

**NETWORK LIMITED**

Provisional Un-Audited Stand-Alone / Consolidated Financial Results for the Quarter Ended / Nine months Ended 31st Dec 2010

Amount (Rs in Lacs)

S No.	Particulars	Provisional Un-Audited Stand-Alone Financial Results					Provisional Un-Audited Consolidated Financial Results				
		Quarter Ended		Nine Months ending	Six Months ending	Year Ended	Quarter Ended		Nine Months ending	Six Months ending	Year Ended
		31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.03.2010	31.12.2010	31.12.2009	31.12.2010	31.12.2009	31.03.2010
		(Un audited)					(Audited)	(Un audited)			
1	Net Sales / Income from operation	14.89	16.69	47.34	42.27	56.40	39.66	31.47	125.65	71.60	100.94
2	Expenditure:										
	a. (Increase) / decrease in stock in trade	(43.64)	-	(53.71)	-	(18.17)	(27.91)	14.40	(16.14)	26.00	7.42
	b. Consumption of raw material	-	-	-	-	-	-	-	-	-	-
	c. Purchase of traded goods	50.06	-	58.90	-	19.88	65.99	0.08	102.41	1.70	38.17
	d. Employee Cost	2.13	3.48	9.13	6.67	10.15	6.47	6.68	20.31	14.89	20.97
	e. Depreciation / Amortization	21.69	21.65	65.08	43.22	65.06	23.10	23.49	69.23	46.90	70.56
	f. Professional / Consultancy Charges	10.13	0.66	12.04	2.49	4.41	10.36	0.73	12.83	2.77	5.32
	g. Rent	-	-	-	0.11	0.11	4.10	3.88	12.16	7.38	28.51
	h. Other	3.96	1.27	8.58	6.93	8.30	8.75	6.45	25.04	17.40	5.56
	<b>Total Expenditure</b>	<b>44.33</b>	<b>27.06</b>	<b>100.02</b>	<b>59.42</b>	<b>89.74</b>	<b>90.86</b>	<b>55.71</b>	<b>225.84</b>	<b>117.04</b>	<b>176.51</b>
3	Profit/ (Loss) from operations before other income, interest & exceptional items (1-2)	(29.44)	(10.37)	(52.68)	(17.15)	(33.34)	(51.20)	(24.24)	(100.19)	(45.44)	(75.57)
4	Other income	0.61	22.47	1.69	23.39	27.10	0.70	22.52	1.78	23.45	27.16
5	Profit/(Loss) before interest & exceptional items	(28.83)	12.10	(50.99)	6.24	(6.24)	(50.50)	(1.72)	(98.41)	(21.99)	(48.41)
6	Interest	-	-	-	-	-	-	-	-	-	-
7	Profit/(Loss) after Interest but before Exceptional items (5-6)	(28.83)	12.10	(50.99)	6.24	(6.24)	(50.50)	(1.72)	(98.41)	(21.99)	(48.41)
8	Exceptional items	-	-	-	-	-	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before tax (1-2+4-6-8)	(28.83)	12.10	(50.99)	6.24	(6.24)	(50.50)	(1.72)	(98.41)	(21.99)	(48.41)
10	Tax expenses	-	-	-	-	-	-	-	-	-	-
11	Profit / (Loss) from Ordinary Activities after tax (9-10)	(28.83)	12.10	(50.99)	6.24	(6.24)	(50.50)	(1.72)	(98.41)	(21.99)	(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	4914.85	4914.85
13	Reserve ( Excluding Revaluation Reserve)	-	-	-	-	521.69	-	-	-	-	463.77
14	Earning per share ( Basic & Diluted)	-	-	-	-	-	-	-	-	-	-
15	Public Shareholding										
	Number of Equity Shares	19196157	19196157	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	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	Nil	Nil
	- Percentage of Shares ( as a % of the total shareholding of Promoter and Promoter Group )	Nil	Nil	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	Nil	Nil
	b) Non Encumbered										
	- Number of Shares	29952341	29952341	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%	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	60.94	60.94

NOTES:-

- The above financial results have been taken on record by the Board of Directors in their meeting held on 07<sup>th</sup> Jan, 2011
- 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.
- The Board has constituted a committee of Directors to reorganize the operations of the company and its subsidiary through mergers, de-merger, hiving off, disposal of the existing businesses/subsidiary etc. to cut down losses and to improve upon the efficiency and reducing cost structure.
- During the period under reference, company's Sale / Income from the operations includes sale of Lifestyle products 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 realizing/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. A committee of the Board had been constituted with the Chairman of the company at its Chairman to take requisite steps in this direction.
- Investor Complaints as on 01.10.2010: Nil; Received during the quarter: 2 ; disposed off during the quarter: 2 ; pending as on 31.12.2010: Nil
- Since the Company has substantial amount of 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