

NETWORK LIMITED

REGD OFFICE :- W-41, OKHLA INDUSTRIAL AREA , PHASE - II , NEW DELHI :- 110020

Un-Audited Stand Alone / Consolidated Financial Results for the Quarter Ended 30th June 2011

(' ₹ in Lacs)


| S No. | Particulars | Un- Audited Stand Alone Financial Results | | | | Un-Audited Consolidated Financial Results | | | |
|-------|--|---|--------------|---------------|----------------|---|--------------|---------------|---------------|
| | | Quarter Ended | | Year Ended | Year Ended | Quarter Ended | | Year Ended | Year Ended |
| | | 30.06.2011 | 30.06.2010 | 31.03.2011 | 31.03.2010 | 30.06.2011 | 30.06.2010 | 31.03.2011 | 31.03.2010 |
| | (Un - Audited) | (Un Audited) | (Audited) | (Audited) | (Un Audited) | (Un Audited) | (Audited) | (Audited) | |
| 1 | Net Sales / Income from operation | 79.12 | 17.48 | 60.91 | 56.40 | 90.54 | 32.54 | 151.74 | 100.94 |
| 2 | Expenditure: | | | | | | | | |
| | a. (Increase) / decrease in stock in trade | (50.55) | (3.11) | (53.57) | (18.17) | (35.86) | (2.47) | (33.63) | 7.42 |
| | b. Consumption of raw material | - | - | - | - | - | - | - | - |
| | c. Purchases | 113.14 | 3.85 | 68.27 | 19.89 | 117.43 | 14.90 | 143.18 | 38.17 |
| | d. Employee Cost | 2.38 | 3.53 | 14.79 | 10.15 | 6.46 | 6.66 | 31.36 | 20.97 |
| | e. Depreciation / Amortization | 21.69 | 21.69 | 86.77 | 65.06 | 23.18 | 23.05 | 92.34 | 70.56 |
| | f. Other | 8.52 | 3.65 | 31.37 | 12.82 | 16.82 | 12.53 | 69.41 | 39.39 |
| | Total Expenditure | 95.18 | 29.61 | 147.63 | 89.75 | 128.03 | 54.67 | 302.66 | 176.51 |
| 3 | Profit/ (Loss) from operations before other income, interest & exceptional items (1-2) | (16.06) | (12.13) | (86.72) | (33.35) | (37.49) | (22.13) | (150.92) | (75.57) |
| 4 | Other income | 0.09 | 0.08 | 1.72 | 27.11 | 0.27 | 0.08 | 1.80 | 27.16 |
| 5 | Profit/(Loss) before interest & exceptional items | (15.97) | (12.05) | (85.00) | (6.24) | (37.22) | (22.05) | (149.12) | (48.41) |
| 6 | Interest | - | - | - | - | - | - | - | - |
| 7 | Profit/(Loss) after interest but before Exceptional items (5-6) | (15.97) | (12.05) | (85.00) | (6.24) | (37.22) | (22.05) | (149.12) | (48.41) |
| 8 | Exceptional items | - | - | - | - | - | - | - | - |
| 9 | Profit / (Loss) from Ordinary Activities before tax (1-2+4-6-8) | (15.97) | (12.05) | (85.00) | (6.24) | (37.22) | (22.05) | (149.12) | (48.41) |
| 10 | Tax expenses | - | - | (0.71) | - | - | - | (0.71) | - |
| 11 | Profit / (Loss) from Ordinary Activities after tax (9-10) | (15.97) | (12.05) | (84.29) | (6.24) | (37.22) | (22.05) | (148.41) | (48.41) |
| 12 | Paid-up equity share capital (Face value of Rs.10 each) | 4914.85 | 4914.85 | 4914.85 | 4914.85 | 4914.85 | 4914.85 | 4914.85 | 4914.85 |
| 13 | Reserve (Excluding Revaluation Reserve) | - | - | 437.40 | 521.69 | - | - | 315.36 | 463.77 |
| 14 | Earning per share (Basic & Diluted) | - | - | - | - | - | - | - | - |
| 15 | Public Shareholding | | | | | | | | |
| | Number of Equity Shares | 19196157 | 19196157 | 19196157 | 19196157 | 19196157 | 19196157 | 19196157 | 19196157 |
| | Percentage of Shareholding | 39.06 | 39.06 | 39.06 | 39.06 | 39.06 | 39.06 | 39.06 | 39.06 |
| 16 | Promoter and Promoter Group Share Holding | | | | | | | | |
| | a) Pledged / Encumbered | | | | | | | | |
| | - Number of Shares | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | - Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | - Percentage of Shares (as a % of the total share capital of the Company) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | b) Non Encumbered | | | | | | | | |
| | - Number of Shares | 29952341 | 29952341 | 29952341 | 29952341 | 29952341 | 29952341 | 29952341 | 29952341 |
| | - Percentage of Shares (as a % of the total shareholding of Promoter and Promoter Group) | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| | - Percentage of Shares (as a % of the total share capital of the Company) | 60.94 | 60.94 | 60.94 | 60.94 | 60.94 | 60.94 | 60.94 | 60.94 |

