

February 13, 2024

To,
Department of Corporate Services
BSE Limited
P J Towers,
Dalal Street, Fort,
Mumbai -400 001
Scrip Code: 540725

To,
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051
SYMBOL: SHAREINDIA

Sub: Monitoring Agency Report for the Quarter ended December 31, 2023

Dear Sir,

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 82(4) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, we have enclosed herewith Monitoring Agency Report for the quarter ended December 31, 2023, issued by CRISIL Ratings Limited, Monitoring Agency, appointed to monitor the utilization of proceeds of the Rights Issue of the Company.

You are requested to take the same on your records.

Thanking You.

Yours Faithfully,

FOR SHARE INDIA SECURITIES LIMITED

Vikas Aggarwal
Company Secretary & Compliance Officer
M. No. F5512

Monitoring Agency Report
for
Share India Securities Limited
for the quarter ended
December 31, 2023

Ratings



CRL/MAR/SHINSL/2023-24/1078

February 13, 2024

To

Share India Securities Limited

1701-1703, 17th Floor, Dalal Street Commercial
Co-operative Society Limited, Road 5E, Block 53,
Zone 5, Gift City, Gandhinagar, Gujarat 382355

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2023 - in relation to the Rights Issue of Equity shares along with detachable warrants of Share India Securities Limited ("the Company")

Pursuant to Regulation 82 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") and Monitoring Agency Agreement dated February 14, 2023, we enclose the Monitoring Agency Report, issued by CRISIL Ratings Limited, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of rights Issue for the quarter ended December 31, 2023.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of CRISIL Ratings Limited

Sushant Sarode
Director, Ratings (LCG)

Report of the Monitoring Agency

Name of the issuer: Share India Securities Limited

For quarter ended: December 31, 2023

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

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 we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.

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: Sushant Sarode

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

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1) Issuer Details:

Name of the issuer:	Share India Securities Limited
Names of the promoter:	a. Parveen Gupta b. Rajesh Gupta c. Sachin Gupta d. Yash Pal Gupta
Industry/sector to which it belongs:	Stockbroking and allied

2) Issue Details

Issue Period:	Thursday, March 9, 2023, to Friday, March 17, 2023
Type of issue (public/rights):	Rights Issue
Type of specified securities:	Equity Shares along with detachable warrants
IPO Grading, if any:	NA
Issue size:	Rs 80,404.51 lakh (Net proceeds of Rs 80,176.80 lakh*)

**CRISIL Ratings shall be monitoring the net proceeds amount. Net proceeds were revised from Rs 80,162.62 lakh (as per the offer document) to Rs 80,176.80 lakh, as the final issue expenses were lower by Rs 14.18 lakh in comparison with the amount mentioned in the offer document.*

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	Management undertaking, Statutory Auditor Certificate [^] , Final Offer Document, Bank Statements	No comments	No comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Statutory Auditor Certificate [^]	No comments	No comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		No comments	No comments
Is there any major deviation observed over the earlier monitoring agency reports?	No		No comments	No comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No comments	No comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No comments	No comments
Are there any favorable events improving the viability of these object(s)?	No		No comments	No comments
Are there any unfavorable events affecting the viability of the object(s)?	No		No comments	No comments
Is there any other relevant information that may materially affect the decision making of the investors?	No		No comments	No comments

NA represents Not Applicable

[^]Certificate dated February 06, 2024, issued by M/s SVP & Associates, Chartered Accountants (Firm Registration Number: 003838N), Statutory Auditor of the Company

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4) Details of object(s) to be monitored:

i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in lakh)	Revised Cost (Rs in lakh)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	To augment the margin deposited with various stock exchange and provide permissible funding to clients	Management undertaking, Statutory Auditor Certificate [^] , Final Offer document	76,154.49	76,154.49	No revision in cost	No Comments	No Comments	No Comments
2	General Corporate Purpose		4,008.13	4,022.31	Refer Note 1 below	No Comments	No Comments	No Comments
	Total	-	80,162.62	80,176.80	-	-	-	-

