

BOOK POST

27th
ANNUAL REPORT
2015-2016

NETWORK
LIMITED

If undelivered, please return to :
NETWORK LIMITED
W-39, Okhla Industrial Area, Phase-II
New Delhi - 110 020

Board of Directors	:	Ashok Sawhney Aman Sawhney Avinash Chander Sharma Pankaj Shrimali Vijay Kalra G.S. Goyal Umong Sethi Neena Sethi
Manager	:	Aman Sawhney
CFO	:	Ashok Kumar
Company Secretary	:	Vikas Jain
Auditors	:	S. Kapoor & Associates Chartered Accountants
Bankers	:	State Bank of Mysore ICICI Bank HDFC Bank Vijaya Bank
Registered Office	:	W-39, Okhla Industrial Area Phase - II, New Delhi - 110020 Tele : 011-26389611 Fax : 011-26389770
Registrar and Share Transfer Agent	:	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 27th Annual Report of the Company together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2016.

FINANCIAL HIGHLIGHTS

The highlights of Financial Results for the Financial Year ended 31st March, 2016 in comparison to the Financial Year ended 31st March, 2015 are as follows:

(Rs in Lacs)

PARTICULARS	31st Mar. 16	31st Mar. 15
Revenue from Operations	870.85	1096.05
Total Income	870.85	1099.20
Total Expenditure	899.33	1132.34
Profit/(Loss) before depreciation	(28.48)	(33.14)
Depreciation	2.11	1.87
Profit/(Loss) before Tax	(30.59)	(35.01)
Exceptional Items	(2997.50)	-
Total Profit / (Loss)	(3028.09)	(35.01)

OPERATIONAL REVIEW

There has been no respite from the global economic downturn. Your Company's line of business reeled under heavy stress. In comparison, the Indian economy has certain performed creditably compared to most developed market of the globe, showing a positive year of Macro Economic Stability. The Economy has made progress, but yet to show proportionate impact on your Company's line of business.

During the financial year under review, the company incurred operational loss after tax Rs. 30.59 Lacs against loss of Rs. 35.01 Lacs in the previous year. The management of your company expects improvement in the current year with the stabilization in the business sentiments.

The Performance of long-term investments are being monitored by the Company and based on review undertaken of adjustments necessary to the carrying value of these investments, the company has recognised a diminution of Rs. 2997.50 Lacs as on 31.03.2016. The net worth of two investee companies has been eroded due to losses in operations and permanent diminution than temporary in the valuation of investee companies. Presently due to lack of improvement in operations in those investee companies there is uncertainty in the near future, of recouping the erosion in value of investments made by the Company. Based on review as mentioned above, the Company, during the quarter ended March 31, 2016 has recognised diminution, other than temporary of Rs.2997.50 Lacs and same have been shown as an exceptional item for the year ended 31st March 2016 in financial statements of the Company, which over a period only strengthen the balance sheet hereinafter.

ECONOMIC SCENARIO

The world economy showed a weakening trend, with weak aggregate demand, falling commodity prices and increasing volatility in the financial markets. Most emerging economies have been showing slower economic growth. India has fortunately been able to buck this trend, thanks largely to the country's domestic demand and comparatively limited reliance on the external sector for growth. The world economy's revised growth rate was at 2.4% as compared to 3.6% in the previous year and is projected to grow by 2.9% in 2016. The Asian region is expected to grow at a steady 5.4 percent in 2015–16 and will continue to remain the global growth leader. Asia's growth should benefit from relatively strong labour markets and growth in disposable income along with the ongoing recovery in major developed economies. Low inflation, increased public investment, revival of private investment and increased consumption (both urban and rural) were the major factors influencing India's GDP growth which was at 7.4%. The continuing tightening measures by the Reserve Bank of India to combat inflation, led to higher cost of funds which adversely affected India's industrial growth. The value of the rupee stabilized vis-à-vis other international currencies during the later half of the fiscal year as a result of various measures taken by the Government and Reserve Bank of India.

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

OPPORTUNITIES AND THREATS

Positive strides have been made since the new government has taken over. The Company is looking forward to grasp the available opportunities. The Company thrust is on trading and investment in commodities, forex and derivative products. This will be supplemented through more research and qualitative techniques for decision making. The company is continuing with task to build businesses with long term goals through intrinsic strength in corporate and investment research. To accelerate further value creation, your company continues to work on new fields through collaboration, association and strategic investments. The uncertain state of the global economy however remains a cause of concern.

OUTLOOK, RISKS AND CONCERNS

Your Company has been making use of available opportunities in the capital and the commodities markets for its operations, keeping in view its business objectives.

The underlying strength of Indian consumption and demand, continues to remain robust. The country's equity markets remain a favourite of global investors. The performance of your Company is closely linked to those of the stock and commodities markets and more particularly to stock markets. The growth tendencies for 2016-17 are expected to be mostly reflective of the developments in these areas. Your Company is cautiously optimistic in the current scenario and will focus on a well adjusted portfolio mix, resourceful cost

management and risk containment measures in order to sustain profitability.

DIVIDEND

In view of net loss incurred by the Company, your directors do not recommend any dividend for the Financial Year ended 31st March, 2016.

SHARE CAPITAL

The present issued, subscribed and paid-up share capital of the Company is Rs. 49,14,84,980/- divided into 4,91,48,498 Equity Shares of Rs. 10 each. As on 31st March, 2016, the Company has accumulated losses (debit balance of Profit & Loss Account) to the tune of Rs. 37,32,77,301/-.

In order to re-align the relation between capital & assets and to accurately & fairly reflect the liabilities & assets of the company in its books of accounts and for better presentation of the financial position of the Company; the Board of Directors has decided to write off the accumulated losses against reduction in the share capital of the Company in accordance with section 100 to 104 of the Companies Act, 1956 and other applicable provisions. Paid up value of each Equity Share of the Company will be reduced from Rs. 10 per share to Rs.2 per share and the total paid up Share Capital of the Company shall be reduced from Rs. 49,14,84,980/- divided into 4,91,48,498 Equity Shares of Rs. 10/- each, fully paid-up, to Rs. 9,82,96,996/- divided into 4,91,48,498 Equity Shares of Rs. 2/- each, fully paid-up. The Reduction of Capital shall be on proportionate basis and all the pre-Scheme shareholders will remain as the shareholders of the Company even after the Scheme in the same proportion.

