

## NOTICE TO THE 31<sup>ST</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 31<sup>ST</sup> Annual General Meeting of the Members of Network Limited will be held on Monday 30<sup>th</sup> day of November, 2020 at 11.00 A.M. held through Video Conferencing ("VC") / Other AudioVisual Means ("OAVM"), to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2020, including the audited Balance Sheet as at March 31, 2020, the statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

### SPECIAL BUSINESS:

2. To appoint Mr. Anuj Sawhney (DIN - 00471724) as Executive Non-Independent Director of the Company and in this regard to consider and, if thought fit, to pass the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 161, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder including any statutory modification(s) or re-enactment thereof and applicable Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, ("LODR"), and based on the recommendation of the Nomination and Remuneration Committee, Mr. Anuj Sawhney (DIN: 00471724), who was appointed as additional director w.e.f.23.09.2020 and whose term of appointment expires at the ensuing Annual General Meeting of the Company and in respect of whom the a notice has been received from a member proposing his candidature for the office of Director under section 160 of the Companies Act, 2013, be and is hereby appointed as an Executive Non-Independent Director of the Company, whose office is liable to retire by rotation under provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby severally authorized to take all such steps and to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution".

3. To appoint Mr. Anuj Sawhney (DIN - 00471724) as Manager of the Company and in this regard to consider and, if thought fit, to pass the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and the Rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment thereof for the time being in force) and read with Schedule V of the Act, as amended from time to time, approval of the Members be and is hereby accorded to the appointment of Mr. Anuj Sawhney as "Manager" of the Company in terms of Section 2(53) of the Companies Act, 2013 for a period of Five (5) years with effect from September 23, 2020, on the terms and conditions as set out in the Explanatory Statement annexed to the

Notice, with liberty to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit."

**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby severally authorized to take all such steps and to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution".

4. To appoint Mrs. Ashita Sawhney (DIN: 01862232) as Non-Executive Non-Independent Director of the Company and in this regard to consider and, if thought fit, to pass the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 161, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder including any statutory modification(s) or re-enactment thereof and applicable Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, ("LODR"), and based on the recommendation of the Nomination and Remuneration Committee, Mrs. Ashita Sawhney (DIN: 01862232), who was appointed as additional director w.e.f. 23.09.2020 and whose term of appointment expires at the ensuing Annual General Meeting of the Company and in respect of whom the a notice has been received from a member proposing his candidature for the office of Director under section 160 of the Companies Act, 2013, be and is hereby appointed as Non-Executive Non-Independent Director of the Company, whose office is liable to retire by rotation under provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby severally authorized to take all such steps and to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution".

5. To consider and approve Alteration in the Object Clause of the Company and consequent change in Object Clause of the Memorandum of Association of the Company and in this regard to consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 4, 13, 15 and other applicable provisions, if any of the Companies Act, 2013 ("The Act") read with the Companies (Management & Administrations) Rules, 2014, (including any statutory modification(s) or re-enactment thereof from time to time, and subject to necessary approvals as may be required in this regard from appropriate authorities and subject to such terms and conditions as may be imposed by them, the consent of the members be and is hereby accorded to append following sub clause (4) and (5) after sub clause (3) of Clause III (A) of the Memorandum of Association of Company. The following new clause III (A) (4) and (5) be and is hereby added to the existing main object clause III (A) and the main object clause be renumbered accordingly.

- (4) To carry on the business in India or abroad of importers, exporters, merchants, collaborator, franchise, licensing, sub licensing, general order supplier, govt. supplier, commission agents, representatives, distributor, royalty owner, contractor, govt. auctioneers, indent agent, passage agent, organizer concessioners, sale agent and sub agent, online and/or offline through any other mode, in respect of the business of life style products of all kinds including but not limited to travel gear, bags, watches of all kinds, key chains, mugs, jewelries, pearls, decorative products, batteries, golf accessories, musical instruments, electric and electronic products, gift items, antiques, handicrafts, handloom, toys, decorative toys, liquid gold, precious and semi precious stones, ornaments, of all kinds & all other allied items.
- (5) To develop, provide, undertake, design, manufacture, import, export, distribute and otherwise deal in Radio Frequency Identification (RFID) logistics or container seals and other Products and to develop, provide, undertake, design, manufacture, import, export, distribute and otherwise deal in Radio Frequency Identification (RFID) and Geographic Information system (GIS) products & solutions in all areas of application including those in Emerging niche segments like Internet and Intranet software enterprise, resource planning, e-commerce, value added products and other business application either for its own use for sale in India or for export outside India including designing and developing such systems and application software on customization for or on behalf of manufacturers, owners and users of computer, telecom, digital, electronic equipment in India or abroad.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby severally authorized to take all such steps and to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution”.

6. To change in name of the Company and consequent change in Name Clause of the Memorandum & Articles of Association of the Company and in this regard to consider and, if thought fit, to pass the following resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 4, 5, 13 and 14 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and any other applicable law(s), rule(s), regulation(s), guideline(s), the provisions of the Memorandum and Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to the approval of the Central Government and / or any other authority as may be necessary, consent of the members be and is hereby accorded for change of name of the Company from “Network Limited” to “Swiss Military Consumer Goods Limited”.

**RESOLVED FURTHER THAT** upon issuance of the fresh certificate of incorporation by the Registrar of Companies

consequent upon change of name, the old name “Network Limited” as appearing in Name Clause of the Memorandum of Association of the Company and wherever appearing in the Articles of Association of the Company and other documents and places be substituted with the new name “Swiss Military Consumer Goods Limited”.

**RESOLVED FURTHER THAT** the Name Clause being Clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:

1. The Name of the Company is Swiss Military Consumer Goods Limited

**RESOLVED FURTHER THAT** in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby severally authorized to take all such steps and to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution”.

7. To reclassify persons forming part of the promoter group from ‘promoter & promoter group category’ to ‘public category’ and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution** **“RESOLVED THAT** pursuant to regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and any other applicable provisions, if any, and subject to the requisite approval from the Stock Exchange(s) and other statutory and regulatory authorities, as may be necessary, the approval of the members of the Company be and is hereby accorded to reclassify the following persons/entities (hereinafter referred to as “Promoters and Promoter Group Seeking Re- Classification”), from “Promoters and Promoters Group” category to “Public” category:
  1. Gian Vijeshwar
  2. Kusum Vijeshwar
  3. Monny Vijeshwar
  4. Robbin Vijeshwar
  5. Hitesh Suneja
  6. Vinod Suneja
  7. Naveen Suneja
  8. Appu Ghar Entertainment Pvt. Ltd.

**RESOLVED FURTHER THAT** the Board of Directors or the Company Secretary of the Company be and are hereby severally authorized to take all such steps and to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution”.

**By order of the Board  
For Network Limited**

**Sd/-  
Umong Sethi  
Director**

**Place: New Delhi  
Date: 26/10/2020**

**Notes:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020, read with General Circular No. 14/2020 dated 8th April, 2020, and General Circular No. 17/2020 dated 13th April, 2020, and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020. In compliance with the provisions of the aforesaid MCA & SEBI Circulars, the AGM of the Company is being held through VC/OAVM.
2. As per the guidelines prescribed by the Ministry of Corporate Affairs for holding general meetings, vide abovementioned Circulars this Notice is being sent only by e-mail to all the members, whose e-mail IDs are registered with the Company or with the National Securities Depository Limited ('NSDL')/ Central Depository Services (India) Limited ('CDSL') ('Depositories') and whose name appear in the register of Members/ List of beneficial owners as received from the Depositories as on 26<sup>th</sup> day of October, 2020 ('Cut-off Date') for sending annual report. It is however, clarified that all members of the Company as on the Cut-off date (including those members who may not have received this Notice due to non-registration of their e-mail ids with the company or the Depositories) shall be entitled to vote in relation to the resolution specified in this Notice in accordance with the process specified. Shareholders whose email IDs are not registered, are requested to contact the Alankit Assignments Limited ('RTA') at rta@alankit.com and send a request letter signed by the shareholder along with self-attested copies of PAN Card and address proof to register their email ids. In view of extraordinary circumstances due to pandemic caused by Covid-19, and line with the MCA Circulars, physical copies of the AGM Notice are not being dispatched. Shareholders may note that this notice is also available on the website of the Company ([www.networklimited.net](http://www.networklimited.net)) and National Securities Depository Limited (NSDL), [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
3. The relevant details as required pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/re-appointment as Director under Item Nos. 2, 3 & 4 of the Notice are also annexed.
4. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and the proxy need not be a member of the Company. Since the AGM is being held through VC/ OAVM, physical presence of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form and attendance slip are not annexed to this notice.
5. Members attending the meeting through VC/OAVM shall be counted for the purpose of quorum under Section 103 of the Act.
6. Corporate Members including Institutional/ Corporate Shareholders (i.e. other than individuals/HUF, NRI etc.) are requested to send a certified true copy of the Board Resolution authorizing their authorized representative to attend the AGM through VC/ OAVM and vote on their behalf through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to [s.vikash@gmail.com](mailto:s.vikash@gmail.com) with a copy marked to [network.limited@gmail.com](mailto:network.limited@gmail.com).
7. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 27<sup>th</sup> November, 2020 by 05:00 P.M. through email on [network.limited@gmail.com](mailto:network.limited@gmail.com). The same will be replied by the Company suitably.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Alankit Assignments Ltd in case the shares are held by them in physical form.
9. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting, subject to the restrictions placed by the Government due to the lockdown.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Further, in order to facilitate payment of dividends, SEBI vide its circular dated April 20, 2018 has mandated the Company/ RTA to obtain copy of PAN Card and Bank Account details from all the members holding shares in physical form. Accordingly, members holding shares in physical form shall submit their PAN and bank details to the Registrar and Transfer Agent of the Company i.e. Alankit Assignments Limited at 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi 110055.
11. The Securities and Exchange Board of India (SEBI) vide Notification dated June 08, 2018 has mandated that with effect from December 05, 2018, only Dematerialized securities will be allowed to be transferred except for transmission or transposition of securities. The shareholders holding shares in physical form are requested to immediately accordingly get their shares dematerialized in order to avoid the inconvenience at the time of transferring their shares.
12. Pursuant to the first proviso to the Rule 18 of the Companies (Management and Administration) Rules, 2014, the Company shall provide an advance opportunity at least once in a Financial Year to the Members to register their E-mail address and changes therein either with Depository Participant or with the Company. In view of the same, the Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for

receiving all communications including Notices of all General Meetings, Directors' Report, Auditors' Report, Audited Financial Statements and other documents through electronic mode, pursuant to the provisions of the Companies Act, 2013 read with the rules framed thereunder.

13. Since the AGM will be held through VC/ OAVM, the Route map is not annexed to the Notice.

#### **Voting through electronic means:**

1. Pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company has provided a facility to its members to cast their votes on resolutions as set forth in the Notice convening the 31<sup>st</sup> Annual General Meeting to be held on Monday, November 30, 2020 at 11:00 A.M. (IST), electronically through the e-voting service provided by NSDL. Resolution(s) passed by the Members through e-voting is/ are deemed to have been passed as if they have been passed at the Annual General Meeting. The e-voting facility will commence from 09:00 A.M. (IST) on Friday, November 27, 2020 and end at 05:00 P.M. (IST) on Sunday, November 29, 2020. The e-voting module shall be disabled by NSDL for voting thereafter. During this period the members holding shares either in physical form or in dematerialized form, as on the cut-off date for e-voting i.e. Monday, November 23, 2020 may cast their votes electronically.
2. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
3. Mr. Vikash Kumar Singh, Company Secretary (Membership No.FCS-42789) of M/s VK Singh & Co., Company Secretaries has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner by the Board in its meeting held on October 26, 2020.
4. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
5. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
6. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

7. Members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their votes.
8. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
9. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.networklimited.net](http://www.networklimited.net). The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

#### **The instructions for members for remote e-voting are as under:-**

**The remote e-voting period begins at 09:00 A.M. (IST) on Friday, November 27, 2020 and end at 05:00 P.M. (IST) on Sunday, November 29, 2020. The remote e-voting module shall be disabled by NSDL for voting thereafter.**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### **Step 1: How to Log-in to NSDL e-Voting website?**

- a. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- b. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- c. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- d. Your User ID details will be as per details given below:
  - i) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
  - ii) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
  - iii) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).
- e. Your password details are given below:
  - i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.



- ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- iii) How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your email ID is not registered, your 'initial password' is communicated to you on your postal address at the bottom of the Attendance Slip being sent along with the Annual Report.
- f. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - i) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - ii) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - iii) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - iv) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- g. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- h. Now, you will have to click on "Login" button.
- i. After you click on the "Login" button, Home page of e-Voting will open.
- f. Upon confirmation, the message "Vote cast successfully" will be displayed.
- g. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- h. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail [svikash630@gmail.com](mailto:svikash630@gmail.com) to with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to the Registrar & Share Transfer Agent at [rt@alankit.com](mailto:rt@alankit.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to the concerned Depository Participant with whom they are having demat account (NSDL/CDSL).

#### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

- a. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- b. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- c. Select "EVEN" of the Company.
- d. Now you are ready for e-Voting as the Voting page opens.
- e. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

#### **Instructions for attending the AGM through VC/ OAVM:**

1. Members will be able to attend the AGM through VC/ OAVM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis. The facility of participation at the EGM/ AGM through VC/ OAVM will be made available for 500 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors,

Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

3. Members who need assistance may contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800-222-990 or contact Mr. Amit Vishal, Senior Manager - NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in)/ 022-24994360/ +91 9920264780 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at [sagar.ghosalkar@nsdl.co.in](mailto:sagar.ghosalkar@nsdl.co.in)/ 022-24994553/ +91 9326781467.
4. Any Member desirous to ask questions/provide their valuable views during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [network.limited@gmail.com](mailto:network.limited@gmail.com) from November 27, 2020 (9:00 a.m. IST) to November 29, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**By order of the Board  
For Network Limited**

**Sd/  
Umong Sethi  
Director**

**Place: New Delhi  
Date: 26/10/2020**

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **ITEM No. 2&3**

The Board of Directors of the Company in their meeting held on September 23, 2020 appointed Mr. Anuj Sawhney, as Additional Director and Manager of the company. His term shall expire at the ensuing Annual General Meeting.

Mr. Anuj Sawhney is Graduate in B.com (Hons.) from Shri Ram college of commerce, Delhi and has completed his MBA from Owen Graduate School of Commerce, Vanderbilt University, USA. He has experience of around 20 years in operational management, lifestyle branding and related business. He has been associated with Swiss Military Lifestyle since beginning.

As per the provisions of Schedule V of the Companies Act, 2013, the said appointment requires approval from the members. The Company has received their consents in writing, to act as Director, in the prescribed form. They have also submitted a declaration that they are not disqualified to as Director under Section 164(2) of the Companies Act, 2013

The Board recommends the appointment of Mr. Anuj Sawhney as Executive Non-Independent Director and also as Manager for a period of five years without any remuneration initially, till such time the Board is of the opinion to determine the remuneration as per the provisions of the Companies Act, 2013 and other applicable regulatory provisions. Mr. Anuj Sawhney will be entitled to reimbursement of all out of pocket expenses, including travelling and conveyance expenses, incurred by him

while performing his duties and such reimbursement will not form part of his remuneration.

Save and except Mr. Anuj Sawhney and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the ordinary resolutions set out at Item No. 2 &3 of the Notice.

##### **ITEM No. 4**

The Board of Directors of the Company in their meeting held on September 23, 2020 appointed Mrs. Ashita Sawhney, as Additional Director of the company. Her term shall expire at the ensuing Annual General Meeting.

Mrs. Ashita Sawhney is Graduate in B.A. (Hons.) from Jesus & Mary college, Delhi. She has experience of around 10 years in Business development, lifestyle branding and related business.

As per the provisions of Companies Act, 2013, the said appointment requires approval from the members. The Company has received their consents in writing, to act as Director, in the prescribed form. They have also submitted a declaration that they are not disqualified to as Director under Section 164(2) of the Companies Act, 2013. The Board recommends the appointment of Mrs. Ashita Sawhney as Non Executive Non-Independent Director of the Company.

Save and except Mrs. Ashita Sawhney and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 4 of the Notice.

##### **ITEM No. 5**

The company proposes to expand the business activities of the Company in addition to the existing business activities and accordingly proposes to add the following main objects along with the present main objects the Company

- a) To carry on the business in India or abroad of importers, exporters, merchants, collaborator, franchise, licensing, sub licensing, general order supplier, govt. supplier, commission agents, representatives, distributor, royalty owner, contractor, govt. auctioneers, indent agent, passage agent, organizer concessioners, sale agent and sub agent, online and/or offline through any other mode, in respect of the business of life style products of all kinds including but not limited to travel gear, bags, watches of all kinds, key chains, mugs, jewelries, pearls, decorative products, batteries, golf accessories, musical instruments, electric and electronic products, gift items, antiques, handicrafts, handloom, toys, decorative toys, liquid gold, precious and semi precious stones, ornaments, of all kinds & all other allied items.
- b) To develop, provide, undertake, design, manufacture, import, export, distribute and otherwise deal in Radio Frequency Identification (RFID) logistics or container seals and other Products and to develop, provide, undertake, design, manufacture, import, export, distribute and otherwise deal in Radio Frequency Identification (RFID)

and Geographic Information system (GIS) products & solutions in all areas of application including those in Emerging niche segments like Internet and Intranet software enterprise, resource planning, e-commerce, value added products and other business application either for its own use for sale in India or for export outside India including designing and developing such systems and application software on customization for or on behalf of manufacturers, owners and users of computer, telecom, digital, electronic equipment in India or abroad.

To enable the company to commence the aforesaid business, it is proposed to amend the Main Objects under the Objects Clause III (A) of the Memorandum of Association of the company, by the insertion of sub-clause 4 and 5 after the existing sub-clause 3 as stated in the resolution in the annexed notice. The above amendment would be subject to the approval of the statutory or Regulatory authority, as may be necessary.

The Board, therefore, recommends resolutions set out under business item no. 5 for approval of the shareholders by way of Special Resolution.

None of the directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the passing of the resolution set out under business item no. 5, except to the extent of their shareholding, if any.

#### ITEM No. 6

Consequent to proposed change in main objects of the company the Board of Directors of the Company in its meeting held on 26<sup>th</sup> October 2020 decided to change the name of the Company from "NETWORK LIMITED" to "SWISS MILITARY CONSUMER GOODS LIMITED".

The name "Network Limited" has been duly approved and made available for changing the name by the Registrar of Companies, National Capital Territory of Delhi vide its name approval letter dated 08<sup>th</sup> October, 2020 which is valid for 60 days.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

As per the provisions of Sections 13 of the Companies Act, 2014, approval of the shareholders is required to be accorded for changing the name of the Company & consequent alteration in the Memorandum of Association and Articles of Association by way of passing a Special Resolution. Hence, the resolution is put up for shareholders approval.

None of the directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the passing of the resolution set out under business item no. 6, except to the extent of their shareholding, if any.

#### ITEM No. 7

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to "Listing Regulations, 2015", effective from December, 2015 has provided a regulatory mechanism for re-classification of Promoters as Public shareholders subject to fulfillment of conditions as provided therein.

In this regard, the Company received applications from the following erstwhile main promoter group person/entities as there shareholding has become Zero, for re-classifying them pursuant to Regulations, 31 A of the Listing Regulations, 2015.

1. Gian Vijeshwar
2. Kusum Vijeshwar
3. Monny Vijeshwar
4. Robbin Vijeshwar
5. Hitesh Suneja
6. Vinod Suneja
7. Naveen Suneja
8. Appu Ghar Entertainment Pvt. Ltd.

The Promoters and Promoter group seeking reclassification also meet the following conditions prescribed for reclassification under SEBI Regulations.

- a) They, directly or indirectly, do not exercise control over the affairs of the Company. They also confirmed that post reclassification, they shall not exercise direct or indirect control over the Company.
- b) Proposed reclassification is not intended for increasing the level of public shareholding towards achieving compliance with minimum public shareholding requirement under Rule 19A of the Securities Contract (Regulation) Rules 1957, and the provisions of SEBI Listing regulations.
- c) They, individually, along with their persons acting in concert (without considering shareholding of other promoters of the Company), do not hold more than 10% of the total voting rights in the Company.
- d) They do not have any special rights in the Company through formal or informal arrangements. There are no existing shareholders agreements granting special rights to them in the Company.
- e) They, individually, including through their immediate relatives, do not hold any key managerial personnel position in the Company.
- f) No regulatory action is pending against them

In view of the explanations given by the applicants as detailed above and in consideration to the conditions as stipulated in Regulation 31A of the Listing Regulations, 2015 the Board of Directors of the Company at their meeting held on 23<sup>rd</sup> September 2020, have approved the applications for reclassification received by the Company as above from Promoter group category subject to approval by the members and relevant regulatory authorities.

Further as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the public shareholding as on the date of the notice fulfils the minimum public shareholding requirement of at least 25% and the proposed reclassification does not intend to increase the Public Shareholding to achieve compliance with the minimum public shareholding requirement.

Your Directors recommend the passing of the Resolution as a Ordinary Resolution.

None of the directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the passing of the resolution set out under business item no. 7, except to the extent of their shareholding, if any.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO ITEM NO. 2& 4 OF THE AFORESAID NOTICE, AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & SECRETARIAL STANDARD ON GENERAL MEETINGS IS PROVIDED HEREIN BELOW:**

<b>Name of the Director</b>	<b>Mr. Anuj Sawhney</b>	<b>Mrs. Ashita Sawhney</b>
Date of Birth & Age	9 <sup>th</sup> March, 1974 Age: 46 years	10 <sup>th</sup> July, 1973 Age: 47 years
Date of Appointment	23 <sup>rd</sup> September, 2020	23 <sup>rd</sup> September, 2020
Qualifications	M.B.A	B.A (Hons)
Expertise in specific functional Area	He is having experience of around 20 years in operational management, lifestyle branding and related business.	She is having experience of around 10 years in business development, lifestyle branding and related business.
List of Companies in which outside Directorship is held	Promoshirt SM Pvt. Ltd Swiss Military Lifestyle Products Pvt. Ltd.	Promoshirt SM Pvt. Ltd Swiss Military Lifestyle Products Pvt. Ltd.
Chairman/ Member of the Committees of the Board of the Companies on which he is a Director	Nil	Nil
Disclosure of relationship between Director inter-se	Mr. Anuj Sawhney, is husband of Mrs. Ashita Sawhney (Director of the Company)	Mrs. Ashita Sawhney, is wife of Mr. Anuj Sawhney (Director and Manager of the Company)
Shareholding in the Company	Nil	Nil

**By order of the Board  
For Network Limited**

**Place: New Delhi  
Date: 26/10/2020**

**Sd/-  
Umong Sethi  
Director**



31<sup>st</sup>

# ANNUAL REPORT

# 2019-2020

# NETWORK LIMITED

<b>Board of Directors</b>	:	Anuj Sawhney Ashita Sawhney Vijay Kalra Umong Sethi Neena Sethi
<b>Manager</b>	:	Anuj Sawhney
<b>Company Secretary</b>	:	Vikas Jain
<b>Auditors</b>	:	B.K. Sood & Co Chartered Accountants
<b>Bankers</b>	:	State Bank of India ICICI Bank HDFC Bank Vijaya Bank
<b>Registered Office</b>	:	W- 39, Okhla Industrial Area Phase- II, New Delhi-110020 Tele : 011- 41067060
<b>Registrar and Share Transfer Agent</b>	:	Alankit Assignments Ltd. Alankit House, 1E/13 Jhandewalan Extension, New Delhi- 110055 Tel. : 011-42541234 Fax: 011- 42540064

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TO THE MEMBERS OF  
**NETWORK LIMITED**

Your Directors have pleasure in presenting their 31<sup>st</sup> Annual Report of the Company together with the Audited Accounts of the Company for the Financial Year ended 31<sup>st</sup> March, 2020.