STATEMENT OF ASSETS AND LIABILITIES AS ON 31st MARCH 2011

(' ₹ IN LACS)

| S.No | Particulars | Audited Stand Alone | | Audited Consolidated | |
|------|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | As at | As at | As at | As at |
| | | 31 st March 2011 | 31 st March 2010 | 31 st March 2011 | 31 st March 2010 |
| 1. | Sources of Funds | | | | |
| | Share Capital | 4914.85 | 4914.85 | 4914.91 | 4914.85 |
| | Reserve & Surplus | 791.49 | 791.49 | 791.49 | 791.49 |
| | Total | 5706.34 | 5706.34 | 5706.40 | 5706.34 |
| 2 | Application of Funds | | | | |
| | Fixed Assets (including intangibles) | 268.52 | 355.29 | 319.58 | 410.07 |
| | Investments | 2697.51 | 2691.67 | 2216.10 | 2209.63 |
| | Current Assets , Loans & Advances | | | | |
| | Inventories | 1662.89 | 23.17 | 1937.90 | 185.12 |
| | Sundry Debtors | - | - | 0.78 | 2.96 |
| | Cash & Bank Balances | 662.29 | 1018.49 | 698.02 | 1056.19 |
| | Loans & Advances | 85.38 | 1406.00 | 88.89 | 1542.03 |
| | Less: Current Liabilities & Provisions | | | | |
| | Current Liabilities | (24.35) | (56.98) | (31.00) | (26.27) |
| | Provisions | - | (1.11) | - | (1.11) |
| | Profit & Loss Account | 354.10 | 269.81 | 476.13 | 327.72 |
| | Total | 5706.34 | 5706.34 | 5706.40 | 5706.34 |

- The above financial results have been taken on record by the Board of Directors in their meeting held on 05th Aug. 2011 and have undergone " Limited Review " by the Statutory Auditors of the Company.
- The Subsidiary of the company Network Retail Limited has been considered for consolidation in this Financial Statement
- The Consolidated Financial Statements have been prepared in accordance with Accounting Standard - 21 " Consolidated Financial Statements " issued by the Institute of Chartered Accountants of India and generally accepted accounting principals.
- During the period under reference, company's Sale / Income from operations includes sale of Lifestyle products , securities , premium earned and Interest on fixed Deposit. There was no other business segment and therefore segment wise reporting as per AS - 17 issued by institute of chartered accountant of India is not relevant.
- The company is in the process of realising/settling the infertile & slow moving assets/investments to consolidate its strength in strategic business opportunities and to generate long term value creation & to create liquidity for smooth day to day operations. The Scheme of Amalgamation ("Scheme") for amalgamation of loss making closely held unlisted subsidiary of the company - Network Retail Limited (NRL), with United Manufacturing Company (Delhi) Private Limited (UMC), is under progress. Pending such sanction, the financial results of the company continue to incorporate the financials of subsidiary. Necessary adjustments to the company's financials shall be made upon the scheme becoming effective after sanction of the Court
- Investor Complaints as on 01.04.2011: Nil. Received during the quarter: Nil ; disposed off during the quarter: Nil ; pending as on 30.06.2011: Nil
- Since the Company has substantial carried forward business losses and unabsorbed depreciation it is unlikely to have taxable income in current year and hence it is not considered necessary to create deferred tax assets in accordance with Accounting Standard 22 of ICAI.
- Previous year figures have been regrouped / rearranged wherever considered necessary.

For NETWORK LIMITED

 ASHOK SAWHNEY
 CHAIRMAN

Date: 05.08.2011
 Place: New Delhi