Fluctuations - Capital items.	—	—		
Interest received	14,07,188	10,48,245		
Purchase/Sale of fixed assets	(1,10,66,726)	—		
Deposit of Margin Money	—	—		
Realisation of Margin Money	62,00,000	1,33,00,000		
			(34,59,538)	1,43,48,245
Net cash flow from investing activities			(34,59,538)	1,43,48,245

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

(Rupees)

PARTICULARS	31.03.2015	31.03.2014	Year ended 31.03.2015	Year ended 31.03.2014
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Issue of Share capital	—	—		
Calls in arrears received	86,500	—		
Subsidy	—	—		
Interest paid	—	—		
Dividend paid	(1,46,31,830)	(1,58,97,176)		
Tax on Dividend paid	(26,25,937)	(26,25,937)		
Proceeds from long term borrowings	—	—		
			(1,71,71,267)	(1,85,23,113)
Net Cash flow from financing activities			(1,71,71,267)	(1,85,23,113)
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)			12,00,70,359	10,04,02,203
Cash and cash equivalents as at 01.04.2014			25,75,58,265	15,71,56,062
Cash and cash equivalents as at 31.03.2015			37,76,28,624	25,75,58,265
Significant Accounting Policies & Notes forming part of the Financial Statements.				

As per our Report of even date attached

For RAMBABU & Co.,
Chartered Accountants
Firm Reg. No. 002976 S

RAVI RAMBABU
Partner
Membership No.18541

Place : Hyderabad.
Date : 28.05.2015

For and on Behalf of the Board

JAISHREE NALLAPATI
Chief Financial Officer

N.HARI HARA PRASAD
Managing Director

T.H.SASTRY
Director

T.V.CHOWDARY
Director

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. The Company undertook to set up a 100% Export Oriented Unit (EOU) at Narsapur Village, Medak District, Andhra Pradesh and it's Reg. Office at 7-1-58, Divyashakti Complex, Ameerpet, Hyderabad, Andhra Pradesh, 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 of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the applicable accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2. Use of estimates

The preparation of financial statements in conformity with Indian GAAP 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. Tangible fixed assets and depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Up to 31st March, 2014, Depreciation has been provided on the Straight Line Method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Effective from 1st April, 2014 the company has charged depreciation on the straight line method based on the revised remaining useful life of assets as per the requirements of schedule II of the Companies Act, 2013.

4. Impairment

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. The recoverable 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.

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.

(i) 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) Actuarial gains/losses are immediately taken to statement of profit and loss.
- (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.

11. Income tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income

Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

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 - HYDEABAD

III. NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

PARTICULARS	No. of Shares	AS AT 31.03.2015	No. of Shares	AS AT 31.03.2014
NOTE: 1-01 SHARE CAPITAL				
AUTHORIZED CAPITAL				
Equity shares of Rs.10/-each with voting rights	1,40,00,000	14,00,00,000	1,40,00,000	14,00,00,000
Issued: Equity Shares of Rs.10/-each with voting rights	1,03,50,070	10,35,00,700	1,03,50,070	10,35,00,700
Subscribed and Fully paid up:	1,02,68,870	10,26,88,700	1,02,51,570	10,25,15,700
Equity Shares of Rs.10/-each with voting rights				
Subscribed but not fully paid up:	81,200	4,06,000	98,500	4,92,500
Equity Shares of Rs.10/-each with voting rights Rs.5/-not paid up	1,03,50,070	10,30,94,700	1,03,50,070	10,30,08,200
Forfeiture of partly paid equity shares	81,200	4,06,000	-	-
TOTAL	1,02,68,870	10,26,88,700	1,03,50,070	10,30,08,200

- a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting quarter :

Equity Shares:

PARTICULARS	No. of Shares	AS AT 31.03.2015 Rs.	No. of Shares	AS AT 31.03.2014 Rs.
At the beginning of the year	1,03,50,070	10,35,00,700	1,03,50,070	10,35,00,700
Less: Movement during the Year (fortuited)	81,200	8,12,000	-	-
At the end of the year	1,02,68,870	10,26,88,700	1,03,50,070	10,35,00,700

b) Terms/rights attached to equity shares:

The Company has only one class of equity share having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation of the compnay, the holders of equity shares will be entitled to receive remaining assets of the company, after distrubution of all preferential amounts. The distrubution will be in proportionate to the paid up share capital held by the shareholders.

c) Details of Shareholder holding more than 5% equity shares in the company

Name of the shareholder	31st March, 2015		31st March, 2014	
	No. of shares	% Holding	No. of shares	% Holding
Sri N.Hari Hara Prasad	2332244	22.53	2332244	22.53

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

PARTICULARS	No. of Shares	AS AT 31.03.2015	No. of Shares	AS AT 31.03.2014
NOTE: 1.02 RESERVES & SURPLUES				
Capital Reserve				
a) State Subsidy		15,00,000		15,00,000
b) Partly paid equity share capital forfeited		4,06,000		—
c) General Reserve				
Opening Balance		59,51,02,970		51,42,75,929
Add: Transfer from surplus in statement of Profit and loss		7,49,21,092		8,08,27,041
Closing Balance		67,00,24,062		59,51,02,970
c) Surplus/(deficit) in Statement of Profit & Loss				
Opening Balance		—		—
Add: Profit for the year		9,34,60,202		9,89,04,208
Less: Dividend Proposed to be distributed to equity share holders (Rs.1.50p per share)		1,54,03,305		1,54,51,230
Tax on Dividend		31,35,805		26,25,937
Transfer to General Reserve		7,49,21,092		8,08,27,041
Closing Balance		—		—
TOTAL		67,19,30,062		59,66,02,970
NOTE: 1.03 DEFERRED TAX LIABILITES (NET)				
Opening Balance		73,82,495		87,48,080
Add/(Less) for the year		18,71,724		(13,65,585)
TOTAL		92,54,219		73,82,495
NOTE: 1.04 TRADE PAYBLES				
Sundry Creditors for Materiel Supplies		1,62,17,877		1,96,23,570
Sundry Creditors for Services		33,68,261		70,66,922
Sundry Creditors for Consumables		1,47,53,344		1,33,04,820
TOTAL		3,43,39,482		3,99,95,312
NOTE: 1.05 OTHER CURRENT LIABILITIES				
(a) Outstanding Liabilities - Volume rebate on sales		2,56,04,347		4,22,09,925
(b) Advances received from Customers		52,35,417		30,06,083
(c) Unclaimed Dividend		11,83,950		3,64,550
(d) Other Outstanding Liabilities		37,59,620		59,79,465
TOTAL		3,57,83,334		5,15,60,023
NOTE: 1.06 SHORT TERM PROVISIONS				
(a) Provision for Employee benefits				
(i) Provision for Gratuity		16,74,830		13,90,307
(b) Provision for others				
(i) Provision for Tax (Net off prepaid taxes of Rs.14,30,58,919/-)		85,044		36,05,820
(ii) Provision for Proposed Dividend		1,54,03,305		1,54,51,230
(iii) Tax on Dividend Proposed		31,35,805		26,25,937
TOTAL		2,02,98,984		2,30,73,294