**FINANCIAL HIGHLIGHTS**

The Financial Highlights of the Company for the financial year ended on 31<sup>st</sup> March 2020, as compared to the previous year are summarized below: -

(Rs in Lacs)

PARTICULARS	31 <sup>st</sup> March 20	31 <sup>st</sup> March 19
Revenue from operations	353.07	503.14
Other Income	53.28	0.99
Total Expenditure	425.90	545.89
Profit / (Loss) before Tax & Exceptional Items	(19.55)	(41.76)
Profit / (Loss) after Tax & Exceptional Items	(19.55)	(41.76)
Other Comprehensive Income	(154.59)	-
Total Comprehensive Income for the period	(174.14)	(41.76)

During the financial year under review, the company has incurred an operational loss of Rs.19.55 lac against the loss of Rs. 41.76 lac in previous year. With the expansion of business activities of the company the management of your company expects improvement in the current year coupled with the growing economic scenario and market conditions.

The Board of Directors have decided to expand the scope of main objects of the company with the addition (i) to carry on the business as importers, exporters, merchants, collaborator, franchise, supplier, commission agents, representatives, distributor, sale agent and sub agent through online and/or offline distribution channel, in respect of all kinds of life style and consumer products and allied items" and (ii) to develop, provide, manufacture, import, export, distribute and otherwise deal in Radio Frequency Identification (RFID) logistics and/or container seals and other related Products. To give effect to the above, the necessary steps have been initiated.

**FUTURE PROSPECTS**

The company and its management have been taken over in September 2020 by Anushi Retail LLP, Swiss Military Lifestyle Products Private Limited, Mr. Anuj Sawhney and Mrs. Ashita Sawhney, through an open offer

pursuant to and in compliance with applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Post the takeover, the promoters holding is 72.42%.

The company has started trading and marketing of various lifestyle products such as travel gear, baggage, leather accessories, sunglasses, electronics, protective masks and other related products under the brand "SWISS MILITARY". The brand has made a strong presence in 26 countries globally in the past 30 years of the brands existence. The products under "Swiss Military" brand are being sold in over 600 retail stores across the globe in various product segments. In the Indian context, the brand has presence in the Corporate Gifting, Online, Inflight and LFR segment.

The management is confident of a strong year ahead for the business operations of the company with the expansion of new business activities.

**'ECONOMIC SCENARIO**

India has had, at least till this report was written, globally the lowest per capita number of Covid-19 cases and deaths. Perhaps, China can only compare their per capita impacted cases to India. In India, it could have been a healthcare calamity, if the government had not imposed a complete lockdown. On an optimistic note, this will mean that the gradual opening up of the lockdown may result in a relatively faster normalization of activity having averted what may have been substantially higher pain of loss and hopelessness.

Perhaps, the biggest opportunity for India could be that many manufacturers want to move out of China as a strategy for de-risking. Japan has announced a USD 2 billion subsidy for such shifts of capacity. Government of India must invite foreign companies with open hands and lay out the red carpet for them. In all areas of government which work with business i.e. Taxation, FDI, Judiciary and Labour, India must become as competitive as Vietnam, Thailand, Malaysia and Indonesia. The Asian Tigers cannot be the sole winners in this mega metamorphosis of manufacturing relocation. India has to endeavor to become the most attractive destination. It is imperative that India creates employment opportunities and higher distributable income in the hands of individuals, especially millennials, for consumption to grow. Manufacturing must make a comeback in India if GDP growth has to once again rise above 7%.

Your Company is seeking great opportunities in its business segment considering the expected economic development & growths initiatives taken by the government.

**INDUSTRY STRUCTURE AND DEVELOPMENT**

The outbreak of the pandemic COVID-19 globally and in India compelled the Government to impose a nationwide lockdown, bringing economic activities to a halt. It has radically altered the economic landscape and increased volatility in the global capital markets. The after-effects of such a pandemic will continue to show on the financial and capital markets for a substantial amount of time.

The Government of India and Reserve Bank of India announced various measures such as the concession in TDS rates, moratorium on servicing of term loans, determination of default in servicing of debt etc. to deal with such unprecedented circumstances to revive the economy.

Apart from the above measures, various relaxations have also been granted by Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) to reduce the inordinate amount of logistical and practical burdens. The regulators have taken measures to enable companies to carry on their operations and protect the interests of investors.

The Indian equity indices have tracked the global markets with near perfect correlation. The Sensex peaked to its all-time high on 20<sup>th</sup> January, 2020 to 42,274 level and thereafter corrected sharply to 25,639 on 24<sup>th</sup> March, 2020 (a fall of 39% in two months). The Index has moved up from those lows to around 32,000 in the month of May, 2020. Many read this up move as a "Bear market rally", which is always also sharp upwards but may not sustain over the year. Many others believe that with the opening up of the economy, a promising monsoon, substantially higher global liquidity, the financial support of the RBI and the Finance Ministry, the markets may remain in an uptrend for the better part of the year.

**DIVIDEND**

Your directors do not recommend any dividend for the Financial Year ended 31<sup>st</sup> March, 2020.

**SHARE CAPITAL**

During the year under review, there was no change in the Company's issued, subscribed and paid-up share capital. On March 31, 2020, it stood at Rs. 9,82,96,996 divided into 4,91,48,498 Equity Shares of Rs. 2 each.

**DEPOSITS**

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 during the year under review.

**PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013**

The Company has not granted any loans, secured or unsecured, guarantee to companies, firm or other parties covered under section 186. Particulars of Investments has been disclosed in financial statement of the Company.

**CHANGE OF NAME**

Consequent to proposed expansion of business activities of the company in addition to the existing business activities, the board of directors has also proposed to change the name of the company from "NETWORK LIMITED" to "SWISS MILITARY CONSUMER GOODS LIMITED" subject to the compliance of regulatory provisions. The name has been made available by Registrar of Companies CRC.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, Mr. Ashok Sawhney, Mr. Aman Sawhney, Mr. Pankaj Shrimali and Mr. Gauri Shanker Goyal ceased to be the Directors of the Company. The Board of Directors places on record its appreciation of their valuable support and guidance to the Board during their tenure.

Mr. Anuj Sawhney, and Mrs. Ashita Sawhney, appointed by the Board as additional Directors of the company at their meeting held on 23<sup>rd</sup> September, 2020. The regularization of these two additional directors will be conducted at the ensuing Annual General Meeting of the Company by the shareholders.

Brief resumes of the Directors who are proposed to be regularization/appointed at the forthcoming Annual General meeting, as required as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the notice convening the Annual General Meeting of the Company.

The company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors of the Company met 6 (Six) times in the FY 2019-20. The details pertaining to the Board Meetings and attendance are provided in the Corporate Governance Report. The intervening gap between two



Board Meetings was within the period prescribed under Companies Act, 2013.

**DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED U/S 134 (5) OF THE COMPANY ACT, 2013**

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a. that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- b. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of Profit and Loss Account of the Company for that period;
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the Directors have prepared the Annual Accounts for the Financial Year ended March 31, 2020 on a going concern basis;
- e. that the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**BOARD EVALUATION**

In terms of the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the evaluation of its own performance, the Directors individually including the Chairman of the Board and that of its Committees. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and Non-Independent Directors were carried out by Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees.

The process of evaluation is explained in the Corporate Governance Report.

**COMMITTEES OF BOARD**

Currently, the Board has three committees: the audit committee, stakeholders' grievance committee and nomination and remuneration committee. The details of the committee's along with the meetings held during the year are covered in corporate governance report.

**AUDITORS & AUDITORS OBSERVATIONS**

**Statutory Auditors**

M/s. B.K Sood & Co., Chartered Accountants (Firm Registration No. 000948N), the Statutory Auditors of the Company were appointed by the members at the 28<sup>th</sup> Annual General Meeting of the Company for a term of initial term of 5 years i.e. from the conclusion of 28<sup>th</sup> Annual General Meeting till the conclusion of the 33<sup>rd</sup> Annual General Meeting of the Company pursuant to section 139 of the Companies Act, 2013. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Report given by M/s. B.K Sood & Co., Chartered Accountants (Firm Registration No. 000948N), Statutory Auditors on the financial statement of the Company for the year 2019-20 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

**Secretarial Auditor**

Mr. Vikash Kumar Singh of V K Singh & Co., Practising Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2019-20, as required under Section 204 of the Companies Act, 2013 and Rules made thereunder. The Secretarial Audit report for FY. 2019-20 in form MR-3 part of the Annual Report as **Annexure A** of the Board' Report. The report does not contain any qualification.

**EXTRACTS OF ANNUAL RETURN**

The Extracts of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as **Annexure - B** to this Report.

**INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The board has adopted the policies and procedures for ensuring the orderly and efficient conduct of the business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

**SUBSIDIARY COMPANY**

The Company does not have any subsidiary Company.

**PARTICULARS OF EMPLOYEES**

During the year under review, none of employees are covered under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your Company is not involved in any manufacturing or processing activities and did not carry out any activity relating to Research & Development, Technology Absorption during the year under review. Hence particulars in this regard in accordance with provisions of the Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are not required.

There are no foreign exchange earnings or outgo during the current financial period.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**RELATED PARTY TRANSACTIONS**

During the year ended March 31, 2020, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties has been disclosed in the financial statements of the Company.

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company have adopted a policy to determine Related Party Transactions.

**VIGIL MACHANISM/WHISTLE BLOWER POLICY**

The Board of Directors has adopted Whistle Blower Policy. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy. A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases.

**CODE OF CONDUCT**

The Company has a well defined policy, which lays down

procedures to be followed by the employees for ethical professional conduct. The code of conduct has been laid down for all the Board Members and Senior Management of the Company. The Board members and Senior Management personnel have affirmed compliance with the Company's code of conduct for the year 2019-20. This code has been displayed on the Company's website.

**HUMAN RESOURCE AND INDUSTRY RELATIONS**

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people.

The Company has cordial relations with employees and staff. There are no industry relation problems during the year and company does not anticipate any material problems on this count in the current year.

**CORPORATE GOVERNANCE**

Corporate Governance is an ethically driven business process that is committed to value aimed at enhancing an organization's brand and reputation. This is ensured by ethical business decisions and conduction business with a firm commitment to value, while meeting stakeholders' expectations. At Network, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

In terms of the listing agreement with Stock Exchange, we comply with the corporate governance provisions. As a listed company, necessary measures have been taken to comply with the listing agreements with the stock exchange. Several aspects of the Act, such as vigil mechanism and code of conduct, have been incorporated into our policies.

The annexed report on Corporate Governance along with a certificate of compliance from the practicing Company Secretary forms part of this report.

**ACKNOWLEDGEMENT**

Your Directors acknowledge the support of the shareholders and also wish to place on record their appreciation of employees for their commendable efforts, teamwork and professionalism. The Directors also express their grateful thanks to the Banks, Government Authorities, Customers, Suppliers, Employees and other Business Associates for their continued cooperation and patronage.