The company has already received the No Objection from the BSE/SEBI in terms of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, on the proposed Reduction of Capital.

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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Aman Sawhney and Mr. Pankaj Shrimali, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. The Board recommends their reappointments at the ensuing Annual General Meeting of the Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met 4 (Four) times in the FY2015-16. 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, 2016 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, 2016 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.

DECLARATION BY INDEPENDENT DIRECTORS

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.

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

The Shareholders of the Company at the Annual General Meeting held on September 28th, 2015 have appointed M/s. S.Kapoor & Associates, Chartered Accountants as Statutory Auditors of the Company. The term of M/s. S.Kapoor & Associates, Chartered Accountants, Statutory Auditors will expire on the date of 27th Annual General Meeting to be held on September 28, 2016.

It is proposed to re-appoint them as Statutory Auditors of the Company till the conclusion of next Annual General Meeting of the Company. The members are requested to consider their re-appointment and authorize the Board of Directors to fix their remuneration. M/s. S.Kapoor & Associates, Chartered Accountants (Firm Regn. No.003528M) have confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 of the Companies Act, 2013.

The Auditors report to the shareholders are self-explanatory and does not contain any qualification, reservation or adverse remarks. The report given by the statutory auditor's forms part of the Annual report.

Secretarial Auditor

Mrs. Anchal Mittal of AM & Associates. Practicing Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2015-16, as required under Section 204 of the Companies Act, 2013 and Rules made thereunder. The Secretarial Audit report for FY. 2015-16 in form MR-3 part of the Annual Report as **Annexure 1** 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 - 2** 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.

LISTING AGREEMENT

The Securities & Exchange Board of India (SEBI), on September 02, 2015, issued Listing Obligations & Disclosure Requirements, Regulations 2015, with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said Regulations were effective from December 01, 2015. Accordingly, the Company entered into the fresh Listing Agreement with BSE Limited.

LISTING OF COMPANY'S SHARES ON STOCK EXCHANGES

The Company's shares are listed on "The Bombay Stock Exchange Limited". The listing fee up to the year 2016-2017 has already been paid to the Stock Exchange.

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, 2016, 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. The same is uploaded on the website of the Company and the URL of same is: http://www.networklimited.net/files/POLICY_ON_MATERIALITY_OF_RELATED_PARTY_TRANSACTION.pdf.

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. The same is uploaded on the website of the Company and the URL of same is: <http://www.networklimited.net/files/WhistleBlowerPolicy.pdf>.

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 2015-16. This code has been displayed on the Company's website. The same is uploaded on the website of the Company and the URL of same is: <http://www.networklimited.net/files/code-of-conduct1.pdf>.

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/-
ASHOK SAWHNEY
CHAIRMAN**

**SD/-
AMAN SAWHNEY
DIRECTOR & MANAGER**

Place: New Delhi

Date: 11.08.2016

ANNEXURE A
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016
FORM NO MR-3

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
New Delhi.

1. We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, for the compliance of the applicable Statutory Provisions and the adherence to good corporate practices by M/s. Network Limited (hereinafter called as “the Company”) a company duly incorporated under the provisions of Companies Act, 1956 and bearing CIN L32209DL1989PLC034797. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.
2. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information provided by the management and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended on 31st March, 2016 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. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Network Limited (hereinafter called as “the Company”) for the financial year commencing from 1st April, 2015 and ended on 31st March, 2016 (“Audit Period”) according to the provisions of:
 - i. The Companies Act, 2013 (the act) and the rules made there under and the applicable provision of the Companies Act, 1956;
 - 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 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, 1992 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May, 2015);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. ***(Not Applicable, as the company had not issued any security during the financial year under review)***.
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. ***(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; *(not applicable, as there being no instances of buy-back of shares during the financial year under review)*.

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

- i. Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective from 1st July, 2015.
- ii. The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective from 1st December, 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. 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.
- 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 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 AM & Associates
Company Secretaries

Place: New Delhi
Date: 25/07/2016

Sd/-
Anchal Mittal
Proprietor
Membership No: - F-7161
C P No: 7825

ANNEXURE B
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

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) + 91-11-2638 9611 (W) www.networklimited.net (E) network.limited@gmail.com
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) www.alankit.com (E) ramap@alankit.com

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	Dealing in Securities	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. Categorywise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	23919783	1112400	25032183	50.93	24290583	741600	25032183	50.93	0.00
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	4717400	0	4717400	9.60	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	28637183	1112400	29749583	60.53	29007983	741600	29749583	60.53	0.00

B. Public Shareholding									
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) FII's	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
Sub-total (B)(1):-	0	8300	8300	0.02	0	8300	8300	0.02	0
2. Non-Institutions									
a) Bodies Corp.	14679923	16400	14696323	29.90	14631035	16400	14647435	29.80	-0.10
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. 1 lakh	1146364	527573	1673937	3.41	1672982	0	1672982	3.40	-0.01
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3004860	0	3004860	6.11	3054803	0	3054803	6.22	0.11
c) Others (specify)									
Non Resident Indians	15495	0	15495	0.03	15395	0	15395	0.03	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
Sub-total (B)(2):-	18846642	543973	19390615	39.45	19374215	16400	19390615	39.45	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	18846642	552273	19398915	39.47	19374215	24700	19398915	39.47	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	47483825	1664673	49148498	100	48382198	766300	49148498	100	0

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. GianVijeshwar	3687400	7.50%	0	3687400	7.50%	0	Nil
2	Mrs. KusumVijeshwar	3687400	7.50%	0	3687400	7.50%	0	Nil
3	Mr. MonnyVijeshwar	3666800	7.46%	0	3666800	7.46%	0	Nil
4	Mr. Robin Vijeshwar	4058200	8.26%	0	4058200	8.26%	0	Nil
5	Mr. GianVijeshwar& Mr. MonnyVijeshwar	319712	0.65%	0	319712	0.65%	0	Nil
6	Mrs. KusumVijeshwar& Mr. Robin Vijeshwar	257088	0.52%	0	257088	0.52%	0	Nil
7	Mr. Pankaj Shrimali	2678000	5.45%	0	2678000	5.45%	0	Nil

8	Mrs. Madhuri Shrimali	3337200	6.79%	0	3337200	6.79%	0	Nil
9	Mr. Pankaj Shrimali & Mrs. Madhuri Shrimali	2224800	4.53%	0	2224800	4.53%	0	Nil
10	Mr. Vinod Suneja	370800	0.75%	0	370800	0.75%	0	Nil
11	Mr. Naveen Suneja	370800	0.75%	0	370800	0.75%	0	Nil
12	Mr. Hitesh Suneja	370800	0.75%	0	370800	0.75%	0	Nil
13	Mr. Praful Kumar	1007	0.00%	0	1007	0.00%	0	Nil
14	Mr Vijay Kumar Sharma	2176	0.00%	0	2176	0.00%	0	Nil
15	AppuGhar Entertainment Pvt. Ltd	4717400	9.60%	0	4717400	9.60%	0	Nil

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

No change in Promoters Shareholding during the year.

