



MONARCH
NETWORK CAPITAL

Date: 30th May, 2023

To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai - 400 001 Scrip Code: 511551	To, National Stock Exchange of India Ltd Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: MONARCH
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Sub: Annual Secretarial Compliance Report for the F.Y. 2022-23

Dear Sir/ Ma'am,

With regards to captioned subject matter and Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Secretarial Compliance Report for the financial year ended March 31, 2023, issued by M/s. VKM & Associates, Practising Company Secretaries.

We request you to kindly take the same on record.

Thanking you.

Yours faithfully,
For Monarch Network Capital Limited


Rupali Verma
Company Secretary & Compliance Officer
M. No. A42923



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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VIJAY KUMAR MISHRA

B. Com (Hons.), A C A . F C S

PARESH D PANDYA

B. Com., A.C.S.

VKM & ASSOCIATES

PRACTISING COMPANY SECRETARIES

116, Trinity Building, 1st Floor, 227, Dr. C. H. Street, Behind

Parsi Dairy, Marine Lines (E), Mumbai - 2. Tel.: 2207 7267

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Annual Secretarial Compliance Report for the year ended 31st March, 2023

**To,
MONARCH NETWORTH CAPITAL LIMITED
Unit No. 803-804A, 8th Floor, X-Change Plaza,
Block No. 53, Zone 5, Road- 5E,
Gift City, Gandhinagar GJ 382355 IN**

We, VKM & Associates have examined:

- (a) All the documents and records made available to us and explanation provided by **MONARCH NETWORTH CAPITAL LIMITED** (“the listed entity”),
- (b) The filings/ submissions made by the listed entity to the stock exchange,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended **31st March, 2023** (“Review Period”) in respect of compliance with the provisions of:
 - (a) The Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - (b) The Securities Contracts (Regulation) Act, 1956 (“SCRA”), Rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);



The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018-

On February 04, 2023, The Company has converted 28,20,000 Equity shares of face value of Rs. 10/- each (Rupees Ten Only) pursuant to conversion of 29,90,000 Fully Convertible Warrants at an issue price of Rs. 72/- each (Rupees Seventy Two Only) by way of preferential allotment on a private placement basis to the persons belonging to Non-Promoter Category and remaining 1,70,000 Warrants were cancelled by the Company due to non-subscription by the Warrant-holder(s) within the prescribed time.

- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable to the Company during the period under review;**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021-
Duirng the year under review, Company has granted 5,00,000 option to employees under Esop Scheme.
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Securities) Regulations, 2021- **Not Applicable to the Company during the period under review;**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015- **Not Applicable to the Company during the period under review;**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- j) 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 and circulars/guidelines issued thereunder;

and based on the above examination, we hereby report that, during the Review Period:



Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1.	<p><u>Secretarial Standard</u></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)</p>	YES	—
2.	<p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of the board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per theregulations/circulars/guidelines issued by SEBI 	YES	—
3.	<p><u>Maintenance and disclosures on Website:</u></p> <ul style="list-style-type: none"> • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website 	YES	—
4.	<p><u>Disqualification of Director:</u></p> <p>None of the Director's of the Company are disqualified under Section 164 of the Companies Act, 2013</p>	YES	—



5.	<p><u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies. (b) Requirements with respect to the disclosure of material as well as other subsidiaries.</p>	YES	—
6.	<p><u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015</p>	YES	—
7.	<p><u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations</p>	YES	—
8.	<p><u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions</p>	YES	—
9.	<p><u>Disclosure of events and information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	YES	—



10	<p><u>Prohibition of Insider Trading</u></p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	YES	—
11	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder</p>	Yes	<p>However there is one SEBI enquiry wherein SEBI vide their notice dated 3/02/2023 u/s 11 (c) (3) of SEBI Act 1992 sought Whether the company invested in FPO of Adani Enterprises Ltd. On the same day the Company clarified to SEBI that it has not made any investment in recent FPO of Adani Enterprises Ltd.</p>
12	<p><u>Additional Non-compliances, if any:</u></p>	N.A	—



(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement(Regulations/ Circulars Guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observation/Remarks of PCS	Management Remarks	Remarks
N.A										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Compliance Requirement(Regulations/ Circulars Guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observation/Remarks of PCS	Management Remarks	Remarks
1	Sec 190 & 200 of CRPC & Regulation 3 of SEBI (Prohibition of Fraudulent and Unfair trade practices)1995 and regulation 13 of Code of Conduct under Schedule III of the SEBI (Merchant Bankers) Regulations 1992 read with section 27 of the SEBI	Sec 190 & 200 of CRPC & Regulation 3 of SEBI (Prohibition of Fraudulent and Unfair trade practices)1995 and regulation 13 of Code of	SEBI filed a complaint against erstwhile company Monarch Projects and Finmarkets Ltd which had been merged with Networth Stock Broking Limited in 2014, resulting into a new entity Monarch Networth Capital Limited. The matter is pertaining to alleged irregularities	Securities and Exchange Board of India (SEBI)	SEBI filled a complaint against the company before SEBI special court	irregularities observed in IPO of issuer Company Dhanlaxmi Lease Finance Limited	Final order awaited	-	-	Final order awaited

	<p><i>Conduct under Schedule III of the SEBI (Merchant Bankers) Regulations 1992 read with section 27 of the SEBI</i></p>	<p><i>observed in IPO of issuer Company Dhanlaxmi Lease Finance Limited which was handled by Monarch Projects and Finmarkets Ltd as merchant banker way back in 1995.</i></p>							
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2	<p><i>Section 12 A of SEBI Act, 1992 and Regulation 3(a), 3(b), 3(c), 3(d), 4(1) and 4(2)(e) of PFUTP Regulations.</i></p>	<p><i>Regulation 3(a), 3(b), 3(c), 3(d), 4(1) and 4(2)(e) of PFUTP Regulations.</i></p>	<p><i>Sebi vide show cause notice in 2013 called upon Company to show cause alleging synchronized trading in case of 2 clients in the shares of Sky Industries Ltd., On July 2015 SEBI imposed penalty of Rs.35 Lakhs. The company appealed to SAT and SAT upheld the order. Aggrieved by the order the company preferred an appeal before Supreme court. An Supreme court issued a stay</i></p>	<p><i>Securities and Exchange Board of India (SEBI)</i></p>	<p><i>A fine letter issued to Company</i></p>	<p><i>Sebi Vide Show Cause Notice In 2013 called Upon Company To Show Cause alleging Synchronized Trading In Case Of 2 Clients In The Shares Of Sky Industries Ltd., On July 2015 SEBI Imposed Penalty Of Rs.35 Lakhs. The Company Appealed To SAT Ansatup held The order. Aggrieved By The Order The Company Preferred An</i></p>	<p><i>The Matter is still pending before Supreme Court.</i></p>	-	-	<p><i>The Matter is still pending before Supreme Court .</i></p>
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						<i>Appeal Before Supreme Court. A nsupreme ment Court Issued A Stay</i>				
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(c) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from my/our examination of those records.

**For VKM & ASSOCIATES
Company Secretaries**



Vijay Kumar Mishra

**(Vijay Kumar Mishra)
Partner
C.P.No.4279**

**UDIN : F005023E000372709
PR : 1846/2022
Place : Mumbai
Date : 30/05/2023**