For and on behalf of the Board of Directors

Sd/- <b>UMONG SETHI</b> DIRECTOR	Sd/- <b>VIJAY KALRA</b> DIRECTOR
--	--

Date: 26/10/2020  
Place: New Delhi

**ANNEXURE- A**  
**FORM NO MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2020**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members,  
M/s. Network Limited  
(CIN: L32209DL1989PLC034797)  
W-39, Okhla Industrial Area, Phase-II  
New Delhi-110020

1. I have conducted the Secretarial Audit of the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. Network Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.
2. Based on my verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the Audit Period covering the Financial Year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Network Limited ("the Company") for the financial year ended on 31st March, 2020 according to the provisions of:
  - i. The Companies Act, 2013 (the act) and the rules made there under
  - ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (*Provisions not Applicable, as there being no transactions involving foreign exchange*).
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. (*Not Applicable, as the company had not issued any security during the financial year under review*).
    - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (*Not Applicable, as the company had not granted any options to its employees during the financial year under review*).
    - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (*Not Applicable, as there being no debt securities, which are listed on any of the recognized Stock Exchanges*).
    - f. 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; (*Not Applicable, as the company is not registered as Registrars to an Issue and Share Transfer Agent during the financial year under review*).

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (*not applicable, as there being no instances of delisting of Equity Shares during the financial year under review*).
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 & The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (*not applicable, as there being no instances of buy-back of shares during the financial year under review*).

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Based on information received & records maintained we further report that:-

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. During the year under review following Directors have resigned from the Board of Directors of the company.

SI. No.	Name of the Director	Designation	Date of resignation
1.	Mr. Pankaj Shrimali	Non- executive Director	02/12/2019
2.	Mr. Gauri Shanker Goyal	Non- executive, Independent Director	02/12/2019
3.	Mr. Ashok Sawhney	Non- executive Director	04/12/2019
4.	Mr. Aman Sawhney	Executive Director	08/01/2020

Further Mr. Ashok Kumar (CFO) has been appointed as Manager of the Company in place of Mr. Aman Sawhney, who resigned as on 08.01.2020.

- ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that based on review of compliance mechanism of the company, we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For V K Singh & Co  
Company Secretaries

Sd/  
(Vikash Kumar Singh)  
Proprietor  
C.P. No.- 15806  
UDIN:- A042789B000525909

Place: New Delhi  
Date: 29.07.2020

This report is to be read with our letter of even date which is annexed as "Annexure -A-1" and forms an integral part of this report.



ANNEXURE - A-1

To  
The Members  
NETWORK LIMITED  
(CIN: L32209DL1989PLC034797)  
W-39, Okhla Industrial Area, Phase- II  
New Delhi-110020

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For V K Singh & Co  
Company Secretaries

Sd/-  
(Vikash Kumar Singh)  
Proprietor  
C.P. No.- 15806

Place: New Delhi  
Date: 29/07/2020

**ANNEXURE -B**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2020**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company**  
**(Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L32209DL1989PLC034797
2.	Registration Date	25/01/1989
3.	Name of the Company	NETWORK LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	W-39, Okhla Industrial Area, Phase-II, New Delhi -110020 (B) + 91-11-41067060 (W) <a href="http://www.networklimited.net">www.networklimited.net</a> (E) <a href="mailto:network.limited@gmail.com">network.limited@gmail.com</a>
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Limited 1E/13 Jhandewalan Extension, New Delhi - 110055, (B) + 91-11-4254 1234 (D) + 91-11-4254 1955 (W) <a href="http://www.alankit.com">www.alankit.com</a>   (E) <a href="mailto:ramap@alankit.com">ramap@alankit.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading Activies	6499	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
N.A	N.A	N.A	N.A	N.A

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	24290583	741600	25032183	50.93	9355583	0	9355583	19.04	-31.90
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	4717400	0	4717400	9.60	0	0	0	0	-9.60
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)</b>	<b>29007983</b>	<b>741600</b>	<b>29749583</b>	<b>60.53</b>	<b>9355583</b>	<b>0</b>	<b>9355583</b>	<b>19.04</b>	<b>-41.50</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	800	800	0	0	800	800	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	7500	7500	0.02	0	7500	7500	0.02	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>8300</b>	<b>8300</b>	<b>0.02</b>	<b>0</b>	<b>8300</b>	<b>8300</b>	<b>0.02</b>	<b>0</b>
2. Non-Institutions									
a) Bodies Corp.	14420705	12100	14432805	29.37	21202582	12100	21214682	43.16	13.80
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	2044040	497497	2541537	5.17	2436946	493397	2930343	5.96	0.79
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	2400178	0	2400178	4.88	15623495	0	15623495	31.79	26.90
c) Others (specify)									
Non Resident Indians	16095	0	16095	0.033	16095	0	16095	0.033	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>18881018</b>	<b>509597</b>	<b>19390615</b>	<b>39.45</b>	<b>39279118</b>	<b>505497</b>	<b>39784615</b>	<b>80.95</b>	<b>41.50</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>18881018</b>	<b>517897</b>	<b>19398915</b>	<b>39.47</b>	<b>39279118</b>	<b>513797</b>	<b>39792915</b>	<b>80.97</b>	<b>41.50</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>47889001</b>	<b>1259497</b>	<b>49148498</b>	<b>100.00</b>	<b>48634701</b>	<b>513797</b>	<b>49148498</b>	<b>100.00</b>	<b>0</b>

**B) Shareholding of Promoter-**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Gian Vijeshwar	3687400	7.50	0	0	0.00	0	-7.50
2	Mrs. Kusum Vijeshwar	3687400	7.50	0	0	0.00	0	-7.50
3	Mr. Monny Vijeshwar	3666800	7.46	0	0	0.00	0	-7.46
4	Mr. Robin Vijeshwar	4058200	8.26	0	0	0.00	0	-8.26
5	Mr. Gian Vijeshwar & Mr. Monny Vijeshwar	319712	0.65	0	0	0.00	0	-0.65
6	Mrs. Kusum Vijeshwar & Mr. Robin Vijeshwar	257088	0.52	0	0	0.00	0	-0.52
7	Mr. Pankaj Shrimali	2678000	5.45	0	2678000	5.45	0	0.00
8	Mrs. Madhuri Shrimali	3337200	6.79	0	3337200	6.79	0	0.00
9	Mr. Pankaj Shrimali & Mrs. Madhuri Shrimali	2224800	4.53	0	2224800	4.53	0	0.00
10	Mr. Vinod Suneja	370800	0.75	0	370800	0.75	0	0.00
11	Mr. Naveen Suneja	370800	0.75	0	370800	0.75	0	0.00
12	Mr. Hitesh Suneja	370800	0.75	0	370800	0.75	0	0.00
13	Mr. Praful Kumar	1007	0.00	0	1007	0.00	0	0.00
14	Mr. Vijay Kumar Sharma	2176	0.00	0	2176	0.00	0	0.00
15	Appu Ghar Entertainment Pvt. Ltd	4717400	9.60	0	0	0.00	0	-9.60

**C) Change in Promoters Shareholding (please specify, if there is no change)**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>Gian Vijeshwar</b>				
	At the beginning of the year	3687400	7.50	3687400	7.50
	Bought during the year	0	0	3687400	7.50
	Sold as on 11/01/2020	3687400	7.50	0	0
	At the end of the year	0	0	0	0
2	<b>Kusum Vijeshwar</b>				
	At the beginning of the year	3687400	7.50	3687400	7.50
	Bought during the year	0	0	3687400	7.50
	Sold as on 17/12/2019	3687400	7.50	0	0
	At the end of the year	0	0	0	0
3	<b>Monny Vijeshwar</b>				
	At the beginning of the year	3666800	7.46	3666800	7.46
	Bought during the year	0	0	3666800	7.46
	Sold as on 17/12/2019	3666800	7.46	0	0
	At the end of the year	0	0	0	0



Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
4	<b>Robin Vijeshwar</b>				
	At the beginning of the year	4058200	8.26	4058200	8.26
	Bought during the year	0	0	4058200	8.26
	Sold as on 31/12/2019	4058200	8.26	0	0
	At the end of the year	0	0	0	0
5	<b>GianVijeshwar&amp;MonnyVijeshwar</b>				
	At the beginning of the year	319712	0.65	319712	0.65
	Bought during the year	0	0	319712	0.65
	Sold as on 30/12/2019	319712	0.65	0	0
	At the end of the year	0	0	0	0
6	<b>KusumVijeshwr&amp; Robin Vijeshwar</b>				
	At the beginning of the year	257088	0.52	257088	0.52
	Bought during the year	0	0	257088	0.52
	Sold as on 30/12/2019	257088	0.52	0	0
	At the end of the year	0	0	0	0
7	<b>AppuGhar Entertainment Pvt. Ltd</b>				
	At the beginning of the year	4717400	9.60	4717400	9.60
	Bought during the year	0	0	4717400	9.60
	Sold as on 13/01/2020	4717400	9.60	0	0
	At the end of the year	0	0	0	0

**D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>Anushi retail LLP</b>				
	At the beginning of the year	0	0.0	0	0
	Bought during the year	11989200	24.39	11989200	24.39
	Sold during the year	0	0	0	0
	At the end of the year	11989200	24.39	11989200	24.39

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2	<b>United Strategic Advisory Limited</b>				
	At the beginning of the year	3970004	8.08	3970004	8.08
	Bought during the year	2922361	5.95	6892365	14.02
	Sold during the year	0	0	0	0
	At the end of the year	6892365	14.02	6892365	14.02
3	<b>Rajesh Dutta</b>				
	At the beginning of the year	0	0	0	0
	Bought during the year	2509000	5.10	2509000	5.10
	Sold during the year	0	0	0	0
	At the end of the year	2509000	5.10	2509000	5.10
4	<b>Paras Nath Gaur</b>				
	At the beginning of the year	0	0	0	0
	Bought during the year	2500000	5.09	2500000	5.09
	Sold during the year	0	0	0	0
	At the end of the year	2500000	5.09	2500000	5.09
5	<b>GurminderSingh Bhambra</b>				
	At the beginning of the year	0	0	0	0
	Bought during the year	2400000	4.88	2400000	4.88
	Sold during the year	0	0	0	0
	At the end of the year	2400000	4.88	2400000	4.88
6	<b>Ravi Kant</b>				
	At the beginning of the year	0	0	0	0
	Bought during the year	2317400	4.72	2317400	4.72
	Sold during the year	0	0	0	0
	At the end of the year	2317400	4.72	2317400	4.72
7	<b>Jagdish Kapoor</b>				
	At the beginning of the year	0	0	0	0
	Bought during the year	2187400	4.45	2187400	4.45
	Sold during the year	0	0	0	0
	At the end of the year	2187400	4.45	2187400	4.45
8	<b>Pankaj Sethi</b>				
	At the beginning of the year	0	0	0	0
	Bought during the year	2040000	4.15	2040000	4.15
	Sold during the year	0	0	0	0
	At the end of the year	2040000	4.15	2040000	4.15

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9	<b>Harish Kumar</b>				
	At the beginning of the year	0	0	0	0
	Bought during the year	1500000	3.05	1500000	3.05
	Sold during the year	0	0	0	0
	At the end of the year	1500000	3.05	1500000	3.05
10	<b>Paliwal Infrastructure Pvt. Ltd.</b>				
	At the beginning of the year	1100000	2.24	1100000	2.24
	Bought during the year	0	0	0	0
	Sold during the year	0	0	0	0
	At the end of the year	1100000	2.24	1100000	2.24

**E) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>Ashok Sawhney*</b>				
	At the beginning of the year	2040000	4.151	2040000	4.151
	Bought during the year	0	0	0	0
	Sold during the year	2040000	4.151	0	0
	At the end of the year	0	0	0	0
2	<b>Pankaj Shrimali**</b>				
	At the beginning of the year	4902800	9.98	4902800	9.98
	Bought during the year	-	-	4902800	9.98
	Sold during the year	-	-	4902800	9.98
	At the end of the year	4902800	9.98	4902800	9.98

\* Mr. Ashok Sawhney resigned from the Board during the year w.e.f. 04/12/2019

\*\* Mr. Pankaj Shrimali resigned from the board during the year w.e.f. 02/12/2019

**V) INDEBTEDNESS -**

The Company had no indebtedness with respect to secured or Unsecured Loans or Deposits during the financial year 2019-20.

