

Date: 22nd May, 2024

To

**The Deputy General Manager,
Corporate Relationship Department,
Stock Exchange Mumbai,
1st Floor, New Trading Ring,
Rotunda Building
P.J. Towers, Dalal Street, Fort,
Mumbai- 400001.**

Scrip Code: BSE: 526315; Divyashakti Limited

Dear Sir/ Madam,

Outcome of Board Meeting held on 22nd May 2024

This has reference to our letter dated 10th May, 2024, regarding the captioned subject.

Pursuant to the provisions of Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we would like to inform you that at the meeting of the Board of Directors of **Divyashakti Limited** held today i.e., on 22nd May 2024, the Board has approved *inter-alia* the following items:

1. Approved the Audited Financials along with the Audit Report for the FY 2023-24 and for the Fourth quarter and year ended 31st March 2024. The enclosed quarterly and year ended financial results are available on BSE's website at www.bseindia.com and on the Company's website at www.divyashakti.com.
2. Board has recommended a final dividend for the year ended March 31, 2024, of Rs.2 per equity share (20%) for the FY 2023-24 on the paid-up Equity Share Capital of the Company subject to the approval of the Shareholders in the ensuing 33rd Annual General Meeting.
3. Approved the Directors' Report, Report on Corporate Governance, and Management Discussion Analysis Report for the FY 2023-24.
4. Approved the Secretarial Audit Report for the FY 2023-24.



**HARI HARA
PRASAD
NALLAPATI**

Digitally signed by
HARI HARA
PRASAD
NALLAPATI
Date: 2024.05.22
11:32:08 +05'30'

DIVYASHAKTI LIMITED

:: 2 ::

5. Approved the appointment of M/s. Puttaparthi Jagannatham & Co., Company Secretaries, Hyderabad, as the Secretarial Auditors for the FY 2024-25, pursuant to Section 204 of the Companies Act, 2013.
6. Approved the appointment of M/s Bhavani & Co., Chartered Accountants, Hyderabad, as the Internal Auditors for the FY 2024-25 pursuant to Section 138 of the Companies Act, 2013.
7. Took note of the Director retiring by rotation at the ensuing 33rd AGM.

The meeting commenced at 10:00 AM and concluded at 11.25 AM.

This is for your information and record.

Thanking you

Yours faithfully,

FOR DIVYASHAKTI LIMITED

**HARI HARA
PRASAD
NALLAPATI**

Digitally signed by
HARI HARA PRASAD
NALLAPATI
Date: 2024.05.22
11:32:36 +05'30'



**N. HARI HARA PRASAD
Managing Director
DIN: 00354715**

Encl: a/a


STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR YEAR ENDED 31ST MARCH, 2024
(Rupees in lakhs)

Sl. No.	Particulars	Note No.	Quarter Ended			Year Ended	
			31-03-2024	31-12-2023	31-03-2023	31-03-2024	31-03-2023
			Audited	Unaudited	Audited	Audited	Audited
1	Revenue from operations						
	Sale of Products (Exports & DTA sales)		852.35	897.69	663.92	3177.90	5292.55
	Sale of Traded Goods (Exports)		763.10	948.16	509.85	3799.25	1885.46
	Sale of Service (Job work charges)		0.00	0.00	243.00	0.00	375.11
			1615.45	1845.85	1416.77	6977.15	7553.12
2	Other income		63.65	48.40	5.56	285.94	799.18
3	Total Revenue (1 + 2)		1679.10	1894.25	1422.33	7263.09	8352.30
4	Expenses:						
a	Cost of materials consumed		586.10	756.95	292.47	2227.06	3121.31
b	Purchases of Stock-in-Trade		698.79	802.68	503.40	3412.55	1702.59
c	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		(4.79)	(161.81)	234.00	(103.61)	399.61
d	Employee benefits expenses		115.76	118.74	108.33	436.84	494.84
e	Finance costs		4.66	3.09	1.93	9.95	8.61
f	Depreciation and amortization expense		60.02	61.35	64.02	243.41	252.33
g	Other expenses		172.00	245.09	418.44	714.21	1271.75
	Total expenses		1632.54	1826.09	1622.59	6940.41	7251.04
5	Profit/(loss) before exceptional items and tax (3 - 4)		46.56	68.16	(200.26)	322.68	1101.26
6	Exceptional items		-	-	-	-	-
7	Profit/(Loss) after exceptional items and before tax (5 - 6)		46.56	68.16	(200.26)	322.68	1101.26

