

Quality RO Industries Limited

Registered Office: Plot No. 09, Por Industrial Park, NH-08, Village Por – Vadodara 391243

Phone: +91 63588-39303; Email: info@qualityro.in; Website: www.qualityro.in

GST NUMBER: 24AAACQ7739F1ZE / CIN: L29308GJ2021PLC126004

Date: November 10, 2023

To,
The Manager,
BSE SME Platform
Department of Corporate Services
25th Floor, P.J. Towers, Dalal Street
Fort, Mumbai - 400 001
BSE Scrip Code: **543460**

Sub: Statement of deviation or variation in the use of proceeds of Preferential issue

Dear Sir/Madam,

Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that there is no deviation or variation in the use of proceeds, from the objects stated in the Notice of Preferential issue.

Further, the proceeds of the issue have been utilized for the purpose as stated in the Notice pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of Companies (Management & Administration) Rules, 2014)

In terms of SEBI Circular No. CIR/CFD/CMD1/162/2019 dated December 24, 2019, please find enclosed herewith the Statement of deviation(s) or variation(s) for the half year ended 30th September, 2023 as reviewed by the Audit Committee at its meeting held on November 09, 2023.

Kindly take the above information on your records.

Yours Faithfully

For Quality RO Industries Limited

DHOLIY Digitally signed
by DHOLIYA
VIVEK
A VIVEK Date: 2023.11.10
12:11:19 +05'30'

Name: VIVEK DHOLIYA

Designation: Managing Director

DIN - 09340902

Encl: as above

ANNEXURE A

Statement of Deviation /Variation in utilization of funds raised

Name of listed entity	Quality RO Industries Limited
Mode of Fund Raising	Public Issue & Preferential Issue
Date of Raising Funds	1. Public issue: February 09, 2022 2. Preferential issue: February 23, 2023
Amount Raised	1. Rs. 270.30 Lakhs 2. Rs. 434 Lakhs
Report filed for Quarter ended	30.09.2023
Monitoring Agency	Not applicable
Monitoring Agency Name, if applicable	-
Is there a Deviation / Variation in use of funds raised	Refer Note 1
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	NA
If Yes, Date of shareholder Approval	NA
Explanation for the Deviation / Variation	NA
Comments of the Audit Committee after review	-
Comments of the auditors, if any	-
Objects for which funds have been raised and where there has been a deviation, in the following table	(No Deviation)

(Amount in Lakhs)

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Fund to be utilised	Amount of Deviation/Variation for the half yearly according to applicable object	Remarks if any
IPO Funds							
Funding Working Capital Requirements	NA	139.72	NIL	104.12	35.60	NIL	-
To Meet the Incremental Working Capital Requirements	NA	50	NIL	50	NIL	NIL	-
General Corporate purposes	NA	24.27	NIL	24.27	NIL	NIL	-
Preferential Issue							
Long / Short term working capital requirements	NA	375	NA	375	0	375	Refer Note 1
General Corporate purposes	NA	59	NA	7	52	0	

Deviation or variation could mean:

Note 1 :- On verifying books of accounts and other records, it was observed that Company is having one of the main business / object of real estate. During the half yearly ended 30 Sept 2023, Company have made investment in

Partnership firm – Gopinath Enterprise amounting to INR 482.68 lakhs till Sept 30, 2023. Company have 51% share in Gopinath enterprise. Main business of Gopinath enterprise is real estate builder.

As per the General Accepted Accounting Principles followed in India (Indian GAAP), these funds utilised are regarded as investment in partnership firm. However, Company claims that business in real estate sector is having complex structure, and dealing with business of real estate is mainly subject to creating Joint ventures/ partnership with other stakeholders. Thereby Company is claiming that this funds has been utilised towards working capital.

Hence, these reporting under column of deviation is based on following of Indian GAAP and does not have considered complex structure of real estate business.

Further,

- (a) Deviation in the objects or purposes for which the funds have been raised or
- (b) Deviation in the amount of funds actually utilized as against what was originally disclosed or
- (c) Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc

For, QUALITY RO INDUSTRIES LIMITED,

DHOLIY Digitally signed by
DHOLIYA VIVEK
A VIVEK Date: 2023.11.09
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(Vivek Dholiya)

Managing Director

DIN : 09340902

For DOSHI DOSHI & CO

Chartered Accountants

Firm Registration No. 153683W

CHINTAN Digitally signed by CHINTAN
RAJESHBHAI DOSHI
RAJESHBHAI DOSHI Date: 2023.11.09 18:55:05
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(Chintan Doshi)

Partner

Membership No. : 158931