

REPORT ON CORPORATE GOVERNANCE**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company's philosophy of Corporate Governance emphasizes on maintaining the highest level of accountability, transparency in all its dealings, timely disclosures and dissemination of price sensitive information and matters of interests to its stakeholders, ensuring absolute compliance with all applicable laws and regulations and conducting business ethically.

The Company believes that Corporate Governance is about conducting business in accordance with the applicable laws, rules and regulations while striking a balance between economic and social goals. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors.

The Company is in compliance with the requirements of Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS:

The Board of Directors of the Company consists of directors having rich knowledge and experience in the industry and related sectors for providing strategic guidance and direction to the Company.

- i. The Board of Directors of the Company has optimum combination of Executive and Non-Executive/Independent Directors. As on 31st March, 2019, the Board of Directors comprised of 5 (Five) directors out of which 3 (Three) were Non-Executive Directors/Independent Directors and 2 (Two) Executive Directors. The Chairman of the Board is Executive Director.
- ii. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.
- iii. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2019 have been made by the Directors. None of the Directors are related to each other.
- iv. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.
- v. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2019 are given herein below. Other directorships do not include directorships of foreign companies and companies under Section 8 of the Act. Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.
- vi. During the financial year 2018-19, 12 (Twelve) meetings of Board of Directors were held on viz., 07th April, 2018, 30th May, 2018, 18th June, 2018, 09th August, 2018, 14th August, 2018, 03rd September, 2018, 22nd October, 2018, 14th November, 2018, 04th January, 2019, 07th January, 2019, 12th February, 2019 and 18th March, 2019.

The details of composition of the Board of Directors, their attendance at each Board meeting held during the financial year 2018-2019 and at the last Annual General Meeting, their directorships in other public companies and positions in various Committees are as follows:

MONARCH NETWORK CAPITAL LIMITED

Name	Category	No. of Board Meetings Held	No. of Board Meetings Attended	Whether attended last AGM	As on 31st March, 2019 (Excluding position in the Company)		
					No. of Director ships	Committee	
						Chairman ship(s)	Member ship(s)
Mr. Vaibhav J. Shah	P/MD/ED	12	12	No	2	–	–
Mrs. Manju S. Bafna	C/P/ED	12	12	Yes	5	–	–
Mr. Mayukh Pandya	I/NED	12	12	No	2	-	3
Mr. Shailesh Desai*	I/NED	12	12	No	1	-	2
Mr. Chetan Bohra	I/NED	12	12	No	2	–	–

*Resigned w.e.f. 01st April, 2019

Details of Directorship in other listed entity(s)

Category of Directorship	Category of Directorship	Category of Directorship
Mr. Mayukh Pandya	Shree Ganesh Elastoplast Limited	Non Executive - Independent Director

The necessary quorum was present for all the meetings.

Notes:

1. C – Chairman, P – Promoter, I – Independent Director, MD- Managing Director, NED – Non Executive Director, ED – Executive Director, CFO – Chief Financial Officer, CEO- Chief Executive Officer
2. Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.
3. The directorship held by directors as mentioned above do not include Directorship in foreign companies and companies registered under Section 8 of the Companies Act, 2013.
4. The Company Secretary in consultation with Chairman of the Company and Managing Director/ Executive Director, drafts the Agenda for each Board meeting along with explanatory notes and distributes these in advance to the Directors. The Company has well defined process for placing vital and sufficient information before the Board. Any matter requiring discussion or decision or approval of the Board or Committee, is communicated to the Company Secretary well in advance so that the same could be included in the Agenda for the respective meetings. The Board meets at least once in a quarter and maximum time gap between two meetings did not exceed one hundred and twenty days.
- vii. During the year, a separate meeting of the Independent Directors of the Company was held on 12th February, 2019 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole and the quality, quantity and timeliness of flow of information between the Company management and the Board. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.
- viii. The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.
- ix. The Company undertakes necessary induction programme for new Directors and ongoing training for existing Directors. The new directors are briefed about the Company processes and to familiarize them with the business activities of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction process is designed to:

- build an understanding of the Company processes and
- fully equip Directors to perform their role on the Board effectively

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of familiarization programme of the Independent Directors are available on the Company's website at www.mnclgroup.com

- x. During the year 2018-19, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- xi. Details of equity shares of the Company held by the Directors as on March 31, 2019 are given below:

Name	Category	Number of equity shares
Mr. Vaibhav J. Shah	Non-Independent, Executive	31,08,815
Mrs. Manju S. Bafna	Non-Independent, Executive	15,07,500
Mr. Mayukh Pandya	Independent, Non-Executive	Nil
Mr. Shailesh Desai	Independent, Non-Executive	21,108
Mr. Chetan Bohra	Independent, Non-Executive	Nil

Key Board qualifications, expertise and attributes

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensure that the Company's Board is in compliance with the highest standards of corporate governance.

The list of core skills/expertise/competencies identified by the Board in the context of the business of the Company and which are available with the Board are as under:

- General Management and Business Operations
- Leadership
- Senior Management Expertise
- Public Policy/Governmental Regulations
- Accounting/Finance/Legal
- Risk Management
- Human Resources Management
- Corporate Governance
- Business Development

3. COMMITTEES OF THE BOARD:

The Board of Director's of the Company has constituted the following Committees:

- (i) Audit Committee
- (ii) Stakeholders' Relationship Committee
- (iii) Nomination and Remuneration Committee
- (iv) Corporate Social Responsibility Committee

I. AUDIT COMMITTEE:

- a) The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.
- b) The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and other associated matters.
- c) Terms of reference:

The terms of reference of the Audit Committee broadly are as under:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with management, the quarterly/half yearly/ annual financial statements before submission to the Board for approval with particular reference to:

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- ❖ Matters required to be included in the Directors' Responsibility Statement.
 - ❖ Changes, if any, in accounting policies and practices and reasons for the same.
 - ❖ Major accounting entries involving estimates based on the exercise of judgment by the management.
 - ❖ Significant adjustments made in the financial statements arising out of audit findings.
 - ❖ Compliance with listing and other legal requirements relating to financial statements.
 - ❖ Disclosure of related party transactions.
 - ❖ Qualifications in draft audit report.
 - ❖ Recommending the appointment/re-appointment/removal of statutory auditors, fixation of audit fees and also approval of payments for any other services.
- Reviewing with management, Statutory and internal auditor's adequacy of the internal control systems.
 - Discussing with internal and statutory auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them
 - Reviewing the Company's financial and risk management policies.
 - Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.
 - Scrutiny of inter-corporate loans and investments
 - Approval or any subsequent modification of transactions of the Company with related parties
 - Valuation of undertakings or assets of the company, wherever it is necessary; Evaluation of internal financial controls and risk management systems
 - Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed
 - The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company
 - The audit committee shall review the information required as per SEBI Listing Regulations.
- d) The quorum of the Committee is two independent members present or one third of the total members of the Committee, whichever is higher. As on 31st March, 2019 the Audit Committee consists of 3(Three) Non-Executive/Independent Directors.
- e) During the financial year 2018-19, the members of Audit Committee met 08 (Eight) times on 07/04/2018, 30/05/2018, 18/06/2018, 09/08/2018, 14/08/2018, 03/09/2018, 14/11/2018 and 12/02/2019. The Composition and attendance of the members of the Audit Committee during the financial year 2018-19 was as follows:

Name	Designation	Number of Meetings Held	Meetings Attended
Mr. Mayukh Pandya	Chairman	08	08
Mr. Shailesh Desai	Member	08	08
Mr. Chetan Bohra	Member	08	08

- f) The audit committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

II. NOMINATION AND REMUNERATION COMMITTEE:

a) The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013.