[^]Certificate dated February 06, 2024, issued by M/s SVP & Associates, Chartered Accountants (Firm Registration Number: 003838N), Statutory Auditor of the Company

Note 1: During the reported quarter ended December 31, 2023, the surplus amount of Rs. 14.18 Lakhs from issue related expenses was utilized towards General Corporate Purpose and hence, amount for utilization towards GCP stands at Rs. 4,022.31 Lakhs. It may be noted that such utilization of surplus issue related expenses towards GCP is exclusive of the limit of 5% of the Gross Proceeds of the Issue. Hence, the amount utilised for general corporate purposes does not exceed 5% of the Gross Proceeds from the Fresh Issue.

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ii. Progress in the object(s):

Sr. No.	Item Head#	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in lakh)	Amount utilized (Rs in lakh)			Total unutilized amount (Refer note 2 below) (Rs in lakh)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	To augment the margin deposited with various stock exchange and provide permissible funding to clients	Management undertaking, Statutory Auditor Certificate [^] , Final Offer Document, Bank Statements	76,154.49	21,992.69	769.28	22,761.97	53,392.52	Refer Note 2 below	No Comments	No Comments
2	General Corporate Purposes	Management undertaking, Statutory Auditor Certificate [^] , Final Offer Document, Bank Statements	4,022.31	1,160.85	14.18	1,175.03	2,847.28	Refer Note 1 above	No Comments	No Comments
	Total		80,176.80	23,153.54	783.46	23,937.00	56,239.80	-	-	-

[^]Statutory Auditor Certificate dated February 06, 2024, issued by M/s SVP & Associates, Chartered Accountants (Firm Registration Number: 003838N), Statutory Auditor of the Company

Note 2: Out of Rs 80,176.80 lakh (Net proceeds, after utilizing surplus issue related expenses of Rs. 14.18 Lakhs, stands at Rs. 80,176.80 Lakhs):

- The Company raised initial proceeds of Rs. 23,451.31 lakh during the quarter ended March 31, 2023.
- No funds were raised by the Company during the quarter ended June 30, 2023.
- The Company raised Rs. 4.94 lakh during the quarter ended September 30, 2023.
- The Company further raised Rs 708.46 lakh during the quarter ended December 31, 2023.
- Hence, the unutilised amount of Rs 56,239.80 lakh represents funds which are yet to be raised, these funds will be collected as and when the warrant holder exercises their right to convert the warrant into equity shares during warrant exercise period.

Note 3: All figures mentioned in this report are rounded off to two decimal places