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 1.07 FIXED ASSETS

S.No.	Name of the Asset	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		As At 01.04.2015 Rs.	Additions Rs.	Disposals Rs.	As At 31.03.2015 Rs.	Balance As At 31.03.2014 Rs.	Elimination on disposal of Asset Rs.	Depreciation / amortisation for the Year Rs.	Balance As At 31.03.2015 Rs.	As At 31.03.2015 Rs.	As At 31.03.2014 Rs.		
I	Tangible Assets												
1	Land and Site Development	56,51,671	10,90,000	—	67,41,671	—	—	—	—	—	67,41,671	56,51,671	
2	Factory Buildings	4,11,73,513	—	—	4,11,73,513	2,16,37,704	13,75,195	2,30,12,899	1,81,60,614	1,95,35,809			
3	Office Premises	28,42,278	—	—	28,42,278	9,17,060	46,329	9,63,389	18,78,889	19,25,218			
4	Plant and Machinery	19,66,24,348	90,00,000	20,56,24,348	16,16,09,218	—	***	16,96,19,788	3,60,04,560	3,50,15,130			
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	7,20,673	6,291	7,26,964	38,261	44,552			
7	Electrical Equipment	25,86,402	—	—	25,86,402	24,57,082	—	24,57,082	1,29,320	1,29,320			
8	Air Conditioners	2,06,240	—	—	2,06,240	1,95,928	—	1,95,928	10,312	10,312			
9	Generator Set	76,90,400	—	—	76,90,400	4,56,618	—	3,65,294	8,21,912	68,68,488			
10	Motor Car	71,27,515	9,22,000	4,95,607	75,53,908	33,97,646	4,70,827	36,00,811	39,53,097	37,29,869			
11	Motor Cycle/Mopeds	2,71,172	79,506	—	3,50,678	2,57,613	—	**7,553	2,65,166	13,559			
12	Motor Vehicle - Van	4,96,000	—	—	4,96,000	4,71,200	—	4,71,200	24,800	24,800			
13	Transformers	49,21,236	—	—	49,21,236	46,67,532	—	46,67,532	2,53,704	2,53,704			
	Total	27,06,29,875	1,10,91,506	4,95,607	28,12,25,774	19,70,48,455	4,70,827	1,04,85,224	20,70,62,852	7,41,62,922			
	Previous year	27,06,29,875	—	—	27,06,29,875	18,67,04,965	—	1,03,43,490	19,70,48,455	7,35,81,420			
II	Intangible Assets	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil			
	Total	—	—	—	—	—	—	—	—	—			
*	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.9,09,15,185/- . Hence now provided in respect of balance value only.												

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

PARTICULARS	AS AT 31.03.2015	AS AT 31.03.2014
NOTE: 1.08 LONG-TERM LOANS & ADVANCES		
(a) Security Deposits (unsecured, considered good)	33,89,260	34,64,260
TOTAL	33,89,260	34,64,260
NOTE: 1.09 INVENTORIES(as valued & certified by Management)		
(a) Raw Materials	3,65,23,860	7,53,23,231
(b) Proportionate freight on closing stock of raw materials	95,78,086	2,32,50,283
(c) Work-in-Process	77,17,181	92,31,323
(d) Finished Goods	41,31,694	27,89,520
(e) Stores and Consumables	1,80,05,955	1,51,53,414
TOTAL	7,59,56,776	12,57,47,771
NOTE: 1.10 TRADE RECEIVABLES		
(Unsecured, considered good)		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for repayment		
(i) Unsecured, considered good	3,32,73,153	6,48,13,479
(b) Other Trade receivables		
(i) Unsecured, considered good	24,98,76,358	23,46,48,933
TOTAL	28,31,49,511	29,94,62,412
NOTE: 1.11 CASH AND CASH EQUIVALENTS		
a) Cash and Cash equivalents:		
- Cash on Hand	4,09,077	3,17,931
Balance with scheduled Banks:		
- in current accounts	20,72,947	6,45,339
- Term Deposit	8,07,00,000	65,00,000
- E.E.F.C. Account with SBM	29,44,46,600	25,00,94,995
Sub-Total (a)	37,76,28,624	25,75,58,265
(b) Other Bank Balances:		
- Unclaimed Dividend accounts	11,83,950	3,64,550
- Margin Money Deposit for L.C.	4,80,00,000	5,42,00,000
- Margin Money Deposit for B.G	4,75,000	4,75,000
Sub-Total (b)	4,96,58,950	5,50,39,550
TOTAL(a+b)	42,72,87,574	31,25,97,815

Out the above, cash and cash equivalents which meet the definition of cash flow statement is Rs.37,76,28,624/- (Previous year Rs.25,75,58,265/-)

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

PARTICULARS	AS AT 31.03.2015	AS AT 31.03.2014
NOTE: 1.12 SHORT-TERM LOANS & ADVANCES		
(Advance Recoverable in cash or in kind or for value to be considered)		
Advances (unsecured, considered good)		
(a) Material suppliers	83,04,146	48,85,770
(b) Staff	3,64,100	3,15,700
(c) Cenvat & Excise duty	1,43,011	87,516
(d) Prepaid Expenses	2,09,981	2,03,861
TOTAL	90,21,238	54,92,847
NOTE: 1.13 OTHER CURRENT ASSETS		
(a) Accrued Interest on Margin Money	13,27,500	12,75,769
TOTAL	13,27,500	12,75,769