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	AAS Electronics Products Private Limited				
	At the beginning of the year	4243600	8.634	4243600	8.634
	Bought during the year	0	0	4243600	8.634
	Sold during the year	0	0	4243600	8.634
	At the end of the year	4243600	8.634	4243600	8.634
2	United Strategic Advisory Private Limited				
	At the beginning of the year	4116174	8.375	4116174	8.375
	Bought during the year	0	0	4116174	8.375
	Sold during the year	0	0	4116174	8.375
	At the end of the year	4116174	8.375	4116174	8.375
3	San Share Shoppe Private Limited				
	At the beginning of the year	3709000	7.547	3709000	7.547
	Bought during the year	0	0	3709000	7.547
	Sold during the year	0	0	3709000	7.547
	At the end of the year	3709000	7.547	3709000	7.547
4	A S & Sons (HUF)				
	At the beginning of the year	2040000	4.151	2040000	4.151
	Bought during the year	0	0	2040000	4.151
	Sold during the year	0	0	2040000	4.151
	At the end of the year	2040000	4.151	2040000	4.151

5	Paliwal Infrastructure Private Limited				
	At the beginning of the year	1100000	2.238	1100000	2.238
	Bought during the year	0	0	1100000	2.238
	Sold during the year	0	0	1100000	2.238
	At the end of the year	1100000	2.238	1100000	2.238
6	Paliwal Overseas Private Limited				
	At the beginning of the year	834000	1.697	834000	1.697
	Bought during the year	0	0	834000	1.697
	Sold during the year	0	0	834000	1.697
	At the end of the year	834000	1.697	834000	1.697
7	ANS Private Limited				
	At the beginning of the year	172445	0.352	172445	0.352
	Bought during the year	0	0	172445	0.352
	Sold during the year	0	0	172445	0.352
	At the end of the year	172445	0.352	172445	0.352
8	Raj Chawla and Sons HUF				
	At the beginning of the year	161506	0.329	161506	0.329
	Bought during the year	0	0	161506	0.329
	Sold during the year	0	0	161506	0.329
	At the end of the year	161506	0.329	161506	0.329
9	ReligareFinvest Limited				
	At the beginning of the year	93677	0.191	93677	0.191
	Bought during the year	0	0	93677	0.191
	Sold during the year	0	0	93677	0.191
	At the end of the year	93677	0.191	93677	0.191
10	Sanjay Mittal				
	At the beginning of the year	80002	0.163	80002	0.163
	Bought during the year	0	0	80002	0.163
	Sold during the year	0	0	80002	0.163
	At the end of the year	80002	0.163	80002	0.163

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	Ashok Sawhney				
	At the beginning of the year	2040000	4.151	2040000	4.151
	Bought during the year	0	0	2040000	4.151
	Sold during the year	0	0	2040000	4.151
	At the end of the year	2040000	4.151	2040000	4.151
2	Pankaj Shrimali				
	At the beginning of the year	4902800	9.98	4902800	9.98
	Bought during the year	0	0	4902800	9.98
	Sold during the year	0	0	4902800	9.98
	At the end of the year	4902800	9.98	4902800	9.98

*KMPs does not hold any shares at the end of financial year 2015-2016

V) INDEBTEDNESS

The Company had no indebtedness with respect to secured or Unsecured Loans or Deposits during the financial year 2015-16. The Company is owing an interest free sum of Rs. 10 lacs to a related party i.e. Sadhna Dials Pvt. Ltd., on account of current liabilities.

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	0.20	0.20	0.10	0.10	0.20	0.20	0.20	0.15	1.35
Fee in terms of Professional Capacity	-	-	15.00	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Total Managerial Remuneration	0.20	0.20	15.10	0.10	0.20	0.20	0.20	0.15	16.35

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Date: 11.08.2016
Place: New Delhi

Sd/-
ASHOK SAWHNEY
CHAIRMAN

Sd/-
AMAN SAWHNEY
DIRECTOR & MANAGER

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, 2016, the Board of Directors ("Board") comprises of Eight Directors, of which seven are Non-Executive Directors. The Company has a non-executive chairman and four independent directors, comprise half of the total strength of the Board.

The composition of the Board and directorship held as on 31st March, 2016:

Name of the Directors	Indian Listed Companies (1)	No of Directorship held in all Public companies	Committee Membership (2)	Committee Chairmanship (2)
Non-Executive				
Mr. Ashok Sawhney	-	01	-	-
Mr. Avinash Chander Sharma	-	-	-	-
Mr. Pankaj Shrimali	01	-	-	01
Executive				
Mr. Aman Sawhney	-	01	-	-
Independent Directors				
Mr. Vijay Kalra	-	-	-	-
Mr. Umong Sethi	-	-	-	-
Mrs. Neena Sethi	-	-	-	-
Mr. G.S Goyal	-	-	-	-

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 2015-16, (Four) meetings of the Board of Directors were held on May 16, 2015, August 13, 2015, November 03, 2015 and February 11, 2016. The intervening period between the Board Meetings was well within the maximum time gap of four months as 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	4	4	Yes
Mr. Avinash Chander Sharma	4	2	No
Mr. Pankaj Shrimali	4	2	No
Mr. Vijay Kalra	4	4	Yes
Mr. G S Goyal	4	4	Yes
Mr. Umong Sethi	4	4	Yes
Mrs. Neena Sethi	4	3	No

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 conducted meeting of Independent Directors. The Company's Independent Directors met once without the presence of Executive Directors and management personnel to discuss matters pertaining to the Company's affairs. During the year 2015-16 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.net.