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars	Name of Directors, Manager & KMP								In Lac
	Manager & Director	Non-Executive			Independent Directors				Total
	Aman Sawhney	Ashok Swahney	Pankaj Shrimali	Avinash Chander Sharma	Vijay Kalra	Gauri Shanker Goyal	Umong Sethi	Neena Sethi	
Sitting Fee	-	-	-	-	-	-	-	-	-
Fee in terms of Professional Capacity	-	-	9.20	-	-	-	-	-	9.20
Total Managerial Remuneration	-	-	9.20	-	-	-	-	-	9.20

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

 Date: 26-10-2020  
 Place: New Delhi

 Sd/-  
 UMONG SETHI  
 DIRECTOR

 Sd/-  
 VIJAY KALRA  
 DIRECTOR

**1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance deals with the laws, procedures and practices which determine Company’s ability to take managerial decisions and in particular relations with shareholders, customers, suppliers and employees. The objective of Good Corporate Governance is to enhance the long-term shareholders value and maximize interest of other stakeholders. The Company believes that the systems and actions must dovetail for enhancing the performance and shareholder’s value in the long term. The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.

**2. BOARD OF DIRECTORS**

The Board of Directors along with its Committees provides leadership and guidance to the Company’s management and supervises the Company’s performance. As at March 31, 2020, the Board of Directors (“Board”) comprises of Four Directors, all four directors are Non-Executive Directors. The Company has three independent directors, comprise more than half of the total strength of the Board.

The composition of the Board and directorship held as on 31<sup>st</sup> March, 2020:

Name of the Directors	Indian Listed Companies (1)	No of Directorship held in all Public companies	Committee Membership (2)	Committee Chairmanship (2)
<b>Non-Executive</b>				
Mr. Avinash Chander Sharma	-	01	-	-
<b>Independent Directors</b>				
Mr. Vijay Kalra	-	-	-	-
Mr. Umong Sethi	-	-	-	-
Mrs. Neena Sethi	-	-	-	-

Notes: (1) Excluding directorship in Network Limited and Private, Foreign and section 8 Companies.

(2) As required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure includes membership/ chairmanship of the audit committee and stakeholder relationship committee in Indian public companies (listed and unlisted).

**Board Meetings & Directors’ Attendance Records**

During the Financial Year 2019-20, (Six) meetings of the Board of Directors were held on May 28, 2019, August 10, 2019, November 13, 2019, December 02, 2019, December 04, 2019 and January 08, 2020. The intervening period between the Board Meetings was well within prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of Directors	No. of Board Meeting	Attendance at the Board Meeting	Whether attended Last AGM
Mr. Ashok Sawhney*	4	4	Yes
Mr. Aman Sawhney	6	6	Yes
Mr. Avinash Chander Sharma	6	5	No
Mr. Pankaj Shrimali**	3	1	Yes
Mr. Vijay Kalra	6	6	Yes
Mr. G S Goyal**	3	1	No
Mr. Umong Sethi	6	6	Yes
Mrs. Neena Sethi	6	5	Yes

\* Mr. Ashok Sawhney resigned from the Board during the year w.e.f. 04/12/2019

\*\* Mr. Pankaj Shrimali and Mr. G S Goyal resigned from the board during the year w.e.f.02/12/2019



### MEETING OF INDEPENDENT DIRECTORS

In order to comply with the requirement of the Companies Act 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Independent Directors met once without the presence of management personnel to discuss matters pertaining to the Company's affairs. During the year 2019-20 no new Independent Director was appointed.

The details of the familiarization programmes imparted to the Independent Directors are available on the website of the Company [www.networklimited.in](http://www.networklimited.in).

### PERFORMANCE EVALUATION OF BOARD OF DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders' Relationship Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Effectiveness, Key Stakeholders connect, Ethics and Compliances, Evaluation of Company's Performance, Project Management and Internal Control and Audits. A separate exercise was carried out to evaluate the performance of individual Directors of the Board, who were evaluated on parameters such as level of engagement and contribution, effective participation in Board/Committee Meetings, independence of judgement, safeguarding the interest of the Company and its minority shareholders, providing of expert advice to Board, provide deliberations on approving related party transactions etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

### 3. AUDIT COMMITTEE

#### (a) Terms of Reference

The Audit Committee has been constituted as per Section 177(1) of the Companies Act, 2013 and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Audit Committee is responsible for effective supervision of the financial reporting process, ensuring financial and accounting controls and compliance with financial policies of the Company. The other roles and terms of reference of Audit Committee covers areas mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 177(1) of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors from time to time.

#### (b) Composition

The Audit Committee was constituted by the Board with 4 Independent Directors, 1 Executive and 1 Non-Executive with Independent Director as its Chairman.

#### (c) Attendance

The Committee met four (4) times during the Financial Year 2019-2020 on the following dates: May 28, 2019, August 10, 2019, November 13, 2019 and January 08, 2020.

Name of the Directors	Category	Designation	Attendance at the Audit Committee Meeting
Mr. Vijay Kalra	Non - Executive Independent	Chairman	04
Mr. Ashok Sawhney	Non - Executive	Member	03
Mr. Aman Sawhney	Executive	Member	04
Mr. G S Goyal	Non - Executive Independent	Member	01
Mr. Umong Sethi	Non - Executive Independent	Member	04
Mrs. Neena Sethi	Non - Executive Independent	Member	03

#### 4. STAKEHOLDERS RELATIONSHIP COMMITTEE

##### Terms of Reference

- Stake Holders Relationship, Grievance and Share Transfer Committee oversees and reviews all matters connected with the securities transfers and also looks into redressing of shareholders complaints like transfer of shares, non-receipt of annual reports etc.
- The Committee oversees the performance of the Registrar and Transfer agents and recommends measures for overall improvement in the quality of investor services.

##### Composition

Name of the Directors	Category	Designation	Attendance at the Stakeholders relationship Committee Meeting
Mr. Ashok Sawhney	Non-Executive	Member	3
Mr. Aman Sawhney	Executive	Member	4
Mr. Avinash Chander Sharma	Non-Executive	Member	2
Mr. Vijay Kalra	Non - Executive Independent	Chairman	4

The Committee met four (4) times during the Financial Year 2019-2020 on the following dates: May 28, 2019, August 10, 2019, November 13, 2019 and January 08, 2020.

##### Name and designation of Compliance Officer:

Mr. Vikas Jain, Company Secretary

Email-id for Investor Grievances: [network.limited@gmail.com](mailto:network.limited@gmail.com)

##### Number of Shareholders complaints received.

During the year ended March 31, 2020, No complaint was received from the shareholders. There were no pending complaints as at the year end.

#### 5. NOMINATION & REMUNERATION COMMITTEE

##### BRIEF TERM OF REFERENCE

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Act as Selection and Compensation Committee to evaluate suitability of candidates for various senior positions and determine appropriate compensation package for them. Selection of related persons whether or not holding place of profit in the Company to be carried out strictly on merit and where applicable, be subjected to review by the Audit Committee of and/or the Board with approval at each stage being obtained by disinterested Independent Directors only.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.

## Composition &amp; Attendance

Name of the Directors	Category	Designation	Attendance at the Nomination & Remuneration Committee Meeting
Mr. Vijay Kalra	Independent Director	Chairman	2
Mr. Ashok Sawhney	Non-Executive	Member	1
Mr. Umong Sethi	Independent Director	Member	2

**Role of Nomination & Remuneration Committee**

The Nomination and Remuneration Committee is responsible:

1. To devise a policy on diversity of Board; to review the composition of the Board, adequacy of number of members on the Board and board diversity annually; and to make appropriate recommendations to correct any imbalance therein;
2. To formulate criteria for determining qualifications, positive attributes and independence of a director;
3. To identify persons who are qualified to become directors, and who may be appointed in senior management positions in accordance with the criteria laid down in the policy;
4. To recommend a remuneration policy for the Directors / KMP / SMP so appointed / re-appointed ensuring that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate them and comprises of an ideal balance of fixed and variable compensation that is linked to meeting appropriate performance benchmarks, and within the frame work of the said policy, to recommend remuneration for such persons from time to time;
5. To formulate criteria for evaluation of performance of the independent directors, such evaluation is to be done by the Board (excluding the directors being evaluated);
6. To formulate criteria for evaluation of performance of the non-independent directors and the Board as a whole, such evaluation is to be done by the independent directors exclusively in their separate meeting;
7. To formulate criteria for evaluation of the Chairman's performance, to be done by the independent directors exclusively in their separate meeting;
8. To recommend to the Board the appointment and removal of directors and senior management;
9. Succession planning for Directors, KMP and SMP, and overseeing the transition process;
10. To carry out any other function as is mandated by the Board from time to time and / or required by the statute and listing agreement or any amendment or modification therein, from time to time;
11. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**6. ANNUAL GENERAL MEETING**

Financial Year	Location	Date	Time	No. of Special Resolution (s) passed
2018-19	MPCU Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, New Delhi - 110 054	24.09.2019	10.30 A.M	One
2017-18	MPCU Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, New Delhi - 110 054	25.09.2018	11.00 A.M	Four
2016-17	MPCU Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, New Delhi - 110 054	20.09.2017	11.00 A.M	Five

**POSTAL BALLOT**

No resolution was put through Postal Ballot in the last year and no special resolutions requiring postal ballot are being placed for shareholder's approval in Annual General Meeting.

**7. DISCLOSURES**

**(a) Related Party Transactions**

The particulars of transactions between the Company and its related parties as per the accounting standard are set out in Note No. 21 of Notes to Accounts of the Annual Report. However, these transactions are not likely to have potential conflict with the Company's interest.

**(b) Non-compliance by the Company, Penalties, Strictures**

The Company has complied with various rules and regulations prescribed by the Stock Exchange, Securities and Exchange Board of India or statutory authorities relating to capital markets during the last three years. No penalties and strictures have been imposed by them on the company in this regard.

**(c) Disclosure of Accounting Treatment:**

The Company has followed Indian Accounting Standards (Ind-AS) in the preparation of its financial statements, pursuant to the notification issued by Ministry of Corporate Affairs dated February 16, 2015 regarding the Companies (Indian Accounting Standards) Rules, 2015.

**(d) Compliance with Secretarial Standards**

The Applicable Secretarial Standards issued under section 118 of the Companies Act 2013 have been complied with

**(e) Code for prevention of Insider -Trading Practices:**

In accordance with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, as amended from time to time, your Company has adopted a Code of Internal Procedure and Conduct for regulating, monitoring and reporting of trading by insiders and Code of Fair Disclosure of Unpublished Price Sensitive Information to ensure prevention of Insider Trading in the Organization.

**8. MEANS OF COMMUNICATION**

**(a)** The unaudited quarterly, half-yearly and audited yearly financial results of the company are sent by e-mail and also by courier service to the Bombay Stock Exchange.

**(b)** The Quarterly / half-yearly / annual accounts results are published in the English and Hindi Newspaper.

- which newspaper normally published in Financial Express (English) and Jansatta (Hindi)
- Any website where displayed [www.networklimited.net](http://www.networklimited.net)
- whether it also displays official news release No
- whether presentations made to institutional investors or to analyst No

**(c)** The Annual Report which includes inter alia, the Director's Report, the report on Corporate Governance and the Management Discussion and Analysis.