b) **Terms of reference:**

The Committee is empowered to–

- Recommend to the Board the setup and composition of the Board and its committees, including the “formulation of the criteria for determining qualifications, positive attributes and independence of a director.” The committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Recommend to the Board the appointment or reappointment of directors.
- Devise a policy on Board diversity.
- Recommend to the Board appointment of Key Managerial Personnel (“KMP” as defined by the Act) and executive team members of the Company (as defined by this Committee).
- Carry out evaluation of every director’s performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors. This shall include “Formulation of criteria for evaluation of Independent Directors and the Board”. Additionally the Committee may also oversee the performance review process of the KMP and executive team of the Company.
- Recommend to the Board the Remuneration Policy for directors, executive team or Key Managerial Personnel as well as the rest of the employees.
- On an annual basis, recommend to the Board the remuneration payable to the directors and oversee the remuneration to executive team or Key Managerial Personnel of the Company
- Oversee familiarization programmes for directors.
- Oversee the Human Resource philosophy, Human Resource and People strategy and Human Resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, Key Managerial Personnel and executive team).
- Provide guidelines for remuneration of directors on material subsidiaries.
- Recommend to the Board on voting pattern for appointment and remuneration of directors on the Boards of its material subsidiary companies.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

c) During the financial year 2018-19, the members of Nomination and Remuneration Committee met 6 (Six) times on 30/05/2018, 09/08/2018, 14/08/2018, 03/09/2018, 14/11/2018 and 07/01/2019.

d) The Composition and attendance of the members of the Nomination and Remuneration Committee during the financial year 2018-19 was as follows:

Name	Designation	Number of Meetings Held	Meetings Attended
Mr. Mayukh Pandya	Chairman	06	06
Mr. Shailesh Desai	Member	06	06
Mr. Chetan Bohra	Member	06	06

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

e) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

f) Nomination & Remuneration policy:

The Company follows a comprehensive policy for selection, re-recommendation, appointment of Directors and other senior managerial employees and also on the remuneration, and such other related provision as applicable.

1. Selection:

- Any person to be appointed as a Director on the Board of Director of the Company or as KMP or Senior Management Personnel, including Independent Directors, shall possess appropriate skills, experience and knowledge in one or more fields of sciences, actuarial sciences, banking, finance, economics, law, management, sales, marketing, administration, research, corporate governance or technical operations.
- Any person to be appointed as a Director on the Board of the Company shall possess the relevant experience and shall be able to provide policy directions to the Company, including directions on good corporate governance.
- While appointing any person as Chief Executive Officer, Managing Director or a Whole-time director of the Company, his / her educational qualification, work experience, industry experience, etc. shall be considered.

2. Remuneration:

- Remuneration of Executive Directors:
 - i. At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the Executive Directors within the overall limits prescribed under the Companies Act.
 - ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
 - iii. The remuneration of the Executive Directors is broadly divided into fixed component.
 - iv. The fixed compensation shall comprise salary, allowances, perquisites, amenities and retiral benefits.

In determining the remuneration (including the fixed increment and performance bonus) the Nomination & Remuneration Committee shall consider the following:

- i. The relationship of remuneration and performance benchmarks
- ii. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- iii. Responsibility of the Executive Directors and the industry benchmarks and the current trends;
- iv. The Company's performance vis-à-vis the annual budget achievement and individual performance.

- **Remuneration of Non-Executive Directors:**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies Appointment and Remuneration of Managerial Personnel Rules, 2014.

The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company

• **Remuneration of Senior Management Employees:**

In determining the remuneration of the Senior Management employees (i.e. KMPs and Executive Directors) the Nomination & Remuneration Committee shall consider the following:

- i. The relationship of remuneration and performance benchmark;
- ii. The components of remuneration includes salaries, perquisites and retirement benefits;
- iii. The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, industry benchmark and current compensation trends in the market.

The Executive Directors will carry out the individual performance review based on the standard appraisal matrix and after taking into account the appraisal score card and other factors mentioned hereinabove, recommends the annual increment to the Nomination & Remuneration Committee for its review and approval.