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' Grievance 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 including the Chairman 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 Chairman and 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 3 Independent Directors, 1 executive and 1 Non-Executive with Independent Director as its Chairman.

(c) Attendance

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	04
Mr. Aman Sawhney	Executive	Member	04
Mr. G S Goyal	Non – Executive Independent	Member	04
Mr. Umong Sethi	Non – Executive Independent	Member	04

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	Chairman	4
Mr. Aman Sawhney	Executive	Member	4
Mr. Avinash Chander Sharma	Non-Executive	Member	2

The Committee met four (4) times during the Financial Year 2015-2016 on the following dates: May 16, 2015, August 13, 2015, November 03, 2015 and February 11, 2016.

Name and designation of Compliance Officer:

Mr. Vikas Jain, Company Secretary

Email-id for Investor Grievances: network.limited@gmail.com

Number of Shareholders complaints received.

During the year ended March 31, 2016, the Company has not received any complaints from the shareholders and 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 & 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	2
Mr. Umong Sethi	Independent Director	Member	2

Role of Nomination & Remuneration Committee

The Nomination and Remuneration Committee is responsible:

- 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;
- 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.

Details of Remuneration paid to Directors

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	0.20	0.20	0.10	0.10	0.20	0.20	0.20	0.15	1.35
Fee in terms of Professional Capacity	-	-	15.00	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Total Managerial Remuneration	0.20	0.20	15.10	0.10	0.20	0.20	0.20	0.15	16.35

6. ANNUAL GNERAL MEETING

Financial Year	Location	Date	Time	No. of Special Resolution (s) passed
2014-15	MPCU Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, New Delhi – 110 054	28.09.2015	12.30 P.M	None
2013-14	MPCU Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, New Delhi – 110 054	24.09.2014	03.00 P.M	Nine
2012-13	MPCU Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, New Delhi – 110 054	18.09.2012	11.30 A.M	One

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. 2.17 of Notes to Accounts of the Annual Report. However, these transactions are not likely to have potential conflict with the Company's interest.

(b) Noncompliance 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 the accounting standards in the preparation of its financial statements.

(d) Code for prevention of Insider -Trading Practices:

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 on Prevention of Insider Trading, the Company has laid down a comprehensive Code of Conduct to regulate, monitor and report trading in the shares of the Company, by its employees and other connected persons. The Company has also laid down a Code on Fair Disclosure which deals with the practices & procedures for fair disclosure of unpublished price sensitive information. The Code(s) lays down guidelines for fair disclosure of unpublished price sensitive information and advises the persons covered under the said Code(s) on procedures to be followed and disclosures to be made, while dealing with shares of the Company and advising them of the consequences of violations. The same is uploaded on the website of the Company and the URL of same is: http://www.networklimited.net/files/Code_of_Fair_Disclosure.pdf.

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 The Financial Express & Financial Chronicle (English) & Veer Arjun & Awam E Hindi (Hindi)
- Any website where displayed 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, 28 th September, 2016	11.00 A.M.	MPCU Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Delhi – 110 054

ii) Financial Calendar

Financial Reporting for the quarter ended 30 th June, 2016	11.08.2016
Financial Reporting for the quarter ended 30 th September, 2016	within 45 days from the end of the quarter
Financial Reporting for the quarter ended 31 st December, 2016	within 45 days from the end of the quarter

Audited Results for the financial year ended
31st March, 2017

within sixty days from the end of last
quarter 31st March 2016

iii) Dates of Book Closure

21st September, 2016 to 28th September, 2016
(Both days inclusive)

iv) Dividend Payment Date

Not applicable

v) Listing on Stock Exchange: The Shares of the Company are listed on the BSE Ltd., Listing fees for the year 2016-2017 has been paid.

vi) Stock Code/Symbol: 523558 at the BSE 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 – 15	15.4	10.95	Oct-15	12.96	9.55
May – 15	17.00	13.90	Nov-15	9.08	6.69
Jun – 15	19.37	14.10	Dec-15	8.38	6.50
Jul – 15	17.5	16.65	Jan-16	8.09	5.70
Aug – 15	17.45	14.35	Feb-16	8.04	5.08
Sep – 15	13.64	13.64	March-16	9.26	7.64

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
Jhandewalan Extn.,
New Delhi-110 055

Telephone No : 011-42541234

Fax No. : 011-42540064

viii) Share Transfer System: The Company's shares are traded on BSE Ltd. 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 31st March, 2015:**

Category		No. of share held	% of shareholding
A	Promoter's holding		
1.	Promoters & Promoter Group	29,749,583	60.53
2.	Persons acting in concert	-	-
	Sub – Total (A)	29,749,583	60.53
B.	Non - Promoters Holding		
3.	Institutional Investors	Nil	Nil
a.	Mutual Fund and UTI	800	0.00
b.	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non – Govt. Institutions)	Nil	Nil
c.	FII's	7500	0.02
	Sub – Total (B)	8300	0.02
4.			
a.	Private Corporate Bodies	14647435	29.80
b.	Resident Indian Public	4727785	9.62
c.	NRIs/ OCBs	15395	0.03
	Sub – Total	19,390,615	39.45
	Grand Total	49,148,498	100

xi) Dematerialization of shares and liquidity: As on 31st March, 2016 about 96.63% 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.

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

xiii) 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

xiv) Compliance Certificate on Corporate Governance: Certificate from the M/s. AM & Associates, Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under The 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.

10. Compliance Certificate on Corporate Governance: Certificate from the M/s. AM & Associates, Practicing Company Secretaries 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. Aman Sawhney, Director & Manager and Mr. Ashok Kumar, Chief Financial Officer of the Company was placed before the Board at its meeting held on 11th August, 2016. This certificate is annexed to the report.