**9. GENERAL SHAREHOLDERS INFORMATION**

**i) Annual General Meeting**

Day & Date	Time	Venue
Monday, 30th November, 2020	11.00 AM.	VM/OAVM

**ii) Financial Calendar**

Financial Reporting for the quarter ended 30 <sup>th</sup> June, 2020	05.08.2020
Financial Reporting for the quarter and Half year Ended 30 <sup>th</sup> September, 2020	within 45 days from the end of the quarter
Financial Reporting for the quarter ended 31 <sup>st</sup> December, 2020	within 45 days from the end of the quarter
Audited Results for the financial year ended 31 <sup>st</sup> March, 2021	within sixty days from the end of last quarter 31 <sup>st</sup> March, 2021

**iii) Dates of Book Closure** 23<sup>rd</sup> November, 2020 to 30<sup>th</sup> November, 2020  
(Both days inclusive)

**iv) Dividend Payment Date** Not applicable

- v) **Listing on Stock Exchange:** The Shares of the Company are listed on the Bombay Stock Exchange Ltd, listing fees for the year 2020-2021 has been paid.
- vi) **Stock Code/ Symbol:** 523558 at the Bombay Stock Exchange Ltd (BSE).
- vii) **Market Price Data:** High/ low of market price of the Company's equity shares traded frequently on BSE during the last financial year were as follows:

Month	High	Low	Month	High	Low
Apr-19	1.81	1.60	Oct-19	2.18	1.65
May-19	2.00	1.52	Nov-19	2.18	1.34
Jun-19	2.22	1.68	Dec-19	1.40	0.98
Jul-19	2.09	2.09	Jan-20	1.08	0.98
Aug-19	2.08	1.62	Feb-20	1.03	0.91
Sep-19	1.93	1.45	Mar-20	1.07	0.98

Source:www.bseindia.com

viii) **Registrar and Share Transfer Agent & Share Transfer System -**

**M/s. Alankit Assignments Limited** is the Registrar and Share Transfer Agent for the shares of the Company in both physical as well as electronic modes. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

**Name** : **Alankit Assignments Limited**  
**Address** : Alankit House, 1E/13  
 JhandewalanExtn.,  
 New Delhi-110 055  
**Telephone No** : 011-42541955  
**Fax No.** : 011-42540064

- ix) **Share Transfer System:** The Company's shares are traded on BSE Ltd (BSE) compulsorily in Demat mode. Physical shares which are lodged with the Registrar & Transfer Agent or Company for transfer are processed and returned to the shareholders duly transferred within the time stipulated under the Listing Agreement subject to the documents being in order.
- x) **Distribution of Shareholding as on 31<sup>st</sup> March, 2020:**

Share Held	31.03.2020			
	No. of Share holders	% of Share holders	No. of Shares held	% of Share holding
1-500	6169	91.07	776375	1.58
501-1000	242	3.57	201997	0.41
1001-5000	264	3.90	627102	1.28
5001-10000	33	0.49	253064	0.51
10001 and above	66	0.97	47289960	96.22
<b>TOTAL</b>	<b>6774</b>	<b>100</b>	<b>49148498</b>	<b>100</b>



xi) Categories of Shareholding as on 31<sup>st</sup> March 2020:

Category	Category of Shareholder	Number of Shareholders	Total Numbers of Shares	As a percentage
A	Shareholding of Promoter and Promoter Group			
	1. Indian	07	9355583	19.04
	2. Foreign	-	-	-
<b>Total Shareholding of Promoter and Promoter Group</b>		<b>07</b>	<b>9355583</b>	<b>19.04</b>
B	Public Shareholding			
	1. Institutions	5	8300	0.02
	2. Non-institutions	6762	39784615	80.94
<b>Total Public Shareholding</b>		<b>6767</b>	<b>39792915</b>	<b>80.96</b>
C	Non Promoter-Non-Public			
	C1. Shares underlying DRs	-	-	-
	C2. Share held by Employee Trusts	-	-	-
<b>Total (A+B+C)</b>		<b>6774</b>	<b>49148498</b>	<b>100</b>

**xii) Dematerialization of shares and liquidity:** As on 31st March, 2020 about 98.95% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.

**xiii)** There are no outstanding GDRs/ ADRs/ Warrants and other convertible instruments.

**xiv) Address for Correspondence:** The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

**Regd. Office:**

W-39, Okhla Industrial Area, Phase II,  
New Delhi-110 020

**10. Compliance Certificate on Corporate Governance:** Certificate from the M/s. V K Singh & Co., Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to Director's Report forming part of the Annual Report.

**11. CEO/CFO Certification**

As required by Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate duly certified by Mr. Umong Sethi, Director and Mr. Vijay Kalra, Director and Chairman of audit committee of the Company was placed before the Board at its meeting held on 26<sup>th</sup> October, 2020. This certificate is annexed to the report.

**12. Compliance of Code of Conduct**

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has laid down a Code of Conduct for all the Board Members and Senior Management personnel of the Company. All the Board Members and senior management personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31<sup>st</sup> March, 2020.

For and on behalf of the Board of Directors

Date: 26/10/2020  
Place: New Delhi

Sd/-  
UMONG SETHI  
DIRECTOR

Sd/-  
VIJAY KALRA  
DIRECTOR

**CEO/CFO CERTIFICATION**

We the undersigned, in our respective capacities as Director and Chief Financial Officer of Network Limited, to the best of our knowledge and belief certify that:

- a) We have reviewed the financial statements and cash flow statements for the year ended 31st March, 2020 and to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2020 are fraudulent, illegal or violate the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and Audit Committee and steps have been taken to rectify these deficiencies.
- d) We further certify that:
  - i) There have not been any significant changes in internal control over financial reporting during the year under reference;
  - ii) There have not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting;

Date: 26-10-2020  
Place: New Delhi

Sd/-  
UMONG SETHI  
DIRECTOR

Sd/-  
VIJAY KALRA  
DIRECTOR

**CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

We have examined the compliance of Corporate Governance by Network Limited for the year ended March 31, 2020, as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

On the basis of information and explanation given to us and as per the records maintained by the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2020.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR V K SINGH & CO.  
Company secretary

Sd/-  
(VIKASH KUMAR SINGH)  
Proprietor  
M. No.- A42789  
C.P. No.-15806  
UDIN:- A042789B000525953

Date: 29/07/2020  
Place: New Delhi

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members of**  
**Network Limited**  
**W-39, Okhla Industrial Area, Phase-II,**  
**New Delhi-110020**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Network Limited having CIN L32209DL1989PLC034797 and having registered office at W-39, Okhla Industrial Area, Phase-II, New Delhi- 110020 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment in company
1.	Avinash Chander Sharma	00438711	27/05/2008
2.	Vijay Kalra	01062644	10/01/2007
3.	Umong Sethi	05330983	06/08/2014
4.	Neena Sethi	06936951	06/08/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For V K SINGH & CO**  
**(Company Secretaries)**

Sd/  
**(VIKASH KUMAR SINGH)**  
**PROPRITOR**  
**C.P. NO. 15806**  
**UDIN: - A042789B000505658**

**DATE: 25<sup>th</sup> July, 2020**  
**PLACE: NEW DELHI**

Unique Document Identification Number (UDIN) for this document is **20089895AAAAGZ5351**

**To the Members of  
NETWORK LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **NETWORK LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss & the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its **Loss&** cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of Key Audit Matters as per SA-701; Key Audit Matters are properly complied in our audit.

**Information Other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

It based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibilities for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance & the Cash Flow Statement of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations,

or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercised professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation or override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss & the Cash Flow Statement de Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- (g) With respect to adequacy of Internal Financial Control over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in **Annexure "B"**.

**For B K Sood & Co.**  
Chartered Accountants  
FRN. 000948N

**Sd/-**  
CA Nitin Jain  
Partner  
M. No. 089895

Place: New Delhi

Date: 19<sup>th</sup> Day of May, 2020

**"Annexure A" to the Independent Auditors' Report  
(Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of "NETWORK LIMITED" of even date)**

- 1) (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and equipment.
    - (ii) The company has maintained proper records, showing full particulars of Intangible Assets.
  - (b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical assets have been noticed.
  - (c) As per information provided to us title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company.
  - (d) In our opinion company has not revalued Property, Plant and Equipment or Intangible assets or both during the year.
  - (e) According to information and explanation given to us there are no proceedings initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988.
- 2) The Company does not have any inventory other than Securities and commodities. Accordingly, the provisions of Clause 3 (ii) of the Order are not applicable to the Company.
  - 3) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
  - 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
  - 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
  - 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, or any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.  
(b) According to the information and explanation given to us, there are no dues of Goods and service Tax, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
  - 8) According to the information and explanations given to us and the records examined by us, the Company has not taken any loans from financial institutions and banks nor has it issued any debentures. Accordingly, the provisions of clause 3 (viii) of the Order is not applicable to the Company.
  - 9) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order is not applicable to the Company.
  - 10) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - 11) According to the information and explanations given to us and the records examined by us, the company has not been paid managerial remuneration during the year. Accordingly, the provisions of clause 3 (xi) of the Order is not applicable to the Company.
  - 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company.
  - 13) Section 177 deals with formation of Audit Committee by every listed public companies and such other class or classes of companies as prescribed under the Companies Act 2013, the company does not fall under such class of companies hence no reporting is required. In our opinion, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
  - 14) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the provisions of clause 3 (xiv) of the Order is not applicable to the Company.
  - 15) In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected with the Directors.
  - 16) (a) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi)(a) of the Order are not applicable to the Company and hence not commented upon.  
(b) In our opinion, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi)(b) of the Order are not applicable to the Company and hence not commented upon.
- The Disclaimer opinion expressed in the present report is based on the limited information, facts and inputs made available to us through electronic means by the management. We wish to highlight that due to the COVID-19 induced restrictions on physical movement and strict timelines, the audit team could not visit the Office Premises of the Company for undertaking the required audit Procedure as prescribed under ICAI issued Standards on Auditing, including but not limited to:
01. Inspection, Observation, Examination and verification of the original documents/files.

02. Examinations of FA register/Inventories physical verification process.
03. Verification of other records in relation to Financial Statements.
04. Observation with regard to other information.

**For B K Sood & Co.**  
Chartered Accountants  
FRN. 000948N

**Sd/-**  
CA Nitin Jain  
Partner  
M. No. 089895

Place: New Delhi

Date: 19<sup>th</sup> Day of May, 2020

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**“Annexure B” to the Independent Auditor’s Report  
of even date on the Financial Statements of  
NETWORK LIMITED**

**Report on the Internal Financial Controls under  
Clause (i) of Sub-section 3 of Section 143 of the  
Companies Act, 2013**

We have audited the Internal Financial Controls over financial reporting of **Network Limited** as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining Internal Financial Controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s Internal Financial Controls over financial

reporting based on our audit. We conducted our audit in accordance with the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s Internal Financial Controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3)

## INDEPENDENT AUDITOR'S REPORT

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provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of Internal Financial Controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls

system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For B K Sood & Co.**  
Chartered Accountants  
FRN. 000948N

**Sd/-**  
CA Nitin Jain  
Partner  
M. No. 089895

Place: New Delhi

Date: 19<sup>th</sup> Day of May, 2020

## BALANCE SHEET AS AT 31st MARCH, 2020



(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
<b>I ASSETS</b>			
<b>Non-Current Assets</b>			
a) Property, Plant and Equipment	3	103,194	187,346
b) Financial Assets			
i) Investments	4	15,104,734	44,282,000
<b>Total Non-Current Assets</b>		<b>15,207,928</b>	<b>44,469,346</b>
<b>Current Assets</b>			
a) Inventories	5	1,081,319	1,544,904
b) Financial Assets			
i) Trade Receivables	6	810,100	11,434,340
ii) Cash and Cash Equivalents	7	16,265,374	582,036
iii) Other financial assets	8	1,153,060	74,000
c) Other Current Assets	9	10,256,305	66,000
<b>Total Current Assets</b>		<b>29,566,158</b>	<b>13,701,280</b>
<b>TOTAL ASSETS</b>		<b>44,774,086</b>	<b>58,170,626</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a) Equity Share Capital	10	98,296,996	98,296,996
b) Other Equity	11	(57,818,922)	(40,404,255)
<b>Total Equity</b>		<b>40,478,074</b>	<b>57,892,741</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Trade payables	12	4,136,000	-
b) Other Current Liabilities	13	160,012	277,885
<b>Total Current Liabilities</b>		<b>4,296,012</b>	<b>277,885</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>44,774,086</b>	<b>58,170,626</b>

See accompany notes forming part of the financial statements 1 to 24

As per our report of even date

For and on behalf of  
B. K. Sood & Co.  
Chartered Accountants  
Firm Registration No. 000948N

Sd/-  
CA Nitin Jain  
Partner  
M. No. 089895  
UDIN: 20089895AAAAGZ5351

Place : New Delhi  
Date : 19.05.2020

For and On behalf of the Board of Directors

Sd/-  
Umong Sethi  
Director  
DIN : 05330983

Sd/-  
Vijay Kalra  
Director  
DIN : 01062644

Sd/-  
Vikas Jain  
Company Secretary

## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR PERIOD 31st MARCH, 2020



(Amount in Rs.)