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
<p>Augmenting the margin deposited with various stock exchange and provide permissible funding to clients</p>	<p>Business of the Company necessitates maintenance of margin deposits with stock exchanges of which the Company is a member viz. NSE, BSE, NCDEX & MCX, for the purpose of trading operations and extending such funding facilities to its clients as may be permitted by SEBI/Stock Exchanges. The Company intends to use Rs 76,154.49 lakh out of the Net Proceeds for maintenance of margin deposits with stock exchanges and for extending such funding facilities to its clients as may be permitted by SEBI and/or stock exchanges of which Company is a member of from time to time.</p> <p>Margins with the stock exchanges may be deposited in the form, inter-alia of cash, fixed deposits, liens marked against the fixed deposits, bank guarantees, approved securities and/or treasury instruments. The Company intends to utilize part of net proceeds raised in the Issue towards maintenance of margin with stock exchanges, which the Company is currently members of, viz BSE, NSE, NCDEX and, MCX or any other stock exchange in future as may be applicable. The Company intends to also provide Margin Trading Facility (MTF) to its clients within the ambit of Regulations framed by SEBI including SEBI circular dated June 13, 2017 and other relevant circulars and guidelines issued by SEBI from time to time (the "Margin Trading Facility Circular"), read with the applicable circulars, rules, regulations and byelaws framed, if any, by the respective stock exchanges which the Company are members of.</p>
<p>General Corporate Purposes</p>	<p>The Company proposes to deploy the balance Net Proceeds aggregating to Rs 4,008.13 lakh towards general corporate purposes, subject to such utilization not exceeding 5% of the Gross Proceeds of the Issue (Refer Note 1 above), in compliance with the SEBI ICDR Regulations. The general corporate purposes for which the Company proposes to utilize Net Proceeds include but not limited to:</p> <ul style="list-style-type: none"> • Expenses incurred in the ordinary course of business on human resource of the Company • Acquiring, maintaining and up gradation of hardware, software and other allied/ancillary items • Acquiring new office space on lease/rent • Funding growth opportunities • Repayment of loans • Reduction in working capital and payment of interest on any borrowing availed by the Company • Entering into brand building exercises, strengthening marketing capabilities • General maintenance • Payment of technical and professional charges • Payment of various charges payable to stock exchanges which the Company is member of viz BSE, NSE, NCDEX and, MCX or any other stock exchange in future, as may be applicable • Investment in different financial instruments to meet contingency requirements, partnerships, subsidiaries, tie-ups or contingencies/expenses in ordinary course of business which may not be foreseen. <p>In addition to the above, the Company may utilize Net Proceeds towards other expenditures considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The Company's management, in accordance with the policies of the Board and subject to applicable law, shall have flexibility in utilizing surplus amounts, if any.</p>

iii. Deployment of unutilised proceeds[^]:

S. No.	Type of instrument where amount is invested	Amount invested	Maturity date	Earnings as on September, 2023	Return on Investment (%)	Market value as at the end of quarter
Refer Note 2 above						

[^]As per management undertaking and Statutory Auditor Certificate dated February 06, 2024, issued by M/s SVP & Associates, Chartered Accountants (Firm Registration Number: 003838N)

iv. Delay in implementation of the object(s):

Object(s)	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
Refer note 4 below					

Note 4: As per management undertaking and Statutory Auditor Certificate dated February 06, 2024, issued by M/s SVP & Associates, Chartered Accountants (Firm Registration Number: 003838N):

There has been no delay in implementation of objects since funds have been utilized in accordance with the "Objects of the Issue" chapter beginning on page no. 51 of the Letter of Offer dated February 28, 2023 as follows:

- Initial issue proceeds were intended to be utilized during the Fiscal year 2022-2023 & Fiscal year 2023-2024 depending upon the actual date of realization of issue proceeds.
- The issue proceeds were realized on March 31, 2023 and the same have been utilized as disclosed above.

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

S. No.	Item Head	Amount (Rs In Lakhs) (Refer Note 1 above)	Remarks
1.	Payment of various charges payable to stock exchanges which the Company are the members of viz BSE, NSE, NCDEX and, MCX or any other stock exchange in future, as may be applicable	6.51*	The Company being a member of NSE exchange has utilized the amount for making payment of various charges to NSE Exchange. Utilization of the same has been approved by the Rights Issue Committee in its meeting held on October 25, 2023.
2.	Contingencies/expenses in ordinary course of business which may not be foreseen	7.67	The Company utilised this amount for augmentation of Margin. Utilization of the same has been approved by the Rights Issue Committee in its meeting held on October 25, 2023.
	Total	14.18	-

*During the reported quarter, the Company transferred net proceeds from Company's monitoring agency account to its current account maintained with HDFC Bank for Payment of various charges payable to NSE as this account is used for making all payments due towards NSE including bills, fines, penalties and other charges. Further, the transferred amount stands fully utilized as at the end of this quarter.

[^]As per management undertaking and Statutory Auditor Certificate dated February 06, 2024, issued by M/s SVP & Associates, Chartered Accountants (Firm Registration Number: 003838N)

Disclaimers:

- a) *This Report is prepared by CRISIL Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). 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.*
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