12. Compliance of Code of Conduct

Your 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 31st March, 2016, the declaration to this effect duly signed by Mr. Aman Sawhney, Director & Manager of the Company is give hereunder:

Declaration under schedule V (D) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 for Compliance with the Code of Conduct

As required by Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code is available on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2016, received from the senior management team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

Date: 11.08.2016
Place: New Delhi

Sd/-
AMAN SAWHNEY
DIRECTOR & MANAGER

13. Non-Mandatory Requirements

The Company proposes to adopt the non-mandatory requirement given in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date: 11.08.2016
Place: New Delhi

Sd/-
ASHOK SAWHNEY
CHAIRMAN

For and on behalf of the Board of Directors
Sd/-
AMAN SAWHNEY
DIRECTOR & MANAGER

CEO/CFO CERTIFICATION

We, Aman Sawhney, Director & Manager and Ashok Kumar, Chief Financial Officer, responsible for the finance function certify that:

- a) We have reviewed the financial statements and cash flow statements for the year ended 31st March, 2016 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, 2016 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 : 11.08.2016
Place : New Delhi

Sd/-
AMAN SAWHNEY
DIRECTOR & MANAGER

Sd/-
ASHOK KUMAR
CHIEF FINANCIAL OFFICER

CERTIFICATE ON CORPORATE GOVERNANCE

TO

THE MEMBERS OF NETWORK LIMITED

We have examined the compliance of regulations of Corporate Governance by Network Limited for the year ended March 31, 2016, as stipulated in clause 49 of the Listing Agreement and Regulations 34(3) read with Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of regulations 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.

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.

FORAM & ASSOCIATES
Company Secretaries

Sd/-
(ANCHAL MITTAL)
PROPRIETOR
C.P. NO. 7825

DATE : 11-08-2016
PLACE : New Delhi

TO THE MEMBERS OF NETWORK LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **NETWORK LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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 Act 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 31 March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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, and the Cash Flow Statement dealt with by this 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 31 March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) On the basis of the information and explanation of the company provided to us, the internal financial control, framework the report of the internal auditors and in our opinion, the company has adequate internal financial controls systems in place and the operating effectiveness of such controls.
 - (g) 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 has disclosed the impact of pending litigations on its financial position in its financial statements—refer note 2.14 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
S. Kapoor & Associates
Chartered Accountants
(Registration No. 003528M)

Sd/-
Sanjay Kapoor
F.C.A. (Proprietor)
Membership No.82499

Place : New Delhi
Dated : 03.05.2016

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The management had physically verified the fixed assets during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- ii. 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.
- iii. 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.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guaranties and security.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit during the year. Therefore, the provisions of clause 3(v) of the Companies (Auditors Report) Order, 2016, are not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for the Company.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been generally been regular in depositing undisputed statutory dues, including Income-tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax, Cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

We are informed that the operations of the Company during the year did not give rise to any liability for Employees State Insurance, Sales Tax, Wealth Tax, Custom Duty, Excise Duty and Value Added Tax.
 - (c) We are informed that there are no dues in respect of Income Tax, Service Tax and Cess which have not been deposited on account of any dispute.

- viii. 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 are not applicable to the Company.
- ix. 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 are not applicable to the Company.
- x. 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.
- xi. 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 are not applicable to the Company.
- xii. In our opinion and According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and the records examined by us, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. 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 Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
- xv. 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.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For and on behalf of
S. Kapoor & Associates
Chartered Accountants
(Registration No. 003528M)**

**Place: New Delhi
Dated: 3rd May 2016**

**Sd/-
Sanjay Kapoor
(Proprietor)
Membership No.82499**

Particulars	Note No.	As at 31.03.2016 Amt in Rs.	As at 31.03.2015 Amt in Rs.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	49,14,84,980	49,14,84,980
(b) Reserves & Surplus	2.2	(29,41,28,047)	86,81,463
(2) Current Liabilities			
Other Current Liabilities	2.3	11,51,939	3,26,00,644
TOTAL		19,85,08,872	53,27,67,087
II. ASSETS			
(1) Non-Current Assets :			
(a) Fixed Assets	2.4		
(i) Tangible assets		21,099	232,071
(b) Non-Current Investments	2.5	12,88,65,575	48,38,47,652
(2) Current Assets :			
(a) Inventories	2.6	1,36,28,786	4,05,43,086
(b) Trade Receivable	2.7	5,56,47,415	-
(c) Cash and Bank Balances	2.8	2,46,203	80,29,284
(d) Short-Term Loans and Advances	2.9	99,794	86,150
(e) Other Current Assets		-	28,844
TOTAL		19,85,08,872	53,27,67,087

See accompanying notes forming part of the financial statements 1&2

As per our report of even date

For and on behalf of
S. KAPOOR & ASSOCIATES
Chartered Accountants
Firm Reg. No. 003528M

Sd/-
SANJAY KAPOOR
PROPRIETOR
M. No. 82499

Place : New Delhi

Date : 03.05.2016

For and On behalf of the Board of Directors

Sd/-
ASHOK SAWHNEY
Chairman

Sd/-
AMAN SAWHNEY
Manager & Director

Sd/-
ASHOK KUMAR
C.F.O.

Sd/-
VIKAS JAIN
Company Secretary

Particulars	Note No.	31.03.2016 Amt in Rs.	31.03.2015 Amt in Rs.
I. Revenue from operations	2.10	8,70,85,447	10,99,06,589
II. Other Income	2.11	-	59,720
III. Total Revenue (I+II)		8,70,85,447	10,99,66,309
IV. Expenses:			
(a) Purchases		5,89,95,536	13,77,14,879
(b) Changes in Inventories		2,69,14,302	(2,96,64,234)
(c) Employee benefits expenses	2.12	4,83,772	2,89,354
(d) Depreciation and amortization expenses	2.4	2,10,972	1,87,502
(e) Operating and Other Expenses	2.13	35,39,639	49,39,846
Total Expenses		9,01,44,221	11,34,67,347
V. Loss before Tax		30,58,774	35,01,038
VI. Tax Expenses:		-	-
VII. Loss after Tax		30,58,774	35,01,038
VIII. Less Prior year adjustment		-	17,74,080
IX. Less Exceptional items (See Note 2.20)		29,97,50,736	-
X. Loss for the year		30,28,09,510	17,26,958
XI. Earning Per Equity Share:			
(A) Before Exceptional item			
(1) Basic		(0.06)	(0.04)
(2) Diluted		(0.06)	(0.04)
(B) After Exceptional item			
(1) Basic		(6.16)	(0.04)
(2) Diluted		(6.16)	(0.04)

See accompanying notes forming part of the financial statements 1&2

As per our report of even date

For and on behalf of
S. KAPOOR & ASSOCIATES
Chartered Accountants
Firm Reg. No. 003528M

Sd/-
SANJAY KAPOOR
PROPRIETOR
M. No. 82499

Place : New Delhi

Date : 03.05.2016

For and On behalf of the Board of Directors

Sd/-
ASHOK SAWHNEY
Chairman

Sd/-
AMAN SAWHNEY
Manager & Director

Sd/-
ASHOK KUMAR
C.F.O.