Particulars	Note No.	For the period ended 31st March 2020	For the year ended 31st March 2019
<b>Revenue from Operations</b>			
Sales	14	35,307,341	50,314,619
Other Income	15	5,328,209	99,075
<b>Total Income</b>		<b>40,635,550</b>	<b>50,413,694</b>
<b>Expenses</b>			
Purchases		37,143,024	40,090,499
Change in Inventories of Stock in Trade		463,585	10,657,454
Employee benefits expenses	16	1,479,145	1,397,663
Depreciation and amortization expenses	3	84,152	69,991
Other Expenses	17	3,420,710	2,373,377
<b>Total Expenses</b>		<b>42,590,617</b>	<b>54,588,984</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>(1,955,067)</b>	<b>(4,175,289)</b>
<b>Exceptional items</b>		-	-
<b>Profit / (Loss) before tax</b>		<b>(1,955,067)</b>	<b>(4,175,289)</b>
Less: Tax Expenses		-	-
<b>Profit / (Loss) after tax</b>		<b>(1,955,067)</b>	<b>(4,175,289)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit &amp; Loss</b>			
Fair Value Change of Equity Instruments		(15,459,600)	-
Share in aggregate comprehensive income of the associates(net tax)		-	-
<b>Total Other Comprehensive Income for the year</b>		<b>(15,459,600)</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>(17,414,667)</b>	<b>(4,175,289)</b>
<b>Earning Per Equity Share :</b>			
a) Basic (Rs.)		(0.35)	(0.08)
a) Diluted (Rs.)		(0.35)	(0.08)

See accompany notes forming part of the financial statements 1 to 24

As per our report of even date

For and on behalf of  
B. K. Sood & Co.  
Chartered Accountants  
Firm Registration No. 000948N

Sd/-  
CA Nitin Jain  
Partner  
M. No. 089895  
UDIN: 20089895AAAAGZ5351

Place : New Delhi  
Date : 19.05.2020

For and On behalf of the Board of Directors

Sd/-  
Umong Sethi  
Director  
DIN : 05330983

Sd/-  
Vijay Kalra  
Director  
DIN : 01062644

Sd/-  
Vikas Jain  
Company Secretary



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020



Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>Cash Flow from Operating Activities</b>		
Profit / (Loss) before tax	(1,955,067)	(4,175,289)
Adjustments for:		
Depreciation	84,152	69,991
Interest Income on Fixed Deposit	(10,509)	-
Property, Plant & Equipment written off	-	3,074
<b>Operating (Loss) / Profit before working capital changes</b>	<b>(1,881,424)</b>	<b>(4,102,224)</b>
<b>Change in Working Capital</b>		
<b>Adjustments for (Increase) / Decrease in Operating Assets</b>		
Inventories	463,585	10,657,454
Trade Receivables	10,624,240	(11,434,340)
Other financial assets	(1,079,060)	(40,000)
Other current assets	(10,190,305)	-
Other Non- Current Assets	-	2,053
<b>Adjustments for Increase / (Decrease) in Operating Liabilities</b>		
Trade payables	4,136,000	(2,308,086)
Other Current Liabilities	(117,873)	-
<b>Net Cash Generated / (used in) from Operating Activities (A)</b>	<b>1,955,163</b>	<b>(7,225,144)</b>
<b>Cash flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment & Intangible Assets	-	(149,040)
Investment	13,717,666	7,378,000
Interest Income on Fixed Deposit	10,509	-
<b>Net Cash from / (used in) Investing Activities (B)</b>	<b>13,728,175</b>	<b>7,228,960</b>
<b>Cash flow from Financing Activities</b>		
<b>Net cash from / (used in) Financing Activities (C)</b>	<b>-</b>	<b>-</b>
Cash & Cash equivalents at beginning of the year	582,036	578,219
Cash & Cash equivalents at end of the year	16,265,374	582,036
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>15,683,338</b>	<b>3,816</b>
<b>Total (A) + (B) + (C)</b>	<b>15,683,338</b>	<b>3,816</b>

See accompany notes forming part of the financial statements 1 to 24

As per our report of even date

For and on behalf of  
B. K. Sood & Co.  
Chartered Accountants  
Firm Registration No. 000948N

Sd/-  
CA Nitin Jain  
Partner  
M. No. 089895  
UDIN: 20089895AAAAGZ5351

Place : New Delhi  
Date : 19.05.2020

For and On behalf of the Board of Directors

Sd/-  
Umong Sethi  
Director  
DIN : 05330983

Sd/-  
Vijay Kalra  
Director  
DIN : 01062644

Sd/-  
Vikas Jain  
Company Secretary

**Note - 1 GENERAL INFORMATION**

Network Limited is a listed company engaged in Trading & Investment in Capital Market and Futures & Options segment. Company's shares are listed in BSE.

**Note - 2 SIGNIFICANT ACCOUNTING POLICIES****(A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time by the Ministry of Corporate Affairs (MCA), the provisions of Companies Act, 2013, and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Financial statements of the company are prepared under the historical cost convention except for the certain financial assets and liabilities measured at fair value as mentioned in applicable accounting policies.

**(B) USE OF ESTIMATES AND JUDGEMENTS**

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The estimates and underlying assumptions are reviewed on going concern basis.

**(C) REVENUE RECOGNITION**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is generally accounted on accrual or as they are earned or incurred except in case of significant uncertainty. Revenue from investing / trading in shares, securities etc. is recognized on trade dates on first in first out basis. Revenue from Derivative Instruments & any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges. In respect of completed transactions pending settlement process, necessary treatment is given in the accounts for the Profits/Losses arising from these transactions. Dividend income is recognized when the right to receive is established, which is generally when shareholders approve the dividend.

**(D) EXPENDITURE**

Expenses are accounted for on accrual basis.

**(E) PROPERTY, PLANT AND EQUIPMENT (PPE)**

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit or loss.

The Management review the Residual Value and the Useful Life of an assets due to COVID-19 and properly considered in representing the Property, Plant and Equipment.

**(F) DEPRECIATION**

Depreciation on Property, plant and equipment has been provided on straight line method (S.L.M.) on pro-rata basis at the rates and in the manner specified in Schedule II of the Companies Act, 2013.

**(G) INVENTORIES**

Inventories are valued at cost or Net Realizable Value, whichever is less on FIFO method. Cost includes purchase price, taxes and other incidental expenses, wherever applicable.

The Management considered written down Value of inventories to net realisable value item by item. Management also assess the significance of any write-down in Inventories due to COVID-19.

## (H) FINANCIAL INSTRUMENTS

### Initial Recognition:

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables/payables and where cost of generation of fair value exceeds benefits, which are initially measured at transaction price. Transaction costs directly related to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities through profit & loss account) are added to or deducted from the cost of financial assets or financial liabilities. Transaction cost directly attributed to the acquisition of financial assets or financial liabilities at fair value through profit & loss account are recognized immediately in the statement of profit & loss.

### Subsequent Recognition:

Non-derivative financial instruments

- i). **Financial assets carried at amortized cost:** A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii). **Financial assets at fair value through other comprehensive income:** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments (all being not held for trading), to present the subsequent changes in fair value in other comprehensive income based on its business model.
- iii). **Financial assets at fair value through profit or loss:** A financial asset which is not classified in any of the above categories (including investment in units of mutual funds) is subsequently fair valued through profit or loss.
- iv). **Financial liabilities:** Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## I) FINANCIAL LIABILITIES

Financial liabilities are initially recognized at the fair value of the consideration received less directly attributable transaction cost. Subsequent to initial measurement, financial liabilities are measured at amortized cost. The difference in the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit & loss over the contractual term using the effective interest rate method. This category includes the following class of liabilities; trade and other payables, borrowing; and other financial liabilities. Financial liabilities are further classified as current and non-current depending whether they are payable within 12 months from the balance date or beyond. Financial liabilities are derecognized when the company is discharged from its obligation; they expire, are cancelled or replaced by a new liability with substantial modified terms.

## J) EARNING PER SHARE

Basic Earning per share is computed using Weighted Average Number of Equity Share Outstanding during the year. Diluted Earning per share is computed using weighted Average Number of Equity and Dilutive Equity equivalent share outstanding during the year end.

## K) TAX ON INCOME

Current tax are measured at the amounts expected to be paid using the applicable tax rates and tax laws. The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance 2019 Accordingly, the Company has recognised Provision for Income Tax for the Financial Year ended March 31, 2020. Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised to the extent

that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

**L) INVESTMENTS**

Investments are classified into Long term and Current Investment based on the intent of the management at the time of the acquisition. Long term investments are stated at cost less diminution in value of such investment other than temporary diminution.

**M) IMPAIRMENT**

**Financial Assets (Other than at Fair Value):**

The company assesses at each balance sheet date whether a financial assets or a group of financial assets is impaired in compliance of Ind AS 109.

**Non Financial Assets :**

If internal/external indication suggest that an asset of the company may be impaired, the recoverable amount of the asset is determined on the balance sheet date and if it is less than its carrying amount, the carrying amount of asset is reduced to the said recoverable amount. The recoverable amount is measured as the higher of the fair value less cost of disposal and value of use of such asset which is determined by the present value of the estimated future cash flows.

Assessment is also done at each balance sheet date as to whether there is any indication that the impairment loss recognized in prior period may no longer exist or may be decreased, a reversal of an impairment loss for an asset is recognized in the Statement of Profit and Loss.

The Management Considered the Impact of COVID-19 on Impairment of Non Financial Assets

Ind AS 36 relies on an 'economic' criterion for the recognition of an impairment loss. An 'economic' criterion is the best criterion to give information which is useful to users in assessing future cash flows to be generated as a whole. In estimating the time value of money and the risks specific to an asset in determining whether the asset is Impaired, factors, such as the probability or permanence of the impairment loss, are subsumed in the measurement. An entity estimate the recoverable amount of the asset for impairment testing. Recoverable amount is the higher of the fair value less costs of disposal and the value in use. In cases where the recoverable amount is estimated based on value in use, the considerations on accounting estimates apply. Due to COVID-19, there might be temporary ceasing of operations or an immediate decline in demand or prices resulting in lowering of revenues and profitability and reduced economic activity. These are the factors that the management consider as the indicators that may require impairment testing for the purpose of Ind AS 36 and AS 28.

**N) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

A provision is recognized, if as a result of past event the company has present legal or constructive obligations that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and the risk specific to liability. Contingent liabilities are disclosed for possible obligations arising out of uncertain events not wholly in control of the company. Contingent assets are not recognized in the financial statements. However due disclosures are made in the financial statements for the contingent assets, where economic benefits is probable and amount can be estimated reliably.

**O) TRADE & OTHER PAYABLES**

These amounts represent liabilities for services received by the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**P) SEGMENT REPORTING**

During the year Company has expanded its operations towards sale of Lifestyle products. The Company operates in only one segment i.e. Trading of Lifestyle Goods & Securities, hence segment reporting in accordance with the Indian Accounting Standard-108 is not applicable.