Details of remuneration/sitting fees paid to the Directors and number of shares held by them in the Company during the financial year 2018-19 are as follows:

Name	Category	Salary	Perquisites or Allowances	Stock Options	Sitting Fees*	Total	No. of shares held
Mr. Vaibhav J. Shah	Chairman & Managing Director	29,78,400	-	-	-	29,78,400	31,08,815
Mrs. Manju S. Bafna	Executive Director	13,92,660	-	-	-	13,92,660	15,07,500
Mr. Mayukh Pandya	Independent Director	-	-	-	-	-	-
Mr. Shailesh Desai	Independent Director	-	-	-	-	-	21,108
Mr. Chetan Bohra	Independent Director	-	-	-	-	-	-

* None of the Directors is paid any sitting fees for attending the Board or Committee meeting.

III. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

- a) The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and the provisions of Section 178 of the Companies Act, 2013.

b) **Terms of Reference:**

The Committee is specifically responsible for the redressal of shareholders'/investors' grievances pertaining to non-receipt of Annual Report, dividend payments, Share transfers and other miscellaneous complaints and recommends measures for overall improvement in the quality of investor services.

The Committee also overviews the performance of the Registrar and Share Transfer Agents of the Company relating to investors services and recommend measures for improvements.

- c) During the financial year 2018-19, the members of Stakeholders' Relationship Committee met 4 (Four) times on 30/05/2018, 03/09/2018, 14/11/2018 and 12/02/2019.
- d) The Composition and attendance of the members of the Stakeholders' Relationship Committee during the financial year 2018-19 was as follows:

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Name	Designation	Number of Meetings Held	Meetings Attended
Mr. Mayukh Pandya	Chairman	04	04
Mr. Shailesh Desai	Member	04	04
Mr. Chetan Bohra	Member	04	04

e) Name, designation and address of the Compliance Officer:

Ms. Rupali Verma
Company Secretary and Compliance Officer
Monarch Network Capital Limited
Office no.901/902, 9th Floor,
Atlanta Centre, Opp. Udyog Bhavan,
Sonawala Road, Goregaon (East),
Mumbai-400063
Telephone: 022-30641600 Fax No: 022-26850257
Email: cs@mnclgroup.com
Website: www.mnclgroup.com

f) Details of Status of Investors' Complaints during the year 2018-19 are as follow:

Opening at the beginning of the year	Received during the year	Resolved during the year	Pending at the end of the year
NIL	NIL	NIL	NIL

IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The CSR Committee of the Board comprising of the following members:

Member's name	Category	Designation
Mr. Mayukh Pandya	Non Executive Independent Director	Chairman
Mr. Vaibhav Shah	Managing Director	Member
Mrs. Manju Bafna	Whole-Time Director	Member

During the financial year 2018-19, the members of the Committee met on 30/05/2018 & 14/11/2018.

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The contents of the CSR policy are also available on the Company's website at <https://www.mnclgroup.com/investor-relation/investor-relation-policy>;

The terms of reference of CSR shall, inter-alia, include the following:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

V. GENERAL BODY MEETINGS:**a) Annual General Meetings:**

Details of date, time and location of the last three Annual General Meetings (AGMs) are given below:

Financial Year	AGM	Date of AGM	Time	Location of the meeting
2017-18	25th	28th September, 2018	11.30 a.m.	Supreme Hospitality, Ozone Activity Centre, Prabhodhan Goregaon, Siddharth Nagar, Goregaon (West), Mumbai – 400 104
2016-17	24th	29th September, 2017	12.00 p.m.	Supreme Hospitality, Ozone Activity Centre, Prabhodhan Goregaon, Siddharth Nagar, Goregaon (West), Mumbai – 400 104
2015-16	23rd	30th September, 2016	12.00 p.m.	Jayleela Banquet, Opp. Railway Nagar, Sonawala Road, Goregaon (East), Mumbai – 400 063, Maharashtra

b) Details of Special Resolution passed in the last three Annual General Meetings:

Date of AGM	Purpose of Resolution
28th September, 2018	1. Re-Appointment of Mrs. Manju Bafna as Whole Time Director of the Company. 2. Re-Appointment of Mr. Vaibhav Shah as a Managing Director of the Company.
29th September, 2017	No Special Resolution passed.
30th September, 2016	No Special Resolution passed.

c) Details of Extra Ordinary General (Court Conveyed) Meeting of Equity Shareholders:

Date	Time	Location of the meeting	Resolution passed
16th February, 2019	09.00 a.m.	The Roa Hotel Plot No. 333, LBS Rd, Gangawadi, Ghatkopar West, Mumbai, Maharashtra 400086	Approval of members for the Scheme of Amalgamation of NETWORKTH INSURANCE BROKING PRIVATE LIMITED ('NIBPL' or 'the Transferor Company 1'), NETWORKTH SOFTTECH LIMITED ('NSL' or 'the Transferor Company 2'), NETWORKTH WEALTH SOLUTIONS LIMITED ('NWSL' or 'the Transferor Company 3'), MONARCH NETWORKTH COMTRADE LIMITED ('MNCTL' or 'the Transferor Company 4') with the Company and their respective shareholders ("Scheme").

During the year under review, no Special Resolution was passed by means of Postal Ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal ballot.

VI. MEANS OF COMMUNICATIONS:

- The quarterly, half-yearly and annual results of the Company are forwarded to BSE Limited where the shares of the Company are listed and published in "Business Standard" (English) and Mumbai Lakshadeep (Marathi). The results are also displayed on the Company's website at www.mnclgroup.com.
- The Management Discussion and Analysis for the year ended 31st March, 2019 is part of Annual Report and annexed separately.
- The Company has not made any presentations/press release to Institutional Investors or to the Analysts during the year under review.

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VII. GENERAL SHAREHOLDER'S INFORMATION:

a. Annual General Meeting for Financial year 2018-19:

Date : 30th September, 2019
Day : Monday
Time : 11.30 a.m.
Venue : Supreme Hospitality, Ozone Activity Centre, Prabhodhan Goregaon, Siddharth Nagar, Goregaon(West) Mumbai-400104

b. Financial Calendar:

Financial Year: 1st April to 31st March
AGM in: September

Financial Calendar (Provisional for 2019-20):

Subject Matter	Tentative Dates of the Board Meeting
First Quarter Results	On 14th August, 2019.
Second Quarter Results	By 14th November, 2019.
Third Quarter Results	By 14th February, 2020.
Fourth Quarter/ Yearly Results	By 30th May, 2020 (Audited Results)

Date of Book Closure/Record Date: 23rd September, 2019 to 30th September, 2019

c. **Listing on Stock Exchange:** The Equity Shares of the Company are listed on the BSE Limited. Listing Fees as applicable have been paid.

d. Stock Code & ISIN:

Stock Code: 511551,
Demat ISIN Number in NSDL & CDSL: INE903D01011

e. **Corporate Identity Number (CIN) of the Company:** L65920MH1993PLC075393

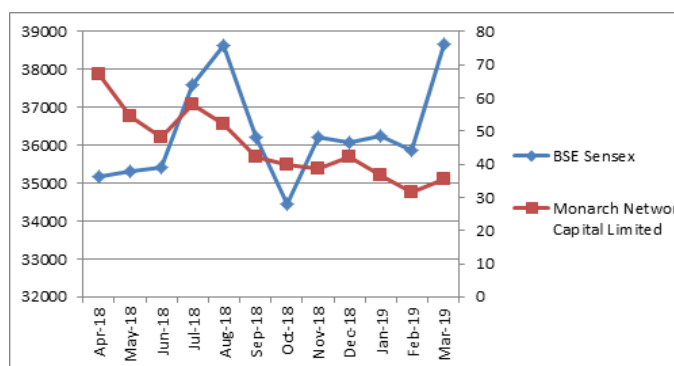
f. Market Price Data:

High & Low price of the Equity Shares of the Company at BSE Ltd. during each month for the year 2018-19 as compared to BSE SENSEX points are as follows:

Month	Price on BSE (INR.)*		BSE Sensex (Points)*	
	High	Low	High	Low
April 2018	77	59.05	35213.3	32972.56
May 2018	68.45	52	35993.53	34302.89
June 2018	62	42.05	35877.41	34784.68
July 2018	59	42.1	37644.59	35106.57
August 2018	60.95	51.1	38989.65	37128.99
September 2018	59.9	40	38934.35	35985.63
October 2018	47.5	37.35	36616.64	33291.58
November 2018	44.6	37.2	36389.22	34303.38
December 2018	47.9	36.5	36554.99	34426.29
January 2019	44.45	35.55	36701.03	35375.51
February 2019	44	30	37172.18	35287.16
March 2019	40.7	31	38748.54	35926.94

*Source: www.bseindia.com

g. Performance of Monarch Network Capital Limited Share Price in comparison with BSE Sensex :



*Source: www.bseindia.com

h. Registrars and Transfer Agents details:

Name & Address:

Skyline Financial Services Private Limited

Unit – Monarch Network Capital Limited

D- 153A, 1st Floor, Okhla Industrial Area,

Phase- I, New Delhi- 110020

Tel: 011-26812682/83

Email: admin@skylinerta.com

Website: www.skylinerta.com

i. Share Transfer System:

All shares sent or transferred in physical form are registered by the Registrar & Share Transfer Agents within 15 days of the lodgment, if documents are found in order. Shares under objection are returned within two weeks. All requests for dematerialization of shares processed and the confirmation are given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 21 days.

j. Shareholding Pattern as on 31st March, 2019:

i. Distribution Schedule as on 31st March, 2019:

Slab of Shares Holding	Number of Share Holders	% to total number of holders	Shareholding Amount	%to total Number of Shares
Up To 5,000	4120	80.41	6330820	2.09
5001 To 10,000	400	7.81	3383100	1.12
10001 To 20,000	234	4.57	3668460	1.21
20001 To 30,000	101	1.97	2537880	0.84
30001 To 40,000	50	0.98	1781690	0.59
40001 To 50,000	41	0.8	1912020	0.63
50,001 To 100000	67	1.31	4997810	1.65
10001 and above	111	2.17	278504220	91.88
TOTAL	5124	100.00	303116000	100.00

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ii. Categories of equity shareholding as on March 31, 2019:

Categories	No of Shareholders	No. of Shares	% of shareholding
Promoters	14	19507802	64.36
Foreign Portfolio Investors	1	838388	3.16
Financial Institution/Banks	2	299145	0.99
FII's	0	0	0
Non- Resident Indians	36	185648	0.53
Bodies Corporate	110	4207598	15.07
NBFCs Registered with RBI	1	10	0.00
Clearing Members/House	13	163050	0.06
Resident Indian HUF	161	449682	1.46
Indian Public	5024	4381977	14.37
Total	5362	30311600	100.00

iii. Dematerialization of Equity Shares and Liquidity

As on 31st March, 2019, 99.17% of the equity shares of the Company are held in dematerialized form with NSDL and CDSL. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE903D01011.

j. Outstanding ADR / GDR/ Warrants/ Convertible Instruments and their impact on Equity:

Your Company has not issued any ADRs/GDRs/Warrants or any Convertible Instruments.

k. Commodity price risk or foreign exchange risk and hedging activities:

Please refer to Management Discussion and Analysis Report for the same.

l. Address for Investor Correspondence

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, and please write to:

Ms. Rupali Verma,
Company Secretary and Compliance Officer
Monarch Network Capital Limited
Office no.901/902, 9th Floor,
Atlanta Centre, Opp. Udog Bhawan,
Sonawala Road, Goregaon (East),
Mumbai-400063
Telephone: 022-30641600 Fax No: 022-26850257
Email: cs@mnclgroup.com
Website: www.mnclgroup.com