For DIVYASHAKTI LIMITED

(N. HARSHARA PRASAD)
Managing Director



Sl. No.	Particulars	Note No.	Quarter Ended			Year Ended	
			31-03-2024	31-12-2023	31-03-2023	31-03-2024	31-03-2023
			Audited	Unaudited	Audited	Audited	Audited
8	Tax expense:						
	(1) Current tax		0.50	17.15	(49.30)	86.50	282.00
	(2) MAT Credit entitlement		-	-	-	-	-
	(3) Tax expenses relating to earlier years		-	4.83	-	4.83	29.32
	(4) Deferred tax		(1.35)	(0.07)	2.64	(0.69)	7.16
9	Profit (Loss) for the period (7 - 8)		47.41	46.25	(153.60)	232.04	782.78
10	Other Comprehensive Income		-	-	-	-	-
	A (i) Items that will not be reclassified to profit or loss		(0.41)	-	9.27	(0.41)	9.27
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-	-
	B (i) Items that will be reclassified to profit or loss		-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-	-
11	Total Comprehensive Income for the period (9+10)		47.00	46.25	(144.33)	231.63	792.05
12	Paid-up Equity Share Capital (Face Value of the Share - Rs.10/- each)		1026.89	1026.89	1026.89	1026.89	1026.89
13	Reserves excluding Revaluation reserves as per the Balance sheet		11342.50	11294.22	11316.25	11342.50	11316.25
14	Earnings per equity share: (for continuing operation):						
	(1) Basic		0.46	0.45	(1.50)	2.26	7.62
	(2) Diluted		0.46	0.45	(1.50)	2.26	7.62
15	Net worth		12369.39	12321.11	12343.14	12369.39	12343.14
16	Debt equity ratio		0.001	0.024	0.002	0.001	0.002
17	Debt service coverage ratio (DSCR)		6.46	26.24	(9.07)	24.56	90.57
18	Interest service coverage ratio (ISCR)		25.15	79.68	(56.76)	57.86	567.03

For DIVYASHAKTI LIMITED


(N. HARIHARA PRASAD)
Managing Director



	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
I	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	1	2531.53	2774.94
	(b) Financial Assets			
	i. Other Financial Assets	2	33.71	33.71
2	Current assets			
	(a) Inventories	3	751.91	700.95
	(b) Financial assets			
	(i) Trade receivables	4	9780.41	9313.25
	(ii) Cash and cash equivalents	5	857.06	707.96
	(iii) Bank balances other than(ii) above	6	82.00	133.51
	(c) Other current assets	7	291.36	141.99
	Total Assets		14327.98	13806.31
II	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity Share capital	8	1026.89	1026.89
	(b) Other Equity	9	11341.22	11316.25
2	Non-current liabilities			
	(a) Borrowings	10(a)	1.18	14.67
	(b) Deferred tax liabilities (Net)	10 (b)	228.17	227.58
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	421.50	12.58
	(ii) Trade payables	11		
	- Total outstanding dues of Micro enterprises and small enterprises		222.11	360.75
	- Total outstanding dues of creditors other than Micro enterprises and small enterprises		820.51	646.78
	(b) Other current liabilities	12	128.80	122.31
	(c) Provisions	13	137.60	78.50
	Toal Equity & Liabilities		14327.98	13806.31

For DIVYASHAKTI LIMITED

(N. HARI PRASAD)
Managing Director



Notes:

- 1 Results for the Quarter and Year ended 31st March, 2024 are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013, as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 2 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at the meeting held on 22.05.2024.
- 3 The above Standalone Financial Results have been subjected to " Limited Review " by the Statutory Auditors in terms of Regulation 33 of SEBI (LODR) Regulation 2015.
- 4 Figures of previous periods have been regrouped wherever necessary.
- 5 Provision for Deferred Taxation at item No.8 (4) above has been made as per IND-AS 12 of the companies (Indian Accounting Standards) Rules,2015.
- 6 The Company is engaged in single business segment " Process & export of polished granite & Quartz slabs " . Hence disclosure of "Operating Segments" as per IND-AS 108 is not required to be made.
- 7 Other income includes interest, export incentives, exchange variation and miscellaneous income

FOR DIVYASHAKTI LIMITED.

(Formerly Divyashakti Granites Limited)



(N. HARI HARA PRASAD)

Managing Director

Date : 22 May 2024

Place: Hyderabad.


CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2024

(Rupees in Lakhs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flows from operating activities	322.68	1,101.26
Profit before tax		
Adjustments for:		
Depreciation and amortisation expense	243.41	252.33
Loss/(Profit) on sale/write-off of property, plant and equipment	-	10.16
Bad Debts Written off	76.91	
Finance costs	9.96	2.39
Provision for gratuity	4.62	
Interest income	(12.08)	(16.59)
	322.82	248.29
Operating profit before working capital changes	645.50	1,349.55
Movements in working capital		
Adjustments for (increase)/decrease in operating assets:		
-Trade receivables	(544.08)	(2,578.41)
-Inventories	(50.95)	600.20
-Other assets	(110.53)	52.32
Adjustments for increase/(decrease) in operating liabilities:		
-Trade payables	20.10	(39.27)
-Other liabilities	6.49	(6.22)
-Provisions	(2.73)	4.31
	(681.70)	(1,967.07)
Cash generated from operations	(36.20)	(617.52)
Income taxes paid (net)	(116.41)	(282.32)
Net cash generated from operating activities (A)	(152.61)	(899.84)
B. Cash flows from investing activities		
Purchase of property, plant and equipment		(74.07)
Proceeds from sale of property, plant and equipment		10.04
Purchase of non-current investments		
Bank balances not considered as cash and cash equivalents (net)	51.51	754.87
Interest received	55.11	21.51
Net cash from/(used in) investing activities (B)	106.62	712.35
C. Cash flows from financing activities		
Proceeds / (Repayment) from long-term borrowings	(13.50)	(12.58)
Proceeds / (Repayment) from short-term borrowings	423.92	0.86
Dividend paid on Equity Shares	(205.38)	(205.38)
Finance costs (including in relation to lease liabilities)	(9.96)	(2.39)
Net cash from/ (used in) financing activities (C)	195.09	(219.49)
Net increase in cash and cash equivalents (A+B+C)	149.10	(406.98)
Add: Cash and cash equivalents at the beginning of the year	707.95	1,114.93
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		
Cash and cash equivalents at the end of the year (Refer Note 7)	857.05	707.95

 FOR DIVYASHAKTI LIMITED.
 (Formerly Divyashakti Granites Limited)




(N. HARI HARA PRASAD)
 Managing Director



PAVULURI & Co.
CHARTERED ACCOUNTANTS
Plot No.48, Flat No.301,
MICASA, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639
Email : mail@pavuluriandco.com

INDEPENDENT AUDITORS' REPORT ON THE QUARTERLY AND YEAR TO DATE AUDITED FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 and 52 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED

**TO THE BOARD OF DIRECTORS,
M/s. DIVYASHAKTI LIMITED (Formerly known as DIVYASHAKTI GRANITES LIMITED)**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **M/s. DIVYASHAKTI LIMITED** ("the Company"), for the quarter ended 31st March, 2024 and the year to date results for the period from 1st April, 2023 to 31st March, 2024 which comprise the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements:

- are presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations in this regard; and
- gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and except the effect of matter referred to in Basis for qualified opinion give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the quarter ended 31st March, 2024 as well as the year to date results for the period from 1st April, 2023 to 31st March, 2024.

Basis for Opinion

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





Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditor's Response
1	<p>Revenue Recognition</p> <p>Revenue is recognized to the extent that economic benefit will flow to the Company and the revenue can be reliably measured. It is measured at fair value consideration received or receivable, net of returns and allowances, discounts and rebates. The Company recognizes revenue when it satisfies its performance obligation by transferring the goods to the customers.</p> <p>Revenue is key driver of the business and judgment is involved in determining when contractual obligations have been performed and to the extent that the right to consideration has been earned.</p> <p>The management of the Company focuses on revenue as a key performance measure which could create an incentive for revenue to be recognized before the risks and rewards have been transferred. We therefore identified</p> <p>Revenue Recognition as a significant risk and key audit matter.</p>	<p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none">• We understood business revenue recognition policy and how they are applied, including the relevant controls, and tested controls over revenue recognition;• Analytical review of the revenue recognized over the year• Agreeing on a sample basis amount of revenue to customer contracts and verifying the extent, timing and customer acceptance of goods, where relevant.• We performed cut-off testing for a sample of revenue transactions around the period end date, to check that they were recognized in the appropriate period;• We discussed key contractual arrangements with management and obtained relevant documentation, including in respect of rebate and returns arrangements.• The Company's accounting policy on Revenue recognition is shown in note no: 8 to the financial statements and related disclosures are included in notes.• Based on our audit procedures we did not identify any evidence of material misstatement in the revenue recognized for the year ended 31st March 2024 in the standalone financial statements.





Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India including The Indian Accounting Standard specified under sec.133 of the act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement





when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in





internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

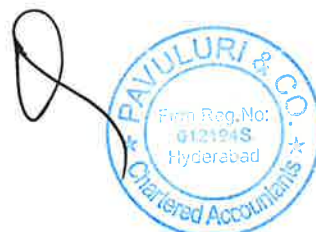
1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with





Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no pending litigations which would impact its financial position in its standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. **(a)** The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend declared or paid during the year by the company is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024





PAVULURI & Co.