**Note - 3 Property, Plant and Equipment**

	Plant & Machinery	Office Equipment	Furniture & Fixtures	Total
<b>Gross Carrying Value</b>				
<b>As at 1st April 2018</b>	<b>160,000</b>	<b>85,475</b>	<b>300,000</b>	<b>545,475</b>
Addition During the year	132,050	16,990	-	149,040
Deduction During the year	36,500	24,975	-	61,475
<b>As at 31st March 2019</b>	<b>255,550</b>	<b>77,490</b>	<b>300,000</b>	<b>633,040</b>
Addition During the year	-	-	-	-
Deduction During the year	-	-	-	-
<b>As at 31st March 2020</b>	<b>255,550</b>	<b>77,490</b>	<b>300,000</b>	<b>633,040</b>
<b>Depreciation / Amortisation</b>				
<b>As at 1st April 2018</b>	<b>67,903</b>	<b>81,201</b>	<b>285,000</b>	<b>434,104</b>
Provided for the year	68,797	1,194	-	69,991
Deduction During the year	34,675	23,726	-	58,401
<b>As at 31st March 2019</b>	<b>102,025</b>	<b>58,669</b>	<b>285,000</b>	<b>445,694</b>
Provided for the year	80,924	3,228	-	84,152
Deduction During the year	-	-	-	-
<b>As at 31st March 2020</b>	<b>182,949</b>	<b>61,897</b>	<b>285,000</b>	<b>529,846</b>
<b>NET CARRYING VALUE</b>				
<b>As at 1st April 2018</b>	<b>92,097</b>	<b>4,274</b>	<b>15,000</b>	<b>111,371</b>
<b>As at 31st March 2019</b>	<b>153,525</b>	<b>18,821</b>	<b>15,000</b>	<b>187,346</b>
<b>As at 31st March 2020</b>	<b>72,601</b>	<b>15,593</b>	<b>15,000</b>	<b>103,194</b>

**Note 4 - INVESTMENTS**

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number	Amount	Number	Amount
<b>I. Measured at Cost</b>				
<b>A. Equity Instruments</b>				
<b>Unquoted : Fully Paid-Up</b>				
International Amusement Limited	1920000	25,766,000	1920000	25,766,000
Appu Ghar Securities & Solutions Private Limited	-	-	200000	10,000,000
Appu Ghar Entertainment Private Limited	162450	4,698,334	291000	8,416,000
Impairment in Fair Value of Investments		(15,459,600)		-
		<b>15,004,734</b>		<b>44,182,000</b>
<b>B. Investment in Partnership Firm</b>		100,000		100,000
		<b>100,000</b>		<b>100,000</b>
<b>Total (I)</b>		<b>15,104,734</b>		<b>44,282,000</b>
<b>Note 5 INVENTORIES</b>				
Inventories		1,081,319		1,544,904
		<b>1,081,319</b>		<b>1,544,904</b>
<b>Note 6 TRADE RECEIVABLES</b>				
<b>Current - Unsecured</b>				
Considered Good		810,100		11,912,996
		<b>810,100</b>		<b>11,912,996</b>
<b>Note 7 CASH &amp; BANK BALANCES</b>				
<b>Cash &amp; Cash Equivalent</b>				
Balance with Banks:				
- On Current Accounts		16,177,867		573,180
Cash on Hand		87,507		8,856
		<b>16,265,374</b>		<b>582,036</b>
<b>Note 8 OTHER FINANCIAL ASSETS</b>				
Security Deposit		1,153,060		74,000
		<b>1,153,060</b>		<b>74,000</b>
<b>Note 9 OTHER CURRENT ASSETS</b>				
Advances for Supply of Goods		10,180,000		-
Advances to Employees		54,925		66,000
Input Tax & TDS Balances		21,380		-
		<b>10,256,305</b>		<b>66,000</b>



**Note - 10 SHARE CAPITAL**

	As at 31st March, 2020	As at 31st March, 2019
<b>AUTHORISED CAPITAL</b>		
26,25,00,000 Equity Shares of Rs.2/- each (Previous Year 5,25,00,000 Equity Shares of Rs.10/- each)	525,000,000	525,000,000
6,00,000 Preference share of Rs.100/- each	60,000,000	60,000,000
	<u>585,000,000</u>	<u>585,000,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>		
4,91,48,498 Equity Shares of Rs.2/- each	98,296,996	98,296,996
	<u>98,296,996</u>	<u>98,296,996</u>

**a) RIGHTS, PREFERENCE AND RESTRICTIONS**

The company has only one class of shares referred to as equity shares having a par value of Rs.2/- each (Previous Year of Rs.2/- each). Holder of equity shares is entitled to one vote per share.

**b) THE RECONCILIATION OF NUMBER OF EQUITY SHARES OUTSTANDING AND AMOUNT OF SHARE CAPITAL IS SET OUT BELOW:**

	As at 31.03.2020		As at 31.03.2019	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Number of shares at the beginning	49148498	98,296,996	49148498	98,296,996
Add: Shares issued during the year	-	-	-	-
Number of shares at the end	<u>49,148,498</u>	<u>98,296,996</u>	<u>49,148,498</u>	<u>98,296,996</u>

The details of shareholder holding more than 5% shares is set out below :

Name of Shareholders	As at 31st March, 2020		As at 31st March, 2019	
	Number	%	Number	%
Anushi Retail LLP	11,989,200	24.39	-	-
Mr. Pankaj Shrimali	4,902,800	9.98	4,902,800	9.98
Mrs. Madhuri Shrimali	3,337,200	6.79	3,337,200	6.79
Mr. Paras Nath Gaur	2,500,000	5.09	-	-
Mr. Rajnesh Dutta	2,509,000	5.10	-	-
Uninet Strategic Advisory Ltd	6,892,365	14.02	3,970,004	8.08
Mr. Gian Vijeshwar	-	-	4,007,112	8.15
Mrs. Kusum Vijeshwar	-	-	3,944,488	8.03
Mr. Monny Vijeshwar	-	-	3,666,800	7.46
Mr. Robin Vijeshwar	-	-	4,058,200	8.26
Appu Ghar Entertainment Pvt. Ltd.	-	-	4,717,400	9.60
San Share Shoppe Pvt. Ltd.	-	-	3,709,000	7.55
AAS Electronics Products Pvt Ltd.	-	-	4,243,600	8.63

**Note - 11 OTHER EQUITY**

Particulars	Reserve & Surplus				Other Comprehensive Income			Total
	Capital Redemption Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instrument through other Comprehensive Income	Share in aggregate other Comprehensive Income of Associate(s)		
<b>Balance as at 1st April 2018</b>	400,000	76,412,986	19,910,683	(56,069,261)	(76,414,179)	(469,196)	(36,228,966)	
Fair Value Changes in Equity Instruments	-	-	-	-	-	-	-	
Profit / (Loss) for the year	-	-	-	(4,175,289)	-	-	(4,175,289)	
Amount Transferred	-	-	-	(39,674,199)	39674199	-	-	
<b>Balance as at 31st March 2019</b>	400,000	76,412,986	19,910,683	(99,918,749)	(36,739,980)	(469,196)	(40,404,255)	
Fair Value Changes in Equity Instruments	-	-	-	-	(15,459,600)	-	(15,459,600)	
Profit / (Loss) for the year	-	-	-	(1,955,067)	-	-	(1,955,067)	
<b>Balance as at 31st March 2020</b>	400,000	76,412,986	19,910,683	(101,873,816)	(52,199,580)	(469,196)	(57,818,922)	

As at  
31st March, 2020      31st March, 2019

**Note-12 TRADE PAYABLES**

Trade Payables	-
	4,136,000
	<u>4,136,000</u>

**Note-13 OTHER CURRENT LIABILITIES**

Expenses Payable	277,885
Statutory Dues	-
	<u>277,885</u>



Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Note-14 Revenue from Operations</b>		
Sales	35,307,341	50,314,619
	<u><b>35,307,341</b></u>	<u><b>50,314,619</b></u>
<b>Note-15 OTHER INCOME</b>		
Dividend Income	57,700	99,075
Interest from Fixed Deposit	10,509	-
Profit from Sale of Investment	5,260,000	-
	<u><b>5,328,209</b></u>	<u><b>99,075</b></u>
<b>Note-16 EMPLOYEE BENEFITS EXPENSES</b>		
Establishment Expenses	1,422,000	1,319,951
Staff Welfare Expenses	57,145	77,712
	<u><b>1,479,145</b></u>	<u><b>1,397,663</b></u>
<b>Note-17 OTHER EXPENSES</b>		
Advertisement	41,360	42,488
Travelling & Conveyance	213,221	77,975
Audit Fees	100,000	100,000
Books & Periodicals	1,670	2,720
AGM Expenses	180,366	162,575
Rent / Hire Charges	444,000	223,000
Printing and Stationery	32,214	30,002
Postage & Courier	2,948	430
Communication Expenses	48,870	45,003
Fees & Subscription Charges	38,131	27,800
Listing Fees	324,544	314,022
Professional and legal Charges	1,527,630	876,076
Repair and Maintenance	79,085	76,402
Electricity & Water Charges	33,982	32,829
Festival Expenses	8,848	9,387
Sitting Fee	-	67,000
GST paid on Expenses	278,554	265,686
Write off Fixed Assets	-	3,074
Misc. Expenses	65,287	16,907
	<u><b>3,420,710</b></u>	<u><b>2,373,377</b></u>

**18 CONTINGENT LIABILITIES**

- a) claims against the Company not acknowledged as debts in respect of:-

	Current Year In Lacs	Previous Year in Lacs
Pending Litigations	10.79	10.79

- b) The Company has provided following Equity Shares as margin against Derivative Products.

Description	No. of Shares
Arvind Ltd	5,600
Vardhman Acrylics Ltd.	26,999
Reliance Power Ltd	99,699

**19 Basic and Diluted Earnings per Share**

(Amount in Rs.)

Particulars	Current Year	Previous Year
Profit / (Loss) for the year	(17,414,667)	(4,175,289)
Weighted Average number of equity shares (nos.)	49148498	49148498
Earning per Share (basic & diluted )	(0.35)	(0.08)

**20 Amount paid / payable to Auditors:**

(Rs. In Lacs)

Particulars	Current Year	Previous Year
Audit Fees	1.00	1.00

**21 Disclosure under Indian Accounting Standard- 24 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India :-**
**A. List of related parties**
**a). Directors / Key Managerial Personnel**

Mr. Avinash Chander Sharma	- Director
Mr. Vijay Kalra	- Independent Director
Mr. Umong Sethi	- Independent Director
Mrs. Neena Sethi	- Independent Director
Mr. Ashok Kumar	- Manager & Chief Financial Officer
Mr. Vikas Jain	- Company Secretary
Mr. Pankaj Shrimali	- Director*

\* Resigned as on 02/12/2019

**b). Firms and Companies in which directors/KMP's are interested:**

Nil

B). The Company has entered into transactions with certain parties listed above during the year under consideration. Details of these transactions are as follows

(Rs. In Lacs)

Description	Firms and Companies in which directors/KMP's are interested		Directors	
	Current Year	Previous Year	Current Year	Previous year
Sitting Fee paid to all Directors	-	-	-	0.85
Professional / Advisory Charges	-	-	9.20	6.45
<b>Closing Balance ( DR )</b>	-	-	-	-
<b>Closing Balance ( CR )</b>	-	-	-	-

22 Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October, 2 2006 certain disclosure are required to be made relating to Micro, Small & Medium Enterprises. There have been no reported cases of delays in payments to Micro and Small Enterprises or of interest payments due to delays in such payments.

23 Foreign Currency Transactions: Nil

24 Previous Year's figures have been regrouped / rearranged wherever necessary.

As per our report of even date

For and on behalf of  
B. K. Sood & Co.  
Chartered Accountants  
Firm Registration No. 000948N

Sd/-  
CA Nitin Jain  
Partner  
M. No. 089895  
UDIN: 20089895AAAAGZ5351

Place : New Delhi  
Date : 19.05.2020

For and On behalf of the Board of Directors

Sd/-  
Umong Sethi  
Director  
DIN : 05330983

Sd/-  
Vijay Kalra  
Director  
DIN : 01062644

Sd/-  
Vikas Jain  
Company Secretary