Sd/-
VIKAS JAIN
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016



Particulars	Year Ended March 31, 2016 Amt. in Rs.	Year Ended March 31, 2015 Amt. in Rs.
A Cash Flow from Operating Activities		
Net (Loss) / Profit after tax and Extra-ordinary items	(30,58,774)	(35,01,038)
Adjustments for:		
Depreciation	2,10,972	1,87,501
Assets & other item written off	-	6,19,849
Operating (Loss) / Profit before working capital changes	<u>(28,47,802)</u>	<u>(26,93,689)</u>
Adjustments for Increase In :		
Inventories	2,69,14,300	(2,96,64,234)
Trade and other receivables	(5,56,47,415)	33,42,752
Loan & Advances	(13,644)	6,40,090
Other Current Assets	28,844	8,819
Trade payables and other liabilities & Provisions	(3,14,48,705)	3,04,91,572
Cash generated from / (used in) operations	(6,01,66,620)	48,18,999
Net Cash from / (used in) Operating Activities (A)	<u>(6,30,14,422)</u>	<u>21,25,310</u>
B Cash flow from Investing Activities		
Investments	5,52,31,341	45,794
Net Cash from / (used in) Investing Activities (B)	<u>5,52,31,341</u>	<u>45,794</u>
C Cash flow from Financing Activities	-	-
Net cash from / (used in) Financing Activities (C)	-	-
Opening balance of Cash & Cash equivalents	80,29,284	58,58,180
Closing balance of Cash & Cash equivalents	2,46,203	80,29,284
Net Increase / (Decrease) in Cash and Cash equivalents	<u>(77,83,081)</u>	<u>21,71,104</u>
Total (A) + (B) + (C)	<u>(77,83,081)</u>	<u>21,71,104</u>

As per our report of even date

For and on behalf of
S. KAPOOR & ASSOCIATES
Chartered Accountants
Firm Reg. No. 003528M

Sd/-
SANJAY KAPOOR
PROPRIETOR
M. No. 82499

Place : New Delhi

Date : 03.05.2016

For and On behalf of the Board of Directors

Sd/-
ASHOK SAWHNEY
Chairman

Sd/-
AMAN SAWHNEY
Manager & Director

Sd/-
ASHOK KUMAR
C.F.O.

Sd/-
VIKAS JAIN
Company Secretary

1. SIGNIFICANT ACCOUNTING POLICIES**1.1 (a) BASIS OF PREPARATION**

The Financial Statements are prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (“GAAP”) and mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (“ICAI”) and the provisions of the Companies Act, 2013. All income and expenditure having a material bearing on the financial statements are recognized on the accrual basis.

(b) USE OF ESTIMATES

The preparation of Financial Statements in conformity with GAAP requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

1.2 REVENUE RECOGNITION

- a) All Income & Expenditure are accounted for on accrual basis.
- b) Securities are capitalized at cost inclusive of brokerage, Service Tax, Education Cess, Depository Charges, Securities Transaction Charges and other miscellaneous transaction charges.
- c) Interest on deployment of funds is recognized on accrual basis.

1.3 EXPENDITURE

Expenses are accounted for on accrual basis and provisions are made for all known losses and liabilities.

1.4 FIXED ASSETS

Fixed Assets 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.

1.5 DEPRECIATION / AMORTIZATION

Depreciation on Fixed Assets 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. Intangible Assets are amortized over their respective individual estimated useful lives on straight – line basis. The Management estimates the useful live of Software as three Years.

1.6. 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.

1.7 FOREIGN CURRENCY TRANSACTIONS

The transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction. Any exchange gains or losses arising out of the subsequent fluctuations are accounted for in the Profit & Loss account.

1.8 TAX ON INCOME

Current tax are measured at the amounts expected to be paid using the applicable tax rates and tax laws. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the profit & loss account in the year of change. Deferred tax assets and deferred tax liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards.

1.9 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, if any. Current investments are stated at lower of cost or fair value.

1.10 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.

1.11 RETIREMENT BENEFITS

- i) Company’s contribution paid/ payable during the year to provident fund, are charged to Profit & Loss Account.
- ii) Leave Encashment and Gratuity are defined benefit plans. The Company has provided for the liability at the year end as per provisions of respective Act(s).

	As at March 31, 2016 Amt. in Rs.	As at March 31, 2015 Amt. in Rs.
2.1 SHARE CAPITAL		
AUTHORISED CAPITAL		
5,25,00,000 Equity Shares of Rs.10/- each	52,50,00,000	52,50,00,000
6,00,000 Preference share of Rs.100/- each	6,00,00,000	6,00,00,000
	<u>58,50,00,000</u>	<u>58,50,00,000</u>
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
4,91,48,498 Equity Shares of Rs.10/- each	49,14,84,980	49,14,84,980
	<u>49,14,84,980</u>	<u>49,14,84,980</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.10/- 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 31.03.2016		As at 31.03.2015	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Number of shares at the beginning	49,14,84,98	49,14,84,980	4,91,48,498	49,14,84,980
Add: Shares issued during the year	-	-	-	-
Number of shares at the end	<u>4,91,48,498</u>	<u>49,14,84,980</u>	<u>4,91,48,498</u>	<u>49,14,84,980</u>

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

Name of Shareholder	As at March 31, 2016	As at March 31, 2015
1. Mr. Gian Vijeshwar	4007112	4007112
2. Mrs. Kusum Vijeshwar	3944488	3944488
3. Mr. Monny Vijeshwar	3666800	3666800
4. Mr. Robin Vijeshwar	4058200	4058200
5. Mr. Pankaj Shrimali	4902800	4902800
6. Mrs. Madhuri Shrimali	3337200	3337200
7. Appu Ghar Entertainment Pvt. Ltd.	4717400	4717400
8. San Share Shoppe Pvt. Ltd.	3709000	3709000
9. AAS Electronics Products Pvt. Ltd.	4243600	4243600
10. Uninet Strategic Advisory Private Ltd.	4116174	4116174