PARTICULARS	For the Year ended 31.03.2015 Rs.	For the Year ended 31.03.2014 Rs.
NOTE: 2-01 REVENUE FROM OPERATIONS		
Sale of Products (Exports)	44,98,04,457	51,97,85,901
Sale of Products (DTA sales)	1,48,47,295	1,53,34,062
Sale of Traded goods (Exports)	16,66,16,155	7,46,62,806
	63,12,67,907	60,97,82,769
Less: Excise Duty	16,75,065	19,75,546
TOTAL	62,95,92,842	60,78,07,223
NOTE: 2-02 OTHER INCOME		
(a) Other Operational Income		
Interest on Margin Money - Received	38,21,585	39,92,294
- Accrued and due	13,27,500	12,75,769
Cenvat credits & Service Tax refund	32,38,954	27,40,799
Insurance claim (damaged container)	-	11,00,583
VAT refund	2,20,76,029	14,60,388
TOTAL (a)	3,04,64,068	1,05,69,833
(b) Miscellaneous Income		
Miscellaneous Income	2,64,621	1,20,574
Interest on Term Deposits - Received	11,42,567	9,27,671
TOTAL (b)	14,07,188	10,48,245
(c) Net gains/(loss) on foreign currency transactions&translation		
Exchange Variation- on export realisations	12,00,010	73,34,364
Exchange Variation- on import	35,16,218	(31,66,713)
Exchange Variation- on currency	1,54,08,209	1,31,24,134
Exchange Variation- on Trade receivables	1,76,98,231	2,99,75,348
Exchange Variation- on current liabilities	(17,00,251)	(66,36,331)
TOTAL (c)	3,61,22,417	4,06,30,802
TOTAL (a+b+c)	6,79,93,674	5,22,48,880

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

PARTICULARS	For the Year ended 31.03.2015	For the Year ended 31.03.2014
NOTE: 2-03 COST OF MATERIAL CONSUMED		
(a) CONSUMPTION OF RAW MATERIAL		
Opening Stock of Raw Blocks	7,53,23,231	5,50,95,590
Add: Purchases during the year	<u>15,15,52,158</u>	<u>22,94,08,759</u>
	22,68,75,389	28,45,04,349
Less: Closing Stock	<u>3,65,23,860</u>	<u>7,53,23,231</u>
Sub Total (a)	<u>19,03,51,529</u>	<u>20,91,81,118</u>
(b) CONSUMPTION OF STORES, SPARES & CONSUMABLES		
Opening Stock	1,51,53,414	2,32,05,026
Add: Purchases during the year	<u>5,97,94,785</u>	<u>6,27,11,524</u>
	7,49,48,199	8,59,16,550
Less: Closing Stock	<u>1,80,05,955</u>	<u>1,51,53,414</u>
Stores, Spares & Consumables consumed Sub Total (b)	<u>5,69,42,244</u>	<u>7,07,63,136</u>
TOTAL (a + b)	<u>24,72,93,773</u>	<u>27,99,44,254</u>
NOTE: 2-04 TRADED GOODS		
Opening Stock	—	—
Add: Purchases during the year	<u>14,23,21,119</u>	<u>5,80,13,399</u>
	14,23,21,119	5,80,13,399
Less: Closing Stock	—	—
TOTAL	<u>14,23,21,119</u>	<u>5,80,13,399</u>
NOTE: 2-05 CHANGE IN INVENTORIES		
Closing Stock		
Finished Goods	41,31,694	27,89,520
Work-in-process	<u>77,17,181</u>	<u>92,31,323</u>
Sub Total	<u>1,18,48,875</u>	<u>1,20,20,843</u>
Opening Stock		
Finished Goods	27,89,520	13,63,102
Work-in-process	<u>92,31,323</u>	<u>84,46,228</u>
Sub Total	<u>1,20,20,843</u>	<u>98,09,330</u>
Net change - Accretion/(Decretion)	<u>(1,71,968)</u>	<u>22,11,513</u>