CHARTERED ACCOUNTANTS

Plot No.48, Flat No.301,
MICASA, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639
Email : mail@pavuluriandco.com

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

For PAVULURI & Co.
Chartered Accountants
Firm Reg. No: 012194S

P. A. Q.



(CA P ACHUTA RAMAIAH)
PARTNER

M.No: F-203300

UDIN: 24203300BKEOWH6885

Place: Hyderabad

Date: 22.05.2024



Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Divyashakti Limited of even date)

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

We have audited the internal financial controls over financial reporting of **M/s. Divyashakti limited** (“the Company”) as of March 31,2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

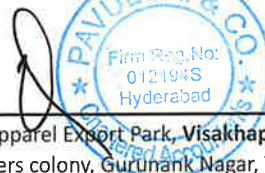
The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting of the Company.





PAVULURI & Co.
CHARTERED ACCOUNTANTS
Plot No.48, Flat No.301,
MICASA, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639
Email : mail@pavuluriandco.com

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PAVULURI & Co.
Chartered Accountants
Firm Reg. No: 012194S


(CA P ACHUTA RAMAIAH)
PARTNER

M.No: F-203300
UDIN: 24203300BKEOWH6885

Place: Hyderabad
Date: 22.05.2024



“Annexure B” to the Independent Auditors’ Report

Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2024:

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment & Capital work in progress and relevant details of right-of-use assets.
- (B) The Company does not have intangible assets, hence order i (a) (B) not applicable.
- (b) The Company has a program of physical verification of Property, Plant and Equipment to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
- (c) Based on our examination of the property tax receipts, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of all immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.(a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the order is not applicable to the company.





PAVULURI & Co.
CHARTERED ACCOUNTANTS

Plot No.48, Flat No.301,
MICASA, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639
Email : mail@pavuluriandco.com

- iii. According to the information and explanations given to us and the records of the company examined by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) (a) to (C) of the Order are not applicable.
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not given any loans or provided guarantees or security as specified under Section 185 and 186 of the Companies Act. Further the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company
- vii. (a) According to the information and explanations given to us and the records of the company examined by us, the company is regular in depositing undisputed statutory dues including Provident fund, Employee State Insurance, Income tax, sales tax, customs duty, goods and service tax and any other statutory dues as applicable with appropriate authorities. There were no arrears of outstanding statutory dues as on last day of the financial year concerned for a period of more than six months from the date on which they become payable.
- (b) According to the information and explanation given to us, there are no statutory dues relating to service tax, customs duty, excise duty, value added tax, GST, Central sales tax, Cess or other statutory dues which have not been deposited with appropriate authorities on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961),
- ix. According to the information and explanations given to us and on the basis of our examination of the records of the Company:
- (a) The company has not defaulted in repayment of loans or borrowings to any financial institutions or banks as on at the balance sheet date.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



Branches :

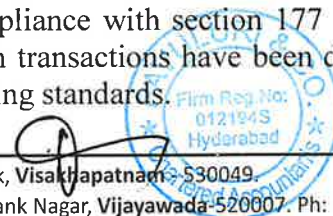
Flat No : 301, Block C, Green City Towers, Green City Township, Near Apparel Export Park, **Visakhapatnam** - 530049.
D.No.54-20/7-1B, Plot No.10, Road No.2, Kanakadurga Gazetted Officers colony, Gurunank Nagar, **Vijayawada**-520007. Ph: 0866-2545418



PAVULURI & Co.
CHARTERED ACCOUNTANTS

Plot No.48, Flat No.301,
MICASA, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639
Email : mail@pavuluriandco.com

- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) The Company has not raised any funds on short-term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- (e) The Company has no subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x.** According to the information and explanations given to us and on the basis of our examination of the records of the Company:
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi.** According to the information and explanations given to us and on the basis of our examination of the records of the Company:
- (a) No material fraud by the Company and on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) There have not been any whistle blower complaints received by the Company during the year (and upto the date of this report), and it has no impact while determining the nature, timing and extent of our audit procedures.
- xii.** The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii.** According to the information and explanations to us and based on our examination of the records of the company transactions with the related parties are in compliance with section 177 and 188 of Companies Act,2013 where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.





PAVULURI & Co.
CHARTERED ACCOUNTANTS

Plot No.48, Flat No.301,
MICASA, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639
Email : mail@pavuluriandco.com

- xiv.** (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv.** In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company
- xvi.** (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii.** The Company has not incurred cash operating losses during the financial year covered by our audit and during the immediately preceding financial year.
- xviii.** There has been no resignation of the statutory auditors of the Company during the year.
- xix.** On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.





PAVULURI & Co.

CHARTERED ACCOUNTANTS

Plot No.48, Flat No.301,
MICASA, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639
Email : mail@pavuluriandco.com

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

For PAVULURI & Co.
Chartered Accountants
Firm Reg. No: 012194S


(CA P ACHUTA RAMAIAH)
PARTNER

M.No: F-203300
UDIN: 24203300BKEOWH6885

Place: Hyderabad
Date: 22.05.2024