	As at March 31, 2016 Amt. in Rs.	As at March 31, 2015 Amt. in Rs.
2.2 RESERVE AND SURPLUS		
(a) Capital Redemption Reserve	4,00,000	4,00,000
	4,00,000	4,00,000
(b) Securities Premium Account	7,64,12,986	7,64,12,986
	7,64,12,986	7,64,12,986
(c) Reserves & Surplus	23,36,269	23,36,269
	23,36,269	23,36,269
(d) Balance in Profit & Loss Account		
(i) Opening Balance	(7,04,67,791)	(6,87,40,833)
Less : Loss for the period	30,28,09,510	17,26,958
	(37,32,77,301)	(7,04,67,791)
	(29,41,28,047)	86,81,463
2.3 OTHER CURRENT LIABILITIES		
Expenses Payable	1,51,939	99,410
Other Current Liabilities	10,00,000	3,25,00,000
Trade Payables	-	1,234
	11,51,939	3,26,00,644

2.4 FIXED ASSETS**(Amount in Rs.)**

Description	Gross Block			Depreciation / Amortisation				Net Block	
	As at 1.04.2015	Deletion / Adjustments	As at 31.03.2016	As at 01.04.2015	For the year	Deletion / Adjustments	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Tangible Assets:-									
Computer System	36,500	-	36,500	22,447	12,228	-	34,675	1,825	14,053
Furniture & Fixtures	3,00,000	-	3,00,000	1,20,264	1,64,736	-	2,85,000	15,000	1,79,736
Office Equipment	85,475	-	85,475	47,193	34,008	-	81,201	4,274	38,282
	4,21,975	-	4,21,975	1,89,904	2,10,972	-	4,00,876	21,099	2,32,071
Previous year (Rs.)	23,41,109	-	4,21,975	14,72,497	1,87,501		1,89,904	2,32,071	

	As at March 31, 2016 Amt. in Rs.	As at March 31, 2015 Amt. in Rs.
2.5 NON- CURRENT INVESTMENTS:-		
Trade Investments		
In Equity Shares of Associate Companies - Unquoted, Fully Paid-up		
19,20,000 (Previous Year 19,20,000) Equity Shares of International Amusement Limited	5,76,00,000	5,76,00,000
2,00,000 (Previous Year 2,00,000) Equity Shares of Appu Ghar Securities & Solutions Private Limited	1,00,00,000	1,00,00,000
2,91,000 (Previous Year 2,91,000) Equity Shares of Appu Ghar Entertainment Private Limited	14,55,00,000	
Less: Diminution in Value of Investment (See Note 2.19)	<u>13,21,78,020</u>	14,55,00,000
12,15,505 (Previous Year 12,15,505) Equity Shares of Uninet Strategic Advisory Pvt. Ltd.	21,46,24,915	
Less: Diminution in Value of Investment (See Note 2.19)	<u>16,75,72,716</u>	21,46,24,915
	12,79,74,179	42,77,24,915
In Preference Shares - Unquoted, fully paid-up		
Nil (Previous Year 5,50,000) Preference Shares of Uninet Strategic Advisory Pvt Ltd.	-	5,50,00,000
	-	5,50,00,000
Investment in Capital of Partnership Firm		
Network Capital Partners	8,91,396	11,22,737
	8,91,396	11,22,737
Aggregate of Non-Current Investments	12,88,65,575	48,38,47,652
Total Amount of Unquoted Investment	12,88,65,575	48,38,47,652
2.6 INVENTORIES		
Inventories	1,36,28,786	4,05,43,086
	1,36,28,786	4,05,43,086
Inventories are carried at the lower of cost or net realisable value.		
2.7 Trade Receivable - Unsecured - Considered Good		
Debts outstanding for a period less than six months from the date they were due for payment	5,56,47,415	-
	<u>5,56,47,415</u>	-

	As at March 31, 2016 Amt. in Rs.	As at March 31, 2015 Amt. in Rs.
2.8 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Cash on Hand	23,171	53,939
In Fixed Deposit A/c with State Bank of Mysore	1,253	74,42,746
In Current Accounts	2,21,779	5,32,599
	2,46,203	80,29,284
Detail of balances on Current Account as on Balance Sheet date in the Schedule Banks:-		
HDFC Bank	17,259	18,945
Vijaya Bank	82,894	83,097
ICICI Bank	96,344	47,139
State Bank of Mysore	25,282	3,83,418
2.9 SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good	99,794	86,150
Balance with Govt. Authorities	99,794	86,150
2.10 REVENUE FROM OPERATIONS		
Sales	8,66,20,939	10,87,43,475
Interest	36,255	8,61,491
Dividend	4,28,253	3,01,623
	8,70,85,447	10,99,06,589
2.11 OTHER INCOME		
Interest Received on Income Tax Refund	-	59,720
	-	59,720
2.12 EMPLOYEE BENEFITS EXPENSES		
Establishment Expenses	4,63,273	2,71,692
Staff welfare	20,499	17,662
	4,83,772	2,89,354

	As at March 31, 2016 Amt. in Rs.	As at March 31, 2015 Amt. in Rs.
2.13 OPERATING AND OTHER EXPENSES		
Advertisement	47,232	50,624
Travelling & Conveyance	35,040	42,210
Audit Fees	1,14,500	70,000
Books & Periodicals	640	1,460
Business Promotion Expenses	18,758	11,200
AGM Expenses	1,46,468	2,22,915
Rent / Hire Charges	1,74,000	1,74,000
Printing and Stationery	2,487	14,894
Postage & Courier	1,940	2,309
Communication Expenses	23,927	34,088
Write-off Fixed Assets	-	4,49,040
Write-off TDS Recoverable	-	1,70,809
Fees & Subscription Charges	4,24,271	3,19,453
Professional and legal Charges	20,40,926	31,76,198
Repair and Maintenance	53,858	49,539
Electricity & Water Charges	15,563	17,300
Festival Expenses	24,763	10,318
Sitting Fees	1,35,000	35,000
Miscellaneous Expenses	48,925	42,696
Share in the Profit of Partnership Firm	2,31,341	45,793
	35,39,639	49,39,846