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

PARTICULARS	For the Year ended 31.03.2015	For the Year ended 31.03.2014
NOTE: 2-06 MANUFACTURING EXPENSES		
Power & Fuel	2,79,38,302	2,88,05,519
Transport and Freight - Inward (On raw blocks consumed)	5,34,00,006	6,46,05,488
Maintenance:		
Factory Buildings	38,49,604	47,68,839
Plant & Machinery	37,51,094	43,05,105
Generators	12,973	22,017
Sub Total (a)	8,89,51,979	10,25,06,968
Packing Material	—	—
Opening Balance	—	—
Add: Purchases during the year	89,37,833	87,53,625
	89,37,833	87,53,625
Less: Closing Stock	—	—
Sub Total (b)	89,37,833	87,53,625
TOTAL(a+b)	9,78,89,812	11,12,60,593
NOTE: 2-07 EMPLOYEES' BENEFIT EXPENSES		
(a) Salaries & Wages	1,46,65,827	1,27,65,902
(b) Contribution to Provident Fund	210,519	1,77,696
(c) ESI Contribution	2,51,459	1,76,400
(d) Provision for Gratuity	2,84,523	-----
(e) Workmen and Staff Welfare	17,47,437	12,46,425
(f) Directors Remuneration	37,14,749	35,86,940
TOTAL	2,08,74,514	1,79,53,363
NOTE: 2-08 FINANCE COST		
(a) Interest on vehicle Loans	—	9,698
(b) Bank Charges	6,71,496	8,89,090
TOTAL	6,71,496	8,98,788

DIVYASHAKTI GRANITES LIMITED - HYDEABAD**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Rupees)

PARTICULARS	For the Year ended 31.03.2015	For the Year ended 31.03.2014
NOTE: 2-09 OTHER EXPENSES		
Rates and Taxes	1,43,591	1,19,698
Service Tax	15,71,394	20,69,478
Travelling Expenses :		
Inland	9,97,329	9,60,685
Foreign	11,91,359	11,82,408
Insurance	7,20,776	5,81,190
Printing and Stationery	2,94,788	4,93,295
Postage, Telephones, Fax & Telex	5,23,129	6,47,211
Advertisement Charges	1,60,537	1,94,169
Professional charges	25,000	25,000
Business Promotion Expenses	7,09,525	3,94,545
Transport & Freight - Outward	2,12,11,120	2,13,62,284
Maintenance:		
Office	7,86,169	9,75,641
Vehicles	4,59,023	4,39,372
Audit Fees		
Statutory Audit	2,25,000	2,25,000
Tax Audit	75,000	75,000
Other Misc. expenses	35,30,604	25,14,990
TOTAL	3,26,24,344	3,22,59,966

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

PARTICULARS	For the Year ended 31.03.2015	For the Year ended 31.03.2014
NOTE: 2-10 EARNINGS PER SHARE		
Basic		
Total operations		
Net profit / (loss) for the period attributable to the equity shareholders	9,34,60,202	9,89,04,208
Weighted average number of equity shares	1,03,00,820	1,03,00,820
Par value per share	10	10
Earnings per share - Basic	9.07	9.60

Diluted

The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.

Nil

Nil

Total operations

Net profit / (loss) for the period attributable to the equity shareholders	9,34,60,202	9,89,04,208
Weighted average number of equity shares for Basic EPS	1,03,00,820	1,03,00,820
Weighted average number of equity shares - for diluted EPS	1,03,00,820	1,03,00,820
Par value per share	10	10
Earnings per share - Diluted	9.07	9.60

