



MONARCH
NETWORK CAPITAL

MNCL/SE/50/2024-25

Dated: November 12, 2024

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400001
Scrip Code No.: 511551

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G, Bandra Kurla
Complex, Bandra (East), Mumbai - 400051
Symbol - MONARCH

Sub.: **Monitoring Agency Report for the quarter ended 30th September, 2024**

Dear Sir/Ma'am,

Pursuant to the Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 162A(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find attached herewith the Monitoring Agency Report(s) for the quarter ended 30th September, 2024, issued by CARE Ratings Limited for utilisation of proceeds raised through Preferential Issue. There is no variation / deviation in the utilisation of such funds.

The aforesaid information is also being made available on the website of the Company at www.mnclgroup.com.

The above is for your information and dissemination to the public at large.

Thanking you,

Yours faithfully,
For **Monarch Network Capital Limited**

Nitesh Tanwar
Company Secretary and Compliance Officer
M. No. FCS-10181
Encl: As above

Monarch Network Capital Limited (CIN: L65920GJ1993PLC120014)

Regd. Off.: Unit No. 803-804A, 8th Floor, X-Change Plaza, Block No. 53, Zone 5, Road- 5E, Gift City, Gandhinagar -382355 , Gujarat

Corp. Off.: "Monarch House", Opp Prahladbhai Patel Garden, Near Ishwar Bhuvan, Commerce Six Roads, Navrangpura, Ahmedabad - 380009

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Monitoring Agency Report

CareEdge

Ratings • Advisory • Research • Risk Solutions

CARE/NRO/GEN/2024-25/1075

The Board of Directors

Monarch Network Capital Limited

Unit No. 803-804A, 8th Floor,

X-Changa Plaza, Block No.53, Zone 5

Road 5E, Gift City, Gandhinagar-382355

Gujarat

November 12, 2024

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Preferential issue of Monarch Network Capital Limited (MNCL) ("the Company")

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to Rs. 300.21 crore of the Company and refer to our duties cast under 162A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2024, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated July 29, 2024.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

Neha Kadiyan

Director

Neha.kadiyan@careedge.in

CARE Ratings Limited

Plot no. C-001 A/2 Sector 16B, Berger Tower,
Noida, Gautam Budh Nagar (UP) - 201301
Phone: +91-120-4452 000

CIN-L67190MH1993PLC071691

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Report of the Monitoring Agency

Name of the issuer: Monarch Network Capital Limited

For quarter ended: September 30, 2024

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(b) Range of Deviation: Nil

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.



Signature:

Name and designation of the Authorized Signatory: Neha Kadiyan

Designation of Authorized person/Signing Authority: Director

1) Issuer Details:

Name of the issuer : Monarch Network Capital Limited
 Name of the promoter : Monarch Infraparks Private Limited
 Simandhar Securities Private Limited
 Yantra Esolarindia Private Limited
 Jayantilal Shah Family
 & others
 Industry/sector to which it belongs : Stock Broking and other financial services

2) Issue Details

Issue Period : July 28, 2024 to August 12, 2024
 Type of issue : Preferential Issue
 Type of specified securities : Equity Shares
 IPO Grading, if any : Not applicable
 Issue size (in crore) : Rs. 300.21 crore

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered accountant statement* and Bank statement	All the proceeds from preferential issue have been utilized appropriately for the objects as mentioned in the offer document	The Board of Directors noted that there are no deviations, and the funds were utilised for the purpose stated in the offer document.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	Not applicable

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether the means of finance for the disclosed objects of the issue have changed?	Not applicable	Not applicable	Not applicable	Not applicable
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	Not applicable	Not applicable
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	Not applicable
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	Not applicable
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Not applicable	Not applicable	Not applicable	Not applicable
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	No	No

*Chartered accountant certificate from Aneellasod and Associates dated October 28, 2024 full utilization of gross proceeds

#Where material deviation may be defined to mean:

a) Deviation in the objects or purposes for which the funds have been raised

b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	Working Capital Requirement	Chartered Accountant certificate*, Bank statements, Offer Document	300.00	300.21	Company has utilised the full proceed amount of ₹300.21 crore towards their working capital requirement	NIL	NIL	NIL

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
2	General corporate purpose	Chartered Accountant certificate*, Bank statements, Offer Document	0.21	0.00	Amount allocated towards GCP has been utilised for the working capital requirement	NIL	NIL	NIL
Total			300.21	300.21				

*Chartered accountant certificate from Aneellasod and Associates dated October 28, 2024 full utilization of gross proceeds

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Working Capital requirement	Chartered Accountant certificate*, Bank statement, Offer Document	300.00	0.00	300.21	300.21	0.00	Company has utilised the full proceed amount of ₹300.21 crore towards their working capital requirement	NIL	NIL
2	General corporate purpose		0.21	0.00	0.00	0.00	0.00	Amount allocated towards GCP has been utilised for the working capital requirement	NIL	NIL
Total			300.21	0.00	300.21	300.21	0.00			

*Chartered accountant certificate from Aneellasod and Associates dated October 28, 2024 full utilization of gross proceeds

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1	Not applicable as the entire issue proceeds has been used for intended purpose	-	-	-	-	-

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Working Capital Requirement	Within 12 months	Entire amount has been utilized in Q2FY25	No delay	NIL	NIL
General Corporate purpose	Within 12 months		No delay	NIL	NIL

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head [^]	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Amount allocated towards general corporate purpose has been utilized for the main purpose, i.e, working capital requirement		Chartered Accountant certificate	Funds were utilized for the main purpose, i.e., working capital requirement	The Board of Directors noted that there are no deviations, and the funds were utilised for the purpose stated in the offer document

[^] Section from the offer document related to GCP:

The amount stated in general corporate purpose will not exceed 25% of the proceeds of the issue of Preferential Issue. While the amounts proposed to be utilised against each of the objects have been specified above, there may be a deviation of +/- 10% depending upon future circumstances, in terms of NSE Notice No. NSE/CML/2022/56 and BSE Notice No. 20221213-47 each dated December 13, 2022, as the objects are based on management estimates and other commercial and technical factors. Accordingly, the same is dependent on a variety of factors such as financial, market and sectoral conditions, business performance and strategy, competition and other external factors, which may not be within the control of the Company and may result in modifications to the proposed schedule for utilization of the net proceeds at the discretion of the Board, subject to compliance with applicable laws.

Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as “**Monitoring Agency/MA**”). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.

e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

CARE Ratings Limited

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