2.14 CONTINGENT LIABILITIES

	For the Year In Lacs	Previous Year in Lacs
a) Claims against the Company not acknowledged as debts in respect of:-		
Sales Tax	12.55	12.55
Income Tax	14.34	14.34
Others	23.08	23.08

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

Description	No. of Shares
Jaiprakash Power Ventures Limited	170,000
Jaiprakash Associates Limited	28,000

2.15 Basic and Diluted Earnings per Share pursuant to Accounting Standard-20:

(Rs. In Lacs)

PARTICULARS	For the Year	Previous Year
Loss for the year before exception item	30.59	17.27
Loss for the year after exceptional item	3,028.10	17.27
Weighted Average number of equity shares (nos.)	4,91,48,498	49,148,498
Nominal value of equity share (Rs.)	10	10
Earning per Share before exceptional item (basic & diluted)	(0.06)	(0.04)
Earning per Share after exceptional item (basic & diluted)	(6.16)	(0.04)

2.16 Amount paid / payable to Auditors:

PARTICULARS	Current Year	Previous Year
Audit Fees	1.00	0.70
In other capacity:		
- Tax Audit	0.23	0.15
- Certification work	0.70	0.30

2.17 RELATED PARTY TRANSACTIONS

As per the **Accounting Standard -18 “Related Party Disclosures”**, issued by the Institute of Chartered Accountants of India. The related parties of the Company as on 31.03.2016 are as follows:

a) Associates

Network Capital Partners

b) Key Management Personnel

Mr. Ashok Kumar : C.F.O

Mr. Vikas Jain : DGM - Corporate Affairs & Company Secretary

c) Companies controlled by key management personnel with whom transactions have taken Place during the year

Sadhna Dials Private Limited

(Rs. In Lacs)

Description	Associates		Directors	
	This Year	Previous Year	This Year	Previous year
Sitting Fee paid to all Directors	-	-	1.35	0.35
Professional / Advisory Charges	-	-	15.00	27.24
Loan Taken	-	305.00	-	-
Loan Repayment	315.00	-	-	-
Closing Balance (DR)	-	-	-	-
Closing Balance (CR)	10.00	325.00	-	-

2.18 Fixed Deposit with Bank Amount of Rs. 1,253/- is Pledged for Bank Guarantee for Sale Tax Authority.

2.19 Performance of long-term investments are being monitored by the Company and based on review undertaken of adjustments necessary to the carrying value of these investments, the company has recognised a diminution of Rs.2997.50 Lacs as on 31.03.2016.

The net worth of two investee companies has been eroded due to losses in operations and permanent diminution than temporary in the valuation of investee companies. Presently due to lack of improvement in operations in those investee companies there is uncertainty in the near future, of recouping the erosion in value of investments made by the Company. Based on review as mentioned above, the Company, during the quarter ended March 31, 2016 has recognised diminution, other than temporary of Rs. 1321.78 Lacs in the Company’s investment in Appu Ghar Entertainment Private Limited and Rs. 1675.72 Lacs in Uninet Strategic Advisory Limited and same have been shown as an exceptional item for the year ended 31st March 2016.

2.20 The Company has identified suppliers covered under the “Interest on delayed payment to small scale and Ancillary undertaking Ordinance, 1992 promulgated on 23rd September, 1992 and has ascertained the Liability in this regard as NIL.

2.21 SEGMENT REPORTING

During the year under reference, Company's revenue from operations includes sale of securities, premium earned, mark to market and interest on fixed deposit/others. There was no other business segment and therefore segment wise reporting as per AS – 17 issued by the Institute of Chartered Accountant of India is not relevant

2.22 DEFERRED TAX

The Company has substantial carried forward business losses and unabsorbed depreciation, therefore, it is unlikely to have taxable profits in near future, hence it is not considered necessary to create deferred tax assets in accordance with Accounting Standard-22 issued by the Institute of Chartered Accountants of India.

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

**For and on behalf of
S. KAPOOR & ASSOCIATES
Chartered Accountants
Firm Reg. No. 003528M**

**Sd/-
SANJAY KAPOOR
PROPRIETOR
M. No. 82499**

**Place : New Delhi
Date : 03.05.2016**

For and On behalf of the Board of Directors

**Sd/-
ASHOK SAWHNEY
Chairman** **Sd/-
AMAN SAWHNEY
Manager & Director**

**Sd/-
ASHOK KUMAR
C.F.O.** **Sd/-
VIKAS JAIN
Company Secretary**



NETWORK LIMITED

W-39, Okhla Industrial Area, Phase II, New Delhi – 110020

Ph. 011-26389611, E-mail: network.limited@gmail.com

Website: www.networklimited.net, CIN No L32209DL1989PLC034797

PROXY FORM

Name of the member(s): _____
Registered address: _____
E-mail ID: _____
Folio/DP ID-Client ID No.: _____

I/We being the member(s) of _____ shares of the above named Company hereby appoint:

(1) Name: _____ address: _____

E-mail ID _____ Signature: _____ or failing him;

(2) Name: _____ address: _____

E-mail ID _____ Signature: _____ or failing him;

(3) Name: _____ address: _____

E-mail ID _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Wednesday, 28th day of September, 2016 at 11.00 A.M. at MPCU Shah Auditorium, Shree GujratiSamaj Marg, Civil Lines, Delhi-110054 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To pass ordinary resolution for Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2016.
2. To pass ordinary resolution for Re-appointment of Mr. Pankaj Shrimali (DIN – 00013142) as a Director of the Company.
3. To pass ordinary resolution for Re-appointment of Mr. Aman Sawhney (DIN – 00323283) as a Director of the Company.
4. To pass ordinary resolution for Re - appointment of M/s. S. Kapoor & Associates & Co., Chartered Accountants as Auditors.
5. To pass special resolution for Approval of Reduction of Share Capital.

Signed this _____ day of _____ 2016

Signature of Shareholder _____

Signature of Proxy Holder (s) _____

<p>Affix One Rupee Revenue Stamp</p>
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Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions and Notes, please refer to the Notice of the 27th Annual General Meeting.