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

PARTICULARS	For the Year ended 31.03.2015	For the Year ended 31.03.2014
2.11 EMPLOYEE BENEFIT PLANS		
A Defined contribution plans		
<p>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.1.78 lakhs (Year ended 31 March, 2013 Rs. 1.52 lakhs) for Provident Fund contributions and Rs.1.76 lakhs (Year ended 31 March, 2013 Rs. 1.80 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.</p>		
<p>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:</p>		
Particulars	31.03.2015 Rs.	31.03.2014 Rs.
Components of employer expense		
Current service cost	95,669	74,628
Interest cost	1,25,128	1,12,060
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Past service cost	-	-
Actuarial losses/(gains)	63,736	(1,97,132)
Total expense recognised in the Statement of Profit and Loss	2,84,533	(10,444)
Actual contribution and benefit payments for year		
Actual benefit payments	-	-
Actual contributions	-	-
Net asset / (liability) recognised in the Balance Sheet		
Openig Net Liability	13,90,307	14,00,751
Fair value of plan assets	-	-
Expenses as above	2,84,533	(10,444)
Settlements made	-	-
Net asset / (liability) recognised in the Balance Sheet	16,74,840	13,90,307
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	13,90,307	14,00,751
Current service cost	95,669	74,628
Interest cost	1,25,128	1,12,060
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial (gains) / losses	63,736	(1,97,132)
Past service cost	-	-
Benefits paid	-	-
	16,74,840	13,90,307

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rupees)

PARTICULARS	For the Year ended 31.03.2015	For the Year ended 31.03.2014
2.11 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	7.77%	9.00%
Expected return on plan assets *		
Salary escalation	5.00%	5.00%
Attrition	12.00%	12.00%
Mortality tables	IALM(2006-08)	IALM(2006-08)
Expected average remaining service	5.51%	5.72%
Estimate of amount of contribution in the immediate next year	-	-
Asset Information		
* As the scheme is unfunded, other disclosures under Accounting Standard 15 are stated as Nil		
Experience adjustments		
Present value at the end period	16,74,840	13,90,307
Funded status	(16,74,840)	(13,90,307)
Experience gain / (loss) adjustments on plan liabilities	-	-
Experience gain / (loss) adjustments on plan assets	-	-

3.01 Contingent Liabilities

Rs. in lakhs.

Sl. No.	Particulars	2014-15	2013-14
i	Foreign Letters of Credit opened in favour of Suppliers for which goods are yet to be received.	262.51	69.01
ii	Guarantees given by Bank (BG)	4.75	4.75

- 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 17 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.

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.07 Related party disclosure :

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

- i) Key Management Personal (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 Director
Are Directors
Nature of Transaction : Packing wood material (purchase)
2014-15 2013-14
Transaction Value : **Rs. 53,32,792/-** Rs.46,81,811/-
Balance outstanding as
on Balance Sheet date : **Rs.27,73,559/-** (Creditor) Rs.10,60,767/- (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. 67,82,620/-** Rs. 12,67,493/-
Balance outstanding as
on Balance Sheet date : **Rs. 17,00,000/- (Debtor)** Rs. NIL
Amount Written off/Back : NIL NIL
- c) Name of the party : M/s N.V.Rattaiah & Co.,
Relationship : A company in which Managing Director and Director
are Partners
Nature of Transaction : Sale of granite slabs
Transaction Value : **Rs. 82,01,697/-** Rs.21,63,577/-
Balance outstanding as
on Balance Sheet date : **Rs. 56,68,844/- (Debtor)** Rs. 3,75,148/-
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**
Transaction Value : **NIL** NIL
Balance outstanding as
on Balance Sheet date : NIL NIL
Amount Written off/Back : NIL NIL

3.08 CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

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 has to be spent an amount of Rs.25.08 lakhs towards Corporate Social Responsibility. However, the Company could not spend the above amount since the company was unable to identify the projects as per its approved CSR policy.