VIII. OTHER DISCLOSURES:

a. Related Party Transactions:

There were no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors during the financial year ended 31st March, 2019 that may have potential conflict with the interest of the Company at large. The transactions with the related parties, as per the requirements of the Accounting Standard (AS) 18, are disclosed in the Notes on Accounts, forming part of the Annual Report. The policy on dealing with Related Party Transaction is available on Company's website at www.mnclgroup.com

b. Compliance related to Capital Market:

The Company has complied with the requirements of the Stock Exchange, Securities and Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital market during the last three years except as stated in **Annexure B**. Further, no strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities as per Listing Compliances except as stated in **Annexure B**.

c. CEO/CFO Certification:

Certificate regarding CEO/CFO Certification in terms of the Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also annexed to this report.

d. Vigil Mechanism Policy/ Whistle Blower Mechanism:

The Company promotes ethical behavior in all its business activities and adopted Vigil Mechanism/Whistle Blower Policy to report unethical and fraudulent behavior. Under the said policy the employee, vendors and customers can report any suspected or confirmed incident of fraud, misconduct, unethical behavior etc. to the Company. This will ensure fraud-free work & ethical environment.

Written communication to:

Ms. Rupali Verma

Company Secretary
Monarch Network Capital Limited
Office No. 901/902, 9th Floor, Atlanta Centre,
Opp. Udyog Bhavan, Sonawala Road,
Goregoan (East), Mumbai 400063
E-mail: cs@mnclgroup.com
Phn: 022 – 3064 1600
Fax: 022 -2685 0257

The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and direct access to the Chairman of the Audit Committee is also available in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on the website of the Company viz., <https://www.mnclgroup.com/investor-relation/investor-relation-policy>

e. The Company has also adopted Policy on Determination of Materiality for Disclosures, Policy on Archival of Documents and Policy for Preservation of Documents which is also available on the website of the Company at <https://www.mnclgroup.com/investor-relation/investor-relation-policy>.

f. The Company has also complied with the following requirements:

- a) Shareholders' Rights: As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- b) Audit qualifications: Company's financial statements are unqualified.
- c) Reporting of Internal Auditor: The Internal Auditors of the Company reports to the Audit Committee

g. Reconciliation of share capital audit:

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

h. The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations:

- The auditors' report on statutory financial statements of the Company is unqualified.
- The Internal Auditor reports to the Audit Committee.

i. There are no shares lying in Demat Suspense account/ unclaimed suspense account

j. Code of Conduct and Certificate on Compliance of Corporate Governance:

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("Act"). This Code of Conduct emphasizes the Company's commitment to Compliance with the highest standards of legal and ethical behavior. This Code of Conduct is available on the website of the Company at www.mnclgroup.com

All Directors and senior management have adhered to the Code of Conduct of the Company during the year and have signed declarations in compliance with the Code of Conduct. The declaration signed by Mr. Vaibhav Shah, Managing Director is given separately in the Annual Report.

The Certificate from Practising Company Secretary on Compliance of provisions related to Corporate Governance by the Company is also annexed to this report.

k. Subsidiary Companies: The audit committee reviews the consolidated financial statement's of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

As on 31st March, 2019, the Company had following subsidiaries:

1. Monarch Network Finserve Private Limited
2. Monarch Network Investment Advisors Pvt Ltd.
3. Monarch Network Capital IFSC Private Limited (Incorporated on 14.03.2017)

The Company does not have any material non- listed Indian Subsidiary company.

The Company has a policy for determining 'material subsidiaries which is disclosed on the website at www.mnclgroup.com

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I, Vaibhav Shah, Managing Director of the Company, declare that the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct during the year ended 31st March, 2019.

For Monarch Network Capital Limited

**Sd/-
Vaibhav Shah
Managing Director**

**Place: Mumbai
Date: 03rd September, 2019**