

**THE REPORT ON THE DEVIATION/VARIATION IN UTILIZATION OF PUBLIC ISSUE.**

Statement of Deviation / Variation in utilisation of funds raised	
Name of listed entity	Aarvi Encon Limited
Mode of Fund Raising	<b>Public Issues / Rights Issues/Preferential Issues / QIP / Others</b>
Date of Raising Funds	October 05, 2017
Amount Raised	21.24 Crores
Report filed for Quarter ended	December 31, 2019
Monitoring Agency	<b>Not Applicable</b>
Monitoring Agency Name, if applicable	
Is there a Deviation / Variation in use of funds raised	Yes / No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Yes
If Yes, Date of shareholder Approval	November 30, 2019
Explanation for the Deviation / Variation	The Company believes that this unutilized issue proceeds of Rs. 4 Crores earmarked for the purpose of "Acquisition and other strategic initiatives" if used for working capital requirement then it will be beneficial for the Company to maintain the adequate liquidity and will improve its cash flow in the near future.
Comments of the Audit Committee after review	The Audit Committee Considered the representation made by the



	management in this regard and the financial position of the Company and gave its consent to use the unutilized issue proceeds for the purpose of working capital requirements.						
Comments of the auditors, if any							
Objects for which funds have been raised and where there has been a deviation, in the following table							
Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any	
Acquisition and other strategic initiatives	Working Capital Requirements	4 Crores	No	4 Crores	4 Crores	-	

**Deviation or variation could mean:**

**(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**

  
**Jay H. Shah**  
**Company Secretary**  
**Membership No. A45556**