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.09 Expenditure in Foreign Currency:	2014-15		2013-14	
	Rs.		Rs.	
(i) Foreign Travelling & Commissions	11,91,359		11,82,408	
(ii) CIF Values of Imports:				
Raw Material	2,42,45,694		10,31,13,349	
Capital Goods	NIL		NIL	
Consumables & Spares	5,65,86,877		5,89,49,515	
(iii) Earnings in Foreign Currency: (FOB Values of Exports)	61,64,20,612		59,44,48,707	
3.10 Consumption of Materials:	2014-15		2013-14	
	Value	%	Value	%
	Rs.		Rs.	
a) Raw Material				
i) Imports	4,28,26,302	22.50	9,07,60,151	43.39
ii) Indigenous	4,75,25,227	77.50	11,84,20,967	56.61
b) Consumables & Spares				
i) Import	5,35,28,473	94.00	6,70,79,201	94.79
ii) Indigenous	34,13,771	6.00	36,83,935	5.21
3.11 (a) Particulars of production , sales and closing stocks.				
	2014-15		2013-14	
	(Sq.Mts.)		(Sq.Mts.)	
i) Production	141616		137837	
ii) Sales - From Factory	141167		136980	
- Direct Dispatches (Bought out)	142311		23077	
iii) Closing Stocks	5228		4779	
(b) COSUMPTION	2014-15		2013-14	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
i) Granite Raw Blocks	5312 Cu.Mt	19,03,51,529	5321 Cu.Mt.	20,91,81,118
ii) Finished Slabs & Tiles	42311 Sq.Mt	14,23,21,121	23077 Sq.mt.	5,80,13,399
iii) Others	—	5,69,42,244	—	7,07,63,136

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 Schedules 1.01 to 1.13, 2.01 to 2.11 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

JAISHREE NALLAPATI
Chief Financial Officer

N.HARI HARA PRASAD
Managing Director

T.H.SASTRY
Director

Place : Hyderabad.
Date : 28.05.2015

T.V.CHOWDARY
Director

DIVYASHAKTI GRANITES LIMITED - HYDEABAD

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No. : 01-12764 State Code : 01
Balance Sheet : 31 - 03 - 2015
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
874295	874295

Sources of Funds

Paid-Up Capital	Reserves & Surplus
102689	671930
Non Current liabilities	Current liabilities/ Others
9254	90422

Application of Funds

Net Fixed Assets	Investments/Loans
74163	3389
Net Current Assets	Miscellaneous Expenditure
796743	—
Accumulated Losses	—

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

Turnover	Total Expenditure +/-	Profit/loss Before Exceptional Items	+/- Profit/Loss Before Tax	+/- Profit/Loss After Tax
697586	552332	+ 145254	+ 145254	+ 93460
Earning Per Share	Dividend rate %			
Rs.9.10	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

Place: Hyderabad,
Date : 28th May, 2015.

N.HARI HARA PRASAD
Managing Director.

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. Puttaparthi Jagannatham, Advocate, at Flat No.315, Bhanu Enclave, Adj.ESI Hospital, Erragadda, Hyderabad-500045 so as to reach him on or before 5.00 PM on 23rd September, 2015.

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.	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2.	Declaration of Dividend on Equity Shares		
3.	To consider keeping the vacancy caused by the Retiring Director vacant		
4.	Ratification of auditors appointment for the year ending 31st March,2016		

Place:

Date :

(Signature of the Shareholder)

DIVYASHAKTI GRANITES LIMITED

(CIN: L99999TG1991PLC012764)

Regd. Office: 7-1-58, Divyashakti Complex, Ameerpet, Hyderabad - 500 016.

Form No MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rule, 2014

CIN	L99999TG1991PLC012764
Name of the Company	Divyashakti Granites Limited
Registered office	7-1-58 Divyashakthi Apartments, Ameerpet, Hyderabad-500016
Name of the Member(s)	
Registered Address	
Email Id	
Folio No / Client ID	DP ID:

I/ We, being the member(s) of _____ shares of the above named company, hereby appoint

1	Name			
	Address			
	E- Mail ID		Signature	
	of failing him			
2	Name			
	Address			
	E- Mail ID		Signature	
	of failing him			
	of failing him			

as my / our proxy to attend and vote (on a poll) for me/ us and on my / our behalf at the 24th Annual General meeting of the Company, to be held on 30th day of September, 2015 at 11.00 A.M at the Institution of Engineers, Khairatabad, Hyderabad-500004 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolutions	For	Against
1. Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		
3. To consider keeping the vacancy caused by the Retiring Director vacant		
4. Appointment of Auditors and fixing their remuneration		

Signed this _____ day of _____ 2015

Signature of Shareholder.....

Signature of Proxy holder(s).....

Affix
Revenue
Stamp

Note: